

## **Kayne Anderson Energy Infrastructure Fund Announces Proposed Acquisition of Fiduciary/Claymore Energy Infrastructure Fund**

Houston, TX – September 15, 2021 – Kayne Anderson Energy Infrastructure Fund, Inc. (the “Company”) (NYSE: KYN) announced today that the Company has entered into a merger agreement with Fiduciary/Claymore Energy Infrastructure Fund (NYSE: FMO). Pursuant to this agreement, FMO will be acquired by KYN, with FMO’s shareholders being issued shares of KYN common stock in exchange for their shares of FMO common stock (as described below). The merger is expected to qualify as a tax-free reorganization for federal income tax purposes, and as a result, the transaction is not expected to be taxable to KYN’s stockholders or FMO’s shareholders.

This transaction has been unanimously approved by KYN’s Board of Directors and FMO’s Board of Trustees. Closing, which is expected in the first quarter of fiscal 2022, is subject to FMO shareholder approval, compliance with all regulatory requirements, and satisfaction of customary closing conditions.

As a result of the merger, the outstanding common stock of FMO will be exchanged for newly issued common stock of KYN. The exchange ratio will be based on the relative per share net asset values of FMO and KYN immediately prior to the transaction’s closing date. Based on each fund’s current per share net asset values, KYN expects to issue approximately 9.3 million shares of common stock to FMO’s shareholders.

Jim Baker, President, CEO, and Chairman of KYN said, “We are pleased to announce this transaction, which we believe is in the best interest of our stockholders. We believe the merger is a tax-efficient way for FMO’s stockholders to continue investing in the energy infrastructure sector through KYN’s large and diversified portfolio. As the largest closed-end fund focused on energy infrastructure investments, we believe KYN is a natural consolidator. Our investors should benefit from the potential cost savings that come with increased size and scale, enhanced trading liquidity, “best in class” access to the capital markets, and additional investment opportunities as we look to capitalize on the energy transition.”

“KYN’s investment focus – equity investments in North American energy infrastructure companies – and its investment objective – to provide a high after tax total return with an emphasis on making cash distributions to stockholders – remain unchanged. We continue to be optimistic about the outlook for energy infrastructure companies over the next few years. Further, we believe KYN’s portfolio is well-positioned to benefit from a continuation in the economic recovery as more progress is made containing the COVID-19 pandemic as well as capitalize on opportunities related to the transition away from traditional carbon-based fuels to a more sustainable mix of lower carbon and renewable energy sources,” continued Mr. Baker.

“KYN’s distribution policy, which considers net distributable income as well as realized and unrealized gains from KYN’s portfolio investments when determining KYN’s distribution, will remain in place after completion of this transaction. We recognize that distributions are a significant part of the value proposition that KYN provides to its investors, and one of management’s most important long-term goals is to provide the Company’s investors an attractive distribution”, concluded Mr. Baker.

KYN plans to file with the U.S. Securities and Exchange Commission (“SEC”) a registration statement/proxy statement on Form N-14 that will be provided to FMO shareholders as of the record date for the meeting. When available, the registration statement/proxy statement will describe in detail

the terms of the proposed merger and the proposals being submitted to shareholders, as applicable. When it becomes effective, FMO shareholders are encouraged to review the registration statement/proxy statement on the SEC website at [www.sec.gov](http://www.sec.gov).

The investment adviser to KYN is KA Fund Advisors, LLC. The investment adviser to FMO is Guggenheim Funds Investment Advisors, LLC.

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*Kayne Anderson Energy Infrastructure Fund, Inc. (NYSE: KYN) is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended, whose common stock is traded on the NYSE. The company's investment objective is to provide a high after-tax total return with an emphasis on making cash distributions to stockholders. KYN intends to achieve this objective by investing at least 80% of its total assets in securities of Energy Infrastructure Companies. See Glossary of Key Terms in the Company's most recent quarterly report for a description of these investment categories and the meaning of capitalized terms.*

*This press release is not intended to, and does not, constitute an offer to purchase or sell shares of KYN or FMO; nor is this press release intended to solicit a proxy from any shareholder of FMO. The solicitation of proxies to effect the merger will be made only by a final, effective registration statement/proxy statement on Form N-14, after it is declared effective by the SEC. This registration statement/proxy statement has yet to be filed with the SEC. After the registration statement/proxy statement is filed with the SEC, it may be amended or withdrawn and the registration statement/proxy statement will not be distributed to shareholders unless and until it is declared effective by the SEC. Nothing contained in this press release is intended to recommend any investment policy or investment strategy or take into account the specific objectives or circumstances of any investor. Please consult with your investment, tax, or legal adviser regarding your individual circumstances prior to investing.*

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