

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

## 2014 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 2014 Form 1099-DIV.
- Although stockholders as of December 30, 2013, received the distribution of \$0.4650 per share during January 2014, the distribution, as a result of the fund's RIC status, should not be included in the 2014 Form 1099-DIV and should have been included in the 2013 Form 1099-DIV.
- Although stockholders as of December 30, 2014, received the distribution of \$0.4950 per share during January 2015, the distribution, as a result of the fund's RIC status, should be included in the 2014 Form 1099-DIV.
- Example 1: Stockholder X owned one share during the entire calendar year of 2014. Stockholder X should receive a 2014 Form 1099-DIV including \$1.8213 of Total Ordinary Dividends (Box 1a), of which \$0.8759 will be treated as Qualified Dividends (Box 1b), and \$0.1137 of Total Capital Gain Distribution (Box 2a).
- Example 2: Stockholder X purchased one share on December 23, 2014 (held the share as of the December 30 record date) and received \$0.4950 in January 2015. Stockholder X should receive a 2014 Form 1099-DIV including \$0.4950 of Total Ordinary Dividends (Box 1a), of which \$0.2380 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	Box 1b
				2013	2015	2014	Total Ordinary Dividends	Total Qualified Dividends
4/17/2014	4/15/2014	4/25/2014	\$ 0.4725			\$ 0.4725	\$ 0.4725	\$ 0.2272
7/11/2014	7/9/2014	7/18/2014	\$ 0.4800			\$ 0.4800	\$ 0.4800	\$ 0.2309
10/17/2014	10/15/2014	10/24/2014	\$ 0.4875			\$ 0.4875	\$ 0.3738	\$ 0.1798
12/30/2014	12/26/2014	1/16/2015	\$ 0.4950			\$ 0.4950	\$ 0.4950	\$ 0.2380
			\$ 1.9350			\$ 1.9350	\$ 1.8213	\$ 0.8759

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
4/17/2014	\$ -								
7/11/2014	\$ -								
10/17/2014	\$ 0.1137								
12/30/2014	\$ -								
	\$ 0.1137								

- 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.*