

Cushing MLP Total Return Fund
Form N-CSRS
August 08, 2014
Table of Contents

As filed with the Securities and Exchange Commission on August 8, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED

MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-22072

The Cushing MLP Total Return Fund

(Exact name of registrant as specified in charter)

8117 Preston Road, Suite 440, Dallas, TX 75225

(Address of principal executive offices) (Zip code)

Jerry V. Swank

8117 Preston Road, Suite 440, Dallas, TX 75225

(Name and address of agent for service)

214-692-6334

Registrant's telephone number, including area code

Date of fiscal year end: November 30

Date of reporting period: May 31, 2014

Table of Contents

Item 1. Reports to Stockholders.

1

Table of Contents

Semi-Annual Report

May 31, 2014

THE CUSHING[®] MLP TOTAL RETURN FUND

Investment Adviser

Cushing[®] Asset Management, LP

8117 Preston Road

Suite 440

Dallas, TX 75225

(214) 692-6334

(888) 777-2346

www.cushingcef.com

www.swankcapital.com

Table of Contents

Table of Contents

<u>Shareholder Letter</u>	1
<u>Allocation of Portfolio Assets</u>	6
<u>Key Financial Data</u>	7
<u>Schedule of Investments</u>	8
<u>Statement of Assets & Liabilities</u>	12
<u>Statement of Operations</u>	13
<u>Statements of Changes in Net Assets</u>	14
<u>Statement of Cash Flows</u>	15
<u>Financial Highlights</u>	16
<u>Notes to Financial Statements</u>	18
<u>Additional Information</u>	26
<u>Board Approval of Investment Management Agreement</u>	30

Table of Contents

The Cushing[®] MLP Total Return Fund

Shareholder Letter

The Cushing[®] MLP Total Return Fund

Dear Fellow Shareholder,

The Cushing[®] MLP Total Return Fund generated positive returns for shareholders for the six month period ended May 31, 2014. For the period, the Fund delivered a Net Asset Value Total Return (equal to the change in net asset value per share plus the reinvested cash distribution paid during the period) of 9.65%, versus a total return of 7.62% for the S&P 500 Index (Total Return). The Fund's Share Price Total Return (equal to the change in net share price per share plus the reinvested cash distribution paid during the period) was 16.41%, for the fiscal period ended May 31, 2014 and differs from the Net Asset Value Total Return due to fluctuations in the discount of share price to NAV. The Fund's shares traded at a 24.16% premium to NAV as of the end of the period.

The broader domestic equity market, as measured by the performance of the S&P 500 Index, as well as master limited partnerships (MLPs) specifically, performed well during the period. This followed the taper-tantrum which began in mid-2013 and negatively affected equities, particularly interest rate sensitive equity subsectors (such as REITs, utilities, and to a much lesser extent, MLPs). Contrary to many market pundits' beliefs, the U.S. 10-year Treasury yield declined from a high of approximately 3% in December 2013 to below 2.5% by the end of May 2014. Absent one-time weather-related impacts in the calendar first quarter of 2014, the economy continued to perform reasonably well, supporting equity performance.

Overall fundamentals for MLPs continued to be generally positive, and the current and planned infrastructure build-out remained robust and active. Recent key themes that impacted MLPs during the period included: 1) continuing supply takeaway announcements such as new long-haul Bakken crude pipelines, a significant ethane export terminal project, numerous natural gas pipeline project proposals related to Marcellus/Utica takeaway, government clarification on condensate eligible for export, and a change in the process for U.S. Department of Energy (DOE) approval of planned non-Free Trade Agreement (FTA) liquefied natural gas (LNG) export projects; 2) mergers and acquisition activity and strategic restructurings, including several drop-down transactions and proposals for MLP consolidation; 3) initial public offerings (IPOs) and the ongoing MLP-ification trend (assets moving into MLP structures), including an important announcement by an energy major to form an MLP; and 4) positive fund flows into MLP-focused investment products.

Industry Overview and Themes

We want to stress that while the midstream industry continues to evolve in a dramatic fashion, what remains the same is that shifting dynamics create both challenges and opportunities for individual MLPs (which we refer to as the haves and the have-nots).

Energy Infrastructure Development Continues at a Rapid Pace. North American hydrocarbon production has disrupted traditional energy flow patterns and overwhelmed end use demand in many regional markets. The energy sector has responded proactively with large-scale infrastructure projects by midstream operators underpinned by capacity commitments and sales agreements from the upstream and downstream segments. A key example of this coordinated effort is the rapid development of natural gas transportation projects in the Marcellus and Utica shale plays, with nearly every major regional pipeline undertaking expansions and reversals as exploration and production (E&P)

Table of Contents

companies rush to secure takeaway capacity. Significant open seasons have been announced by Kinder Morgan Energy Partners (NYSE: KMP), Williams Partners LP (NYSE: WPZ), Boardwalk Pipeline Partners LP (NYSE: BWP), Equitable Midstream Partners LP (NYSE: EQM), Spectra Energy Partners LP (NYSE: SEP), ETP and others.

The industry has also seen regulatory and project developments impacting the export landscape, which will provide a critical outlet valve for domestic production. Most notably, in late May 2014 the U.S. Department of Energy proposed a change to its authorization process for non-FTA LNG exports that would streamline approvals for projects that have completed a critical review by the U.S. Federal Energy Regulatory Commission. In April 2014, Enterprise Products Partners, LP (NYSE: EPD) announced the first large-scale U.S ethane export project which, according to EPD, is expected to add 240,000 barrels per day (bpd) of natural gas liquids (NGL) export capacity.

