(December 2011) Department of the Treasury

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-2224

Internal Revenue Service Reporting Issuer Part I 2 Issuer's employer identification number (EIN) Issuer's name HIGHLAND ENERGY MLP FUND 45-6436434 3 Name of contact for additional information 4 Telephone No. of contact 5 Email address of contact HIGHLAND CAPITAL MANAGEMENT (972)628-4100 6 Number and street (or P.O. box if mail is not delivered to street address) of contact 7 City, town, or post office, state, and Zip code of contact 300 CRESCENT COURT, SUITE 700 DALLAS, TX 75201 8 Date of action 9 Classification and description 05/05/2016 NON-DIVIDEND DISTRIBUTIONS PAID IN CALENDAR YEAR 2016 10 CUSIP number 11 Serial number(s) 12 Ticker symbol 13 Account number(s) **SEE ATTACHMENT** SEE ATTACHMENT Organizational Action Attach additional statements if needed. See back of form for additional questions. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ THE HIGHLAND ENERGY MLP FUND PAID DISTRIBUTIONS TO ITS SHAREHOLDERS PER THE ATTACHED SCHEDULE THE PERCENTAGE OF THESE DISTRIBUTIONS WHICH REPRESENTS A NON-TAXABLE RETURN OF CAPITAL WILL NOT BE ACCURATELY KNOWN UNTIL A FUTURE DATE. UP TO 100% OF THE DISTRIBUTION PAYMENTS COULD REPRESENT A NON-TAXABLE RETURN OF CAPITAL (I.E., NON-DIVIDEND DISTRIBUTIONS) Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► THE TOTAL AMOUNT OF NON-TAXABLE RETURN OF CAPITAL ON THE ATTACHED SCHEDULE MAY REPRESENT A REDUCTION IN THE SHAREHOLDERS' TAX BASIS IN THEIR SHARES HELD. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► THE TAX BASIS OF THE SHAREHOLDERS' SHARES IS DECREASED BY THE PER SHARE AMOUNT OF NON-TAXABLE RETURN OF CAPITAL SHOWN ON THE ATTACHED SCHEDULE, MULTIPLIED BY THE NUMBER OF SHARES THE SHAREHOLDER OWNS.

Part II Organizational Action (continued)

17 Li:	st the	applicable Internal Revenue Code sect	tion(s) and subsection(s) upon whic	h the tax treatment is b	ased ▶ PURSUANT TO					
		(C)(1), THE PORTION OF A DISTRIB								
		OME. PURSUANT TO IRC SEC. 301(C)								
		D REDUCE THE ADJUSTED TAX BA								
40 C		vegulting loss be recognized?	LOCCIMILL DE DECOCNIZED AC		ON TAVABLE BETUBNIOE					
		resulting loss be recognized? ► NO			ON-TAXABLE RETURN OF					
CAPITA	L. A	LOSS MAY BE REALIZED UPON THE	E DISPOSITION OF THE SHARES							
		any other information necessary to important								
		RS ARE REQUIRED TO REFLECT TI								
A BROK	KER IS	S NOT REQUIRED TO PROVIDE COS	T BASIS TO A PARTICULAR SHA	REHOLDER, THE COS	ST BASIS OF THE					
					RETURN OF CAPITAL DESCRIBED					
<u>ABOVE</u>	. THE	FINAL AMOUNT OF TAXABLE DIVID	ENDS AND NON-TAXABLE RETU	JRN OF CAPITAL (I.E.,	NON-DIVIDEND DISTRIBUTIONS)					
WILL B	E REF	PORTED TO SHAREHOLDERS ON TH	IEIR 2016 FORM 1099-DIV.							
					ments, and to the best of my knowledge and					
	belief	, it is true, correct, and complete. Declaratio	n of preparer (other than officer) is base	d on all information of whic	h preparer has any knowledge.					
Sign										
Here	Signa	ature► A SIGNED COPY IS	UER Date ► C	05/17/2016						
				··· -						
	Print	your name ►		Title ►						
Daid		Print/Type preparer's name	Preparer's signature	Date	Check if PTIN					
Paid	ror				self-employed					
Prepa		Firm's name ▶	·	1	Firm's EIN ▶					
Use C	rilly	Firm's address ▶			Phone no.					
Send Fo	rm 89		accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054							

Highland Energy MLP Fund

Supplemental attachment to Form 8937

Part I, Box 10:

Class A Shares: 43090E357

Class C Shares: 43090E340

Class Y Shares: 43090E324

Part I, Box 12:

Class A Shares: HEFAX

Class C Shares: HEFCX

Class Y Shares: HEFYX

Part 2, Box 14, 15 & 16

Record Date	Ex Date	Payable Date	Per Sha	Per Share Distribution		Share Nontaxable Return of Car			Per Share Taxable Dividend		
			Class A	Class C	Class Y	Class A	Class C	Class Y	Class A	Class C	Class Y
5/5/2016	5/6/2016	5/6/2016	0.112778	0.107101	0.114843	TBD	TBD	TBD	TBD	TBD	TBD