

# Kayne Anderson Midstream/Energy Fund, Inc. (KMF) – (CUSIP: 48661E108)

## 2016 Form 1099-DIV Dividends & Distributions Information

- Kayne Anderson Midstream/Energy Fund, Inc. is a regulated investment company (“RIC”) and is designating the tax character of dividends and distributions as set forth below.
- Stockholders as of any of the record dates below should receive a 2016 Form 1099-DIV.
- Although stockholders as of December 30, 2015, received the distribution of \$0.45 per share during January 2016, the distribution, as a result of the fund’s RIC status, should not be included in the 2016 Form 1099-DIV and should have been included in the 2015 Form 1099-DIV.
- Although stockholders as of December 30, 2016, received the distribution of \$0.35 per share during January 2017, the distribution, as a result of the fund’s RIC status, should be included in the 2016 Form 1099-DIV.
- **Example 1:** Stockholder X owned one share during the entire calendar year of 2016 and received \$1.40 of distributions. Stockholder X should receive a 2016 Form 1099-DIV including \$1.40 of Total Ordinary Dividends (Box 1a), of which \$0.4711 will be treated as Qualified Dividends (Box 1b)).
- **Example 2:** Stockholder X purchased one share on December 27, 2016 (held the share as of the December 30 record date) and received \$0.35 in January 2017. Stockholder X should receive a 2016 Form 1099-DIV including \$0.35 of Total Ordinary Dividends (Box 1a), of which \$0.1177 will be treated as Qualified Dividends (Box 1b)).

Record Date	Ex-Dividend Date	Payable Date	Total Distribution Per Share	Year Included in Shareholders' Income			Box 1a Total Ordinary Dividends	Box 1b Total Qualified Dividends
				2015	2017	2016		
4/15/2016	4/13/2016	4/22/2016	\$ 0.3500			\$ 0.3500	\$ 0.3500	\$ 0.1178
7/8/2016	7/6/2016	7/15/2016	\$ 0.3500			\$ 0.3500	\$ 0.3500	\$ 0.1178
10/7/2016	10/5/2016	10/14/2016	\$ 0.3500			\$ 0.3500	\$ 0.3500	\$ 0.1178
12/30/2016	12/28/2016	1/13/2017	\$ 0.3500			\$ 0.3500	\$ 0.3500	\$ 0.1177
			\$ 1.4000			\$ 1.4000	\$ 1.4000	\$ 0.4711

Record Date	Box 2a Total Capital Gain Distr.	Box 2b Unrecap Sec. 1250 Gain	Box 2c Section 1202 Gain	Box 2d Collectibles (28%) Gain	Box 3 Nondividend Distributions	Box 6 Foreign Tax Paid	Box 8 Cash Liquidation Distr	Box 9 Noncash Liquidation Distr	Exempt Interest Dividends
4/15/2016									
7/8/2016									
10/7/2016									
12/30/2016									

- Total Ordinary Dividends (Box 1a) are either Qualified Dividends or non-Qualified Dividends. To the extent that Total Ordinary Dividends (Box 1a) exceeds Qualified Dividends (Box 1b), the difference will be taxed at the applicable ordinary income tax rate.
- In addition to other requirements which designate dividends as Qualified Dividends, a stockholder must meet the holding period requirements. Generally, a stockholder must hold the stock for more than 60 days during the 121-day period that begins 60 days before the ex-dividend date.

*This notice is not intended to constitute tax, legal, investment or other professional advice. This is general information and should not be relied upon without consulting your tax advisor.*