On the crude oil front, the U.S. Department of Commerce recently issued a Commodity Classification Decision (CCD) confirming that lease condensate which has gone through a stabilization process is eligible for export. While the initial impact is likely small, this development could potentially help alleviate light oil saturation on the Gulf Coast and provide incremental project and service opportunities for certain midstream operators. In the Bakken shale, the industry may be closer to a large scale crude pipeline with recent open season announcements by ETP and EPD.

M&A and Restructurings Help Fuel Momentum. Several MLPs and their general partners announced sizeable M&A transactions, drop-down acquisitions and corporate restructurings during the first half of the year. Notable transactions include the \$1.8 billion offer by ETP for Susser Petroleum Partners, LP (NYSE: SUSP). SUSP operates wholesale and retail fuel distribution businesses. Ultimately, we believe the benefit of this transaction and subsequent drop-downs will accrue to ETP's parent and general partner, Energy Transfer Equity, LP (NYSE: ETE).

In the biggest transaction of the year to date, Williams Companies, Inc. (NYSE: WMB) agreed to acquire the remaining 50% interest of Access Midstream Partners, LP's (NYSE: ACMP) general partner as well as a 27% limited partner interest in ACMP for \$6 billion. The complete details of the transaction are complex, but upon completion, it will result in WMB dropping its last remaining operating assets into Williams Partners, LP (NYSE: WPZ), thereby becoming a pure-play general partnership, as well as accomplishing a reverse merger of WPZ into ACMP. We believe this will ultimately result in WPZ being one of the largest diversified midstream MLPs in the space.

IPOs and the Continued MLP-ification of the Energy Sector. Although the year-to-date pace of new MLP IPOs in 2014 has been slower than recent history, the sector saw the largest initial public offering to-date (based on asset size) with Enable Midstream Partners, LP (NYSE: ENBL) raising approximately \$500 million in April 2014. Energy assets continue to gravitate to the MLP structure as operators seek to maximize shareholder value by carving out portions of their operations and housing them in the tax advantaged MLP structure. For example, in April 2014, Westlake Chemical Corp (NYSE: WLK) announced the planned offering for a proposed MLP, Westlake Chemical Partners, LP, consisting of ethylene production and pipeline assets, which would be the first of its kind. In addition, numerous energy companies have filed or discussed the potential for an MLP carve-out including Dominion Resources, Inc. (NYSE: D) and Hess Corporation (NYSE: HES). We will continue to monitor the IPO landscape for strategic opportunities.

Open-end Mutual Fund Flows Provide Further Tailwind. Similar to 2013, asset flows into MLP-focused products continue to provide a positive tailwind to the MLP asset class. According to U.S. Capital Advisors, the calendar year five months ending May 2014 saw record inflows of \$5.4 billion into U.S. MLP-focused open-end mutual funds, including an all-time record monthly inflow of

Table of Contents

\$1.4 billion in April. Additionally, asset flows into Exchange Traded Funds (ETFs) and Exchange Traded Notes (ETNs) also continue to be healthy, raising approximately \$1.9 billion on a cumulative basis for the five months ending May 2014.¹ We continue to closely monitor these inflows as we believe this has been a significant contributor to strong performance in the MLP space.

This supply of new capital was matched reasonably well by the demand for capital from MLPs. According to a recent report by Wells Fargo², MLPs raised \$8.5 billion in equity and \$20.3 billion in debt year to date through May 2014. MLPs are increasingly using at-the-market (ATM) equity distribution programs, which allows companies to efficiently issue equity into the secondary market on an as/when needed basis, minimizing market disruption and partially satisfying capital funding needs. According to the Wells Fargo report, approximately \$942 million was raised through ATM programs calendar year-to-date. In short, the capital markets remained healthy and wide open for the asset class.

Fund Performance and Strategy

A number of key issues affected the Fund's performance during the reporting period. In particular, the Fund benefited from overweight positions and favorable stock selection in the Natural Gas Gatherers and Processors, Crude Oil and Refined Products and General Partnerships (GP) subsectors. Stock selection in the Shipping and Variable Distribution subsectors also benefited the Fund's performance.

The stocks that made the strongest positive contributions to the Fund's performance during the period were from Capital Product Partners, LP (NASDAQ: CPLP), NGL Energy Partners, LP (NYSE: NGL) and Emerge Energy Services, LP (NYSE: EMES). CPLP benefitted from strong seaborne shipping fundamentals and rates which provided a tailwind for the company. NGL, a high growth propane MLP with additional crude oil transportation, storage and waste water disposal businesses, continued to produce solid quarterly results while making several strategic acquisitions. EMES owns, operates and produces frac sand from frac sand mines that is used as a proppant to enhance the recovery of hydrocarbons from oil and natural gas wells. It is a variable distribution MLP benefitting from the increase in horizontal and directional drilling. Each of these positions remained in the Fund's portfolio at the end of the reporting period.

The Fund was negatively impacted by exposure to MLP distribution reductions from Boardwalk Pipeline Partners, LP (NYSE: BWP), Eagle Rock Energy Partners, LP (NASDAQ: EROC) and Natural Resource Partners, LP (NYSE: NRP).

BWP reduced its distribution by a shocking 81%. The company succumbed to the effects of surging natural gas production in the northeast (Marcellus and Utica), which drove down volumes and rates on its Texas Gas system. BWP's share price fell by 46% on the day of announcement (2/10/14), and serves as a reminder that not all fee-based cash flows are created equal.

EROC suspended its distribution on April 24, 2014 due to high debt levels, poor operating results in both its midstream and upstream business segments and the delayed sale of their midstream operations.

NRP reduced its distribution by 36% in early January 2014 due to continued uncertainty in the coal markets. Technically the company was not in a dire financial position and did not need to cut the distribution, but management desired more financial flexibility to pursue an acquisition strategy to diversify away from coal.

¹ USCA MLP Fund Flows May 14. U.S. Capital Advisors, LLC. June 5, 2014.

² Source: MLP Monthly: May 2014. Wells Fargo Securities Equity Research. June 5, 2014.

Table of Contents

Overall, we seek to strike an appropriate balance of investing a majority of the Fund's assets in stable, higher yielding MLPs with a smaller percentage in lower yielding, high growth MLPs. Additionally, we generally seek to avoid outsized positions in any single name and prefer equities with good trading liquidity.

As of May 31, 2014, the Fund's assets remained overweight in the Exploration and Production (E&P) MLP subsector, as these entities continued to display higher yields relative to other MLP subsectors. The E&P MLP subsector has historically exhibited greater unit price volatility than other MLP subsectors given production and commodity price exposure but remains an attractive investment for the Fund due to the subsector's higher than average yield potential. Additionally, the Fund had exposure to several large capitalization, diversified MLPs. These MLPs typically have businesses in several midstream subsectors providing diversification and expansive asset foot prints offering a variety of growth avenues. Also, their size and trading liquidity may help provide stability when markets become volatile. Conversely, the Fund remained underweight in the Coal MLP subsector due to concerns of deteriorating fundamentals.

The Fund's investment strategy focuses on holding core positions in higher yielding MLPs with stable business models and long-term growth prospects. We also work diligently to optimize the use of leverage for additional income and total return potential. This involves leveraging investments in MLPs and energy debt instruments when the probabilities of positive total return are deemed to be skewed favorably. As the prices of the Fund's investments increase or decline, there is a risk that the impact to the Fund's NAV and total return will be negatively impacted by leverage, but this strategy is designed to have a positive impact over the longer term.

Closing

We remain convinced that the U.S. MLP midstream sector is in the early stages of a structural expansion cycle at the center of the U.S. Energy Renaissance, providing the critical link between the rapidly shifting patterns of hydrocarbon production and consumption. We recently traveled to the Texas Gulf Coast, including Freeport and Sweeny, to witness the expansion first hand, and found that the overall activity levels surpassed even our own expectations. We continue to seek to position the Fund to capitalize on the key midstream MLP themes enabling or benefitting from the Renaissance through careful stock selection. We believe there are favorable investment opportunities for the Fund over the balance of the year and that the MLP space will benefit from continued distribution growth, M&A and drop-down transactions and sustained institutional fund flows.

We at Swank Capital, LLC and Cushing® Asset Management, LP truly appreciate your support, and we look forward to continuing to help you achieve your investment goals.

Sincerely,

Jerry V. Swank

Daniel L. Spears

Chairman and Chief Executive Officer

President

The information in this report is not a complete analysis of every aspect of any market, sector, industry, security or the Fund itself. Statements of fact are from sources considered reliable, but the Fund makes no representation or warranty as to their completeness or accuracy. Discussions of specific investments are for illustration only and are not intended as recommendations of individual investments. Please refer to the Schedule of Investments for a complete list of Fund holdings.

Table of Contents

Past performance does not guarantee future results. Investment return, net asset value and common share market price will fluctuate so that you may have a gain or loss when you sell shares. Since the Fund is a closed-end management investment company, shares of the Fund may trade at a discount or premium from net asset value. This characteristic is separate and distinct from the risk that net asset value could decrease as a result of investment activities and may be a greater risk to investors expecting to sell their shares after a short time. The Fund cannot predict whether shares will trade at, above or below net asset value. The Fund should not be viewed as a vehicle for trading purposes. It is designed primarily for risk-tolerant long-term investors.

An investment in the Fund involves risks. The Fund is nondiversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. The Fund will invest in Master Limited Partnerships (MLPs), which concentrate investments in the natural resource sector and are subject to the risks of energy prices and demand and the volatility of commodity investments. Damage to facilities and infrastructure of MLPs may significantly affect the value of an investment and may incur environmental costs and liabilities due to the nature of their business. MLPs are subject to significant regulation and may be adversely affected by changes in the regulatory environment. Investments in smaller companies involve additional risks such as limited liquidity and greater volatility. Investments in foreign securities involve political, economic and currency risks, greater volatility and differences in accounting methods. MLPs are subject to certain risks inherent in the structure of MLPs, including complex tax structure risks, the limited ability for election or removal of management, limited voting rights, potential dependence on parent companies or sponsors for revenues to satisfy obligations, and potential conflicts of interest between partners, members and affiliates. There is a risk to the future viability of the ongoing operation of MLPs that return investor's capital in the form of distributions.

The Fund is organized as a C corporation and is subject to U.S. federal income tax on its taxable income at the corporate tax rate (currently as high as 35%) as well as state and local income taxes. The potential tax benefits of investing in MLPs depend on them being treated as partnerships for federal income tax purposes. If the MLP is deemed to be a corporation then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the Fund which could result in a reduction of the Fund's value.

The Fund accrues deferred income taxes for future tax liabilities associated with the portion of MLP distributions considered to be a tax-deferred return of capital and for any net operating gains as well as capital appreciation of its investments. This deferred tax liability is reflected in the daily NAV and as a result the Fund's after-tax performance could differ significantly from the underlying assets even if the pre-tax performance is closely tracked.

Fund holdings and sector allocations are subject to change at any time and are not recommendations to buy or sell any security. Please refer to the Schedule of Investments for a complete list of Fund holdings.

The S&P 500 Index is an unmanaged index of common stocks that is frequently used as a general measure of stock market performance. The index does not include fees or expenses. It is not possible to invest directly in an index.

Table of Contents

The Cushing® MLP Total Return Fund

Allocation of Portfolio Assets⁽¹⁾ (Unaudited)

May 31, 2014

(Expressed as a Percentage of Total Investments)

- (1) Fund holdings and sector allocations are subject to change and there is no assurance that the Fund will continue to hold any particular security.
- (2) Master Limited Partnerships and Related Companies
- (3) Common Stock
- (4) Royalty Trusts
- (5) Preferred Stock
- (6) Senior Notes

Table of ContentsThe Cushing[®] MLP Total Return Fund**Key Financial Data (Supplemental Unaudited Information)**

The Information presented below regarding Distributable Cash Flow is supplemental non-GAAP financial information, which we believe is meaningful to understanding our operating performance. Supplemental non-GAAP measures should be read in conjunction with our full financial statements.

	Period from December 1, 2013 through May 31, 2014	Fiscal Year Ended 11/30/13	Fiscal Year Ended 11/30/12	Fiscal Year Ended 11/30/11	Fiscal Year Ended 11/30/10	Fiscal Year Ended 11/30/09
FINANCIAL DATA						
Total income from investments						
Distributions received from MLPs	\$ 10,959,875	\$ 25,152,972	\$ 23,871,383	\$ 26,479,761	\$ 16,566,758	\$ 8,889,886
Dividends from common stock	\$ 2,115,031	\$ 2,653,615	\$ 1,413,122	\$ 5,976,120	\$ 4,483,307	1,779,867
Interest	\$ 251,535	\$ 669,582	\$ 659,085	\$ 1,128,473	\$ 1,320,531	515,706
Other	\$ 17	\$ 798,964	\$ 5,061	\$ 18,038	\$ 0	2,740
Total income from investments	\$ 13,326,458	\$ 29,275,133	\$ 25,948,651	\$ 33,602,392	\$ 22,370,596	\$ 11,188,199
Advisory fee and operating expenses						
Advisory fees, less reimbursement by Advisor	\$ 2,079,133	\$ 3,862,641	\$ 4,723,818	\$ 4,822,578	\$ 2,467,110	\$ 557,839
Operating expenses ^(a)	425,786	686,943	3,312,486	2,671,727	948,767	1,072,460
Interest and dividends	442,726	552,890	1,698,813	1,094,343	465,469	184,545
Other	15,506	8,116	0	157,090	257,274	92,421
Total advisory fees and operating expenses	\$ 2,963,151	\$ 5,110,590	\$ 9,735,117	\$ 8,745,738	\$ 4,138,620	\$ 1,907,265
Distributable Cash Flow (DCF) ^(b)	\$ 10,363,307	\$ 24,164,543	\$ 16,213,534	\$ 24,856,654	\$ 18,231,976	\$ 9,280,934
Distributions paid on common stock	\$ 15,073,852	\$ 30,006,331	\$ 29,822,349	\$ 20,674,008	\$ 18,332,242	\$ 9,505,720
Distributions paid on common stock per share	\$ 0.45	\$ 0.90	\$ 0.90	\$ 0.68	\$ 0.90	\$ 1.01
Distribution Coverage Ratio						
Before advisory fee and operating expenses	0.9 x	1.0 x	0.9 x	1.6 x	1.2 x	1.2 x
After advisory fee and operating expenses	0.7 x	0.8 x	0.5 x	1.2 x	1.0 x	1.0 x
OTHER FUND DATA (end of period)						
Total Assets, end of period	383,370,197	329,717,559	257,548,780	370,416,553	293,125,989	98,339,592
Unrealized appreciation (depreciation), net of income taxes	29,225,199	17,896,838	979,250	9,253,059	67,183,214	20,880,742
Short-term borrowings	106,250,000	72,950,000	36,300,000	72,800,000	69,800,000	29,900,000
Short-term borrowings as a percent of total assets	28%	22%	14%	20%	24%	30%
Net Assets, end of period	240,236,751	233,619,616	220,020,922	255,747,023	208,002,375	64,511,402
Net Asset Value per common share	\$ 7.16	\$ 6.98	\$ 6.62	\$ 7.74	\$ 8.03	\$ 5.74
Market Value per share	\$ 8.89	\$ 8.09	\$ 7.68	\$ 9.43	\$ 9.42	\$ 7.37
Market Capitalization	\$ 298,313,107	\$ 270,839,382	\$ 255,417,600	\$ 311,708,103	\$ 244,113,742	\$ 82,894,797
Shares Outstanding	33,556,030	33,478,292	33,257,500	33,054,942	25,914,410	11,247,598

^(a) Excludes expenses related to capital raising

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

^(b) Net Investment Income, before Income Taxes on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow: increased by the return of capital on MLP distributions and offering expenses.

Table of ContentsThe Cushing[®] MLP Total Return Fund

Schedule of Investments (Unaudited)

May 31, 2014

	Shares	Fair Value
COMMON STOCK 6.6%		
Large Cap Diversified 6.6%		
Bermuda 3.2%		
Seadrill Limited ⁽²⁾	200,000	\$ 7,600,000
United Kingdom 1.5%		
Enesco plc	68,700	3,617,742
United States 1.9%		
Targa Resources Corp. ⁽²⁾	40,300	4,632,888
Total Common Stock (Cost \$13,278,820)		\$ 15,850,630
MASTER LIMITED PARTNERSHIPS AND		
RELATED COMPANIES 122.2%		
Coal 3.3%		
United States 3.3%		
Natural Resource Partners, L.P. ⁽²⁾	568,000	\$ 8,048,560
Crude Oil & Refined Products 8.9%		
United States 8.9%		
Blueknight Energy Partners, L.P.	216,778	2,005,196
Buckeye Partners, L.P. ⁽²⁾	61,400	4,817,444
Lehigh Gas Partners, L.P.	151,300	4,085,100
NuStar Energy, L.P. ⁽²⁾	143,700	8,337,474
Sprague Resources, L.P. ⁽²⁾	85,000	2,102,050
		21,347,264
General Partnerships 3.4%		
United States 3.4%		
Energy Transfer Equity, L.P. ⁽²⁾	69,950	3,564,652
NuStar GP Holdings, LLC ⁽²⁾	135,250	4,733,750
		8,298,402
Large Cap Diversified 17.6%		
United States 17.6%		
Enbridge Energy Management LLC ⁽²⁾⁽³⁾⁽⁴⁾	171,352	5,111,438
Enbridge Energy Partners, L.P. ⁽²⁾	223,700	6,934,700
Energy Transfer Partners, L.P. ⁽²⁾	178,188	10,035,548
Kinder Morgan Management, LLC ⁽²⁾⁽³⁾⁽⁴⁾	131,209	9,456,225
Williams Partners, L.P. ⁽²⁾	200,250	10,635,277
		42,173,188

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

Natural Gas Gatherers & Processors 19.3%		
United States 19.3%		
Atlas Pipeline Partners, L.P. ⁽²⁾	385,240	12,558,824
Crestwood Midstream Partners, L.P. ⁽²⁾	312,640	6,815,552
DCP Midstream Partners, L.P. ⁽²⁾	64,900	3,485,779
Enlink Midstream Partners, L.P. ⁽²⁾	132,950	4,050,986
MarkWest Energy Partners, L.P. ⁽²⁾	51,300	3,178,035
Regency Energy Partners, L.P. ⁽²⁾	378,526	10,523,023
Southcross Energy Partners, L.P. ⁽²⁾	320,000	5,718,400
		46,330,599
Natural Gas Transportation & Storage 7.4%		
United States 7.4%		
El Paso Pipeline Partners, L.P. ⁽²⁾	327,250	11,205,040
TC Pipelines, L.P. ⁽²⁾	126,000	6,552,000
		17,757,040
Other 7.1%		
Republic of the Marshall Islands 2.0%		
Seadrill Partners, LLC ⁽²⁾	146,950	4,825,838

See Accompanying Notes to the Financial Statements.

Table of ContentsThe Cushing[®] MLP Total Return Fund

Schedule of Investments (Unaudited)

May 31, 2014 (Continued)

**MASTER LIMITED PARTNERSHIPS AND
RELATED COMPANIES (Continued)**

	Shares	Fair Value
United States 5.1%		
Exterran Partners, L.P. ⁽²⁾	228,514	\$ 6,391,537
Martin Midstream Partners, L.P.	85,393	3,470,371
OCI Partners, L.P. ⁽²⁾	115,948	2,281,857
		16,969,603
Propane 6.5%		
United States 6.5%		
Amerigas Partners, L.P. ⁽²⁾	83,250	3,944,385
Ferrellgas Partners, L.P. ⁽²⁾	133,000	3,692,080
NGL Energy Partners, L.P. ⁽²⁾	106,900	4,276,000
Suburban Propane Partners, L.P. ⁽²⁾	78,000	3,620,760
		15,533,225
Shipping 13.9%		
Republic of the Marshall Islands 13.9%		
Capital Product Partners, L.P. ⁽²⁾	1,538,111	16,488,550
Navios Maritime Partners, L.P. ⁽²⁾	920,950	16,991,527
		33,480,077
Upstream 31.9%		
United States 31.9%		
Atlas Resource Partners, L.P. ⁽²⁾	588,040	11,649,072
Breitburn Energy Partners, L.P. ⁽²⁾	508,650	10,905,456
EV Energy Partners, L.P. ⁽²⁾	314,900	11,629,257
Legacy Reserves, L.P. ⁽²⁾	428,427	12,595,754
LinnCo, LLC ⁽²⁾	352,108	9,795,645
Memorial Production Partners, L.P. ⁽²⁾	435,875	9,750,524
QR Energy, L.P. ⁽²⁾	575,800	10,318,336
		76,644,044
Variable Distribution 2.9%		
United States 2.9%		
CVR Refining, L.P. ⁽²⁾	130,000	3,480,100
Emerge Energy Services, L.P.	37,000	3,517,960
		6,998,060
Total Master Limited Partnerships and Related Companies (Cost \$268,630,571)		\$ 293,580,062

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

ROYALTY TRUSTS 1.3%

Natural Gas Gatherers & Processors 1.3%

United States 1.3%

SandRidge Permian Trust ⁽²⁾	260,000	\$ 3,166,800
--	---------	--------------

Total Royalty Trusts (Cost \$3,558,042)		\$ 3,166,800
---	--	--------------

PREFERRED STOCK 3.1%

Crude Oil & Refined Products 3.1%

United States 3.1%

Blueknight Energy Partners, L.P.	757,519	\$ 7,347,934
----------------------------------	---------	--------------

Total Preferred Stock (Cost \$5,303,660)		\$ 7,347,934
--	--	--------------

FIXED INCOME 3.3%

Exploration & Production 2.0%

United States 2.0%

		Principal Amount
Midcontinent Express Pipeline LLC, 6.700%, due 09/15/2019	2,500,000	\$ 2,727,253
Oasis Petroleum, Inc., 6.875%, due 03/15/2022 ⁽²⁾⁽⁵⁾	500,000	546,250
Rosetta Resources, Inc., 5.625%, due 05/01/2021 ⁽²⁾	1,000,000	1,032,500
Sanchez Energy Corp., 7.750%, due 06/15/2021 ⁽²⁾⁽⁵⁾	500,000	537,500

4,843,503

See Accompanying Notes to the Financial Statements.

Table of ContentsThe Cushing[®] MLP Total Return Fund

Schedule of Investments (Unaudited)

May 31, 2014 (Continued)

	Principal Amount	Fair Value
FIXED INCOME (Continued)		
Refining & Marketing 1.3%		
United States 1.3%		
Western Refining, Inc., 6.250%, due 04/01/2021 ⁽²⁾	3,000,000	\$ 3,135,000
Total Fixed Income (Cost \$7,641,948)		\$ 7,978,503
SHORT-TERM INVESTMENTS		
INVESTMENT COMPANIES 0.1%		
United States 0.1%	Shares	
AIM Short-Term Treasury Portfolio Fund Institutional Class, 0.01%	53,397	\$ 53,397
Fidelity Government Portfolio Fund Institutional Class, 0.01%	53,397	53,397
Fidelity Money Market Portfolio Institutional Class, 0.05%	53,398	53,398
First American Government Obligations Fund Class Z, 0.01%	53,398	53,398
Invesco STIC Prime Portfolio, 0.01% ⁽⁶⁾	53,398	53,398
Total Short-Term Investments (Cost \$266,988)		\$ 266,988
OPTIONS 0.6%		
United States 0.6%	Contracts	
Boardwalk Pipeline Partners, L.P., Call Option Expiration: September 2014, Exercise Price: \$15.00	3,500	\$ 980,000
Boardwalk Pipeline Partners, L.P., Call Option Expiration: September 2014, Exercise Price: \$17.50	2,500	337,500
LinnCo LLC, Put Option Expiration: June 2014, Exercise Price: \$25.00	1,000	11,000
Total Options (Cost \$380,493)		\$ 1,328,500
TOTAL INVESTMENTS 137.2% (Cost \$299,060,522)		\$ 329,519,417
Liabilities in Excess of Other Assets (37.2%)		(89,282,666)
NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS 100.0%		\$ 240,236,751
SCHEDULE OF SECURITIES SOLD SHORT (7.0%)		
Exchange Traded Funds (7.0%)	Shares	
United States (7.0%)		
Market Vectors ETF Trust Oil Services	(90,650)	\$ (4,815,328)
Energy Select Sector SPDR	(126,150)	(12,019,572)
TOTAL SECURITIES SOLD SHORT (PROCEEDS \$15,641,397)		\$ (16,834,900)
SCHEDULE OF WRITTEN OPTIONS (0.2%)		
United States (0.2%)	Contracts	
	(200)	\$ (9,000)

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

Buckeye Partners, L.P., Call Option Expiration: June 2014, Exercise Price: \$80.00		
Crestwood Midstream Partners, L.P., Call Option Expiration: June 2014, Exercise Price: \$22.50	(1,500)	(22,500)
DCP Midstream Partners, L.P., Call Option Expiration: June 2014, Exercise Price: \$55.00	(600)	(15,000)
Emerge Energy Services, L.P., Call Option Expiration: June 2014, Exercise Price: \$90.00	(370)	(225,700)
Energy Transfer Partners, L.P., Call Option Expiration: June 2014, Exercise Price: \$57.50	(700)	(14,000)
Exterran Partners, L.P., Call Option Expiration: June 2014, Exercise Price: \$30.00	(900)	(9,000)
LinnCo LLC, Call Option Expiration: June 2014, Exercise Price: \$29.00	(1,200)	(12,000)
LinnCo LLC, Call Option Expiration: July 2014, Exercise Price: \$29.00	(800)	(9,600)
MarkWest Energy Partners, L.P., Call Option Expiration: June 2014, Exercise Price: \$67.50	(200)	(2,600)

See Accompanying Notes to the Financial Statements.

Table of ContentsThe Cushing[®] MLP Total Return Fund

Schedule of Investments (Unaudited)

May 31, 2014 (Continued)

SCHEDULE OF WRITTEN OPTIONS (Continued)	Contracts	Fair Value
United States (Continued)		
NuStar Energy, L.P., Call Option Expiration: June 2014, Exercise Price: \$60.00	(600)	\$ (12,000)
Targa Resources Corp., Call Option Expiration: June 2014, Exercise Price: \$115.00	(200)	(36,000)
Williams Partners, L.P., Call Option Expiration: June 2014, Exercise Price: \$55.00	(800)	(8,000)
Total Written Options (Proceeds \$335,207)		\$ (375,400)

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) All or a portion of these securities are held as collateral pursuant to the loan agreements.

(3) No distribution or dividend was made during the period ended May 31, 2014. As such, it is classified as a non-income producing security as of May 31, 2014.

(4) Security distributions are paid-in-kind.

(5) Restricted security under Rule 144A under the Securities Act of 1933, as amended.

(6) Rate reported is the current yield as of May 31, 2014.

See Accompanying Notes to the Financial Statements.

Table of Contents

The Cushing® MLP Total Return Fund

Statement of Assets & Liabilities (Unaudited)

May 31, 2014

Assets	
Investments, at fair value (cost \$299,060,522)	\$ 329,519,417
Cash	31,351,011
Receivable for investments sold	20,027,141
Prepaid tax expense	2,133,430
Distributions and dividends receivable	215,717
Interest receivable	96,630
Prepaid expenses and other assets	26,851
Total assets	383,370,197
Liabilities	
Securities sold short, at fair value (proceeds \$15,641,397)	16,834,900
Written options, at fair value (proceeds \$335,207)	375,400
Short-term borrowings	106,250,000
Payable for investments purchased	19,121,623
Payable to Adviser	404,021
Accrued expenses and other liabilities	147,502
Total liabilities	143,133,446
Net assets applicable to common stockholders	\$ 240,236,751
Net Assets Applicable to Common Stockholders Consisting of Capital stock, \$0.001 par value; 33,556,030 shares issued and outstanding (unlimited shares authorized)	
	\$ 33,556
Additional paid-in capital	278,899,843
Overdistribution of net investment loss, net of income taxes	(55,567,981)
Accumulated realized loss, net of income taxes	(12,353,866)
Net unrealized appreciation on investments, net of income taxes	29,225,199
Net assets applicable to common stockholders	\$ 240,236,751
Net Asset Value per common share outstanding (net assets applicable to common shares divided by common shares outstanding)	\$ 7.16

See Accompanying Notes to the Financial Statements.

Table of ContentsThe Cushing[®] MLP Total Return Fund**Statement of Operations (Unaudited)**

Period from December 1, 2013 through May 31, 2014

Investment Income	
Distributions received from master limited partnerships	\$ 10,959,875
Less: return of capital on distributions	(10,551,450)
Distribution income from master limited partnerships	408,425
Dividends from common stock	2,115,031
Interest income	251,535
Other income	17
Total Investment Income	2,775,008
Expenses	
Advisory fees	2,079,133
Administrator fees	110,259
Professional fees	63,811
Insurance expense	57,036
Franchise tax expense	47,674
Reports to stockholders	40,078
Fund accounting fees	32,690
Trustees fees	24,978
Custodian fees and expenses	20,432
Registration fees	17,908
Other expenses	15,506
Transfer agent fees	10,920
Total Expenses before Interest and Dividend Expense	2,520,425
Interest expense	359,960
Dividend expense	82,766
Total Expenses	2,963,151
Net Investment Loss, before income taxes	(188,143)
Current tax expense	(1,169,247)
Net Investment Loss	(1,357,390)
Realized and Unrealized Gain (Loss) on Investments	
Net realized gain on investments	11,920,705
Net realized loss on securities sold short	(192,871)
Net realized loss on options	(606,278)

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

Net realized gain on investments	11,121,556
Net change in unrealized appreciation of investments	11,368,554
Net change in unrealized depreciation of written call options	(40,193)
Net change in unrealized appreciation of investments	11,328,361
Net Realized and Unrealized Gain on Investments	22,449,917
Increase in Net Assets Applicable to Common Stockholders Resulting from Operations	\$ 21,092,527

See Accompanying Notes to the Financial Statements.

Table of Contents

The Cushing® MLP Total Return Fund

Statements of Changes in Net Assets

	Period From December 1, 2013 through May 31, 2014 (Unaudited)	Fiscal Year Ended November 30, 2013
Operations		
Net investment loss	\$ (1,357,390)	\$ (5,861,332)
Net realized gain on investments	11,121,556	30,928,388
Net change in unrealized appreciation of investments and options	11,328,361	16,917,588
Net increase in net assets applicable to common stockholders resulting from operations	21,092,527	41,984,644
Dividends and Distributions to Common Stockholders		
Net investment income	(11,305,389)	(26,405,571)
Return of capital	(3,768,463)	(3,600,760)
Total dividends and distributions to common stockholders	(15,073,852)	(30,006,331)
Capital Share Transactions		
Issuance of 77,738 and 220,792 common shares from reinvestment of distributions to stockholders, respectively	598,460	1,620,381
Net increase in net assets applicable to common stockholders from capital share transactions	598,460	1,620,381
Total increase in net assets applicable to common stockholders	6,617,135	13,598,694
Net Assets		
Beginning of period	233,619,616	220,020,922
End of period	\$ 240,236,751	\$ 233,619,616
Overdistribution of net investment loss at the end of the period	\$ (55,567,981)	\$ (42,905,202)

See Accompanying Notes to the Financial Statements.

Table of Contents

The Cushing® MLP Total Return Fund

Statement of Cash Flows (Unaudited)

Period from December 1, 2013 through May 31, 2014

Operating Activities	
Increase in Net Assets Applicable to Common Stockholders Resulting from Operations	\$ 21,092,527
Adjustments to reconcile increase in the net assets applicable to common stockholders to net cash used by operating activities	
Net change in unrealized appreciation of investments	(11,328,361)
Purchases of investments	(238,326,560)
Proceeds from sales of investments	210,201,367
Proceeds from investments sold short	37,960,446
Purchases to cover investments sold short	(36,722,603)
Proceeds from option transactions, net	20,267,973
Return of capital on distributions	10,551,450
Net realized gains on sales of investments	(11,121,556)
Net sales of short-term investments	(132,883)
Net accretion/amortization of senior notes premiums/discounts	(18,313)
Changes in operating assets and liabilities	
Receivable for investments sold	(20,027,141)
Prepaid tax expense	(2,133,430)
Interest receivable	(37,231)
Distributions and dividends receivable	(221,946)
Prepaid and other assets	31,753
Payable to Adviser	88,463
Payable to Trustees	(9,000)
Payable for investments purchased	10,566,432
Dividend withholding tax payable	6,229
Accrued interest expense	(314)
Accrued expenses and other liabilities	(15,754)
Net cash used by operating activities	(9,287,581)
Financing Activities	
Proceeds from borrowing facility	145,600,000
Repayment of borrowing facility	(112,300,000)
Dividends provided to common stockholders	(14,475,392)
Net cash provided by financing activities	18,824,608
Increase in Cash and Cash Equivalents	9,537,027
Cash and Cash Equivalents:	
Beginning of period	21,813,984
End of period	\$ 31,351,011
Supplemental Disclosure of Cash Flow and Non-cash Information	
Interest Paid	\$ 554,276

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

Taxes Paid	\$ 6,440,180
Additional paid-in capital from Dividend Reinvestment	\$ 598,460

See Accompanying Notes to the Financial Statements.

Table of Contents

The Cushing® MLP Total Return Fund

Financial Highlights

	Period From December 1, 2013 through May 31, 2014 (Unaudited)	Fiscal Year Ended November 30, 2013	Fiscal Year Ended November 30, 2012	Fiscal Year Ended November 30, 2011	Fiscal Year Ended November 30, 2010	Fiscal Year Ended November 30, 2009
Per Common Share Data⁽¹⁾						
Net Asset Value, beginning of period	\$ 6.98	\$ 6.62	\$ 7.74	\$ 8.03	\$ 5.74	\$ 3.98
Public offering price						
Offering costs on issuance of common shares					(0.05)	(0.01)
Income from Investment Operations:						
Net investment income (loss)	(0.04)	(0.96)	(0.34)	0.68	1.07	1.09
Net realized and unrealized gain (loss) on investments	0.67	2.22	0.12	(0.29)	2.17	1.69
Total increase (decrease) from investment operations	0.63	1.26	(0.22)	0.39	3.24	2.78
Less Distributions to Common Stockholders:						
Net investment income	(0.34)	(0.79)	(0.19)	(0.01)		
Return of capital	(0.11)	(0.11)	(0.71)	(0.67)	(0.90)	(1.01)
Total distributions to common stockholders	(0.45)	(0.90)	(0.90)	(0.68)	(0.90)	(1.01)
Net Asset Value, end of period	\$ 7.16	\$ 6.98	\$ 6.62	\$ 7.74	\$ 8.03	\$ 5.74
Per common share fair value, end of period	\$ 8.89	\$ 8.09	\$ 7.68	\$ 9.43	\$ 9.42	\$ 7.37
Total Investment Return Based on Fair Value ⁽²⁾	16.41%	18.86%	(9.75)%	7.48%	42.26%	(16.89)%

See Accompanying Notes to the Financial Statements.

Table of Contents

The Cushing® MLP Total Return Fund

Financial Highlights (Continued)

	Period From December 1, 2013 through May 31, 2014 (Unaudited)	Fiscal Year Ended November 30, 2013	Fiscal Year Ended November 30, 2012	Fiscal Year Ended November 30, 2011	Fiscal Year Ended November 30, 2010	Fiscal Year Ended November 30, 2009
Supplemental Data and Ratios						
Net assets applicable to common stockholders, end of period (000 s)	\$ 240,237	\$ 233,620	\$ 220,021	\$ 255,747	\$ 208,002	\$ 64,511
Ratio of expenses (including current and deferred income tax benefit/expense) to average net assets before waiver ⁽³⁾⁽⁴⁾⁽⁵⁾	3.60%	2.15%	4.30%	3.39%	3.08%	4.32%
Ratio of expenses (including current and deferred income tax benefit/expense) to average net assets after waiver ⁽³⁾⁽⁴⁾⁽⁵⁾	3.60%	2.15%	4.30%	3.39%	3.05%	3.74%
Ratio of net investment income (loss) to average net assets before waiver ⁽³⁾⁽⁴⁾⁽⁶⁾	(0.16)%	(0.05)%	(1.91)%	0.10%	1.66%	0.22%
Ratio of net investment income (loss) to average net assets after waiver ⁽³⁾⁽⁴⁾⁽⁶⁾	(0.16)%	(0.05)%	(1.91)%	0.10%	1.69%	0.80%
Ratio of net investment income (loss) to average net assets after current and deferred income tax benefit/expense, before waiver ⁽³⁾⁽⁴⁾	(1.18)%	(0.05)%	(2.18)%	0.10%	1.66%	0.22%
Ratio of net investment income (loss) to average net assets after current and deferred income tax benefit/expense, after waiver ⁽³⁾⁽⁴⁾	(1.18)%	(0.05)%	(2.18)%	0.10%	1.69%	0.80%
Portfolio turnover rate	66.94%	297.81%	230.13%	240.55%	300.70%	526.39%

(1) Information presented relates to a share of common stock outstanding for the entire period.

(2) Not annualized. The calculation also assumes reinvestment of dividends at actual prices pursuant to the Fund's dividend reinvestment plan. Total investment return does not reflect brokerage commissions.

(3) Annualized for periods less than one full year.

(4) For the period ended May 31, 2014, the Fund accrued \$1,169,247 in net current and deferred tax expense.

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

For the fiscal year ended November 30, 2013, the Fund accrued \$5,743,456 in net current tax expense.

For the fiscal year ended November 30, 2012, the Fund accrued \$648,495 in net current tax expense.

For the fiscal year ended November 30, 2011, the Fund accrued \$0 in net current and deferred tax expense.

For the fiscal year ended November 30, 2010, the Fund accrued \$0 in net current and deferred tax expense.

For the fiscal year ended November 30, 2009, the Fund accrued \$0 in net current and deferred tax expense.

⁽⁵⁾ The ratio of expenses (excluding current and deferred income tax expense) to average net assets before waiver was 2.58%, 2.15%, 4.03%, 3.39%, 3.08%, and 4.32% for the period ended May 31, 2014 and fiscal years ended November 30, 2013, 2012, 2011, 2010, and 2009, respectively.

The ratio of expenses (excluding current and deferred income tax expense) to average net assets after waiver was 2.58%, 2.15%, 4.03%, 3.39%, 3.05%, and 3.74% for the period ended May 31, 2014 and fiscal years ended November 30, 2013, 2012, 2011, 2010, and 2009, respectively.

⁽⁶⁾ This ratio excludes current and deferred income tax benefit/expense on net investment income.

See Accompanying Notes to the Financial Statements.

Table of Contents

The Cushing[®] MLP Total Return Fund

Notes to Financial Statements (Unaudited)

May 31, 2014

1. Organization

The Cushing[®] MLP Total Return Fund (the "Fund") was formed as a Delaware statutory trust on May 23, 2007, and is a non-diversified, closed-end investment company under the Investment Company Act of 1940, as amended (the "1940 Act"). The Fund is managed by Cushing Asset Management, LP (the "Adviser"). The Fund's investment objective is to seek to produce current income and capital appreciation. The Fund commenced operations on August 27, 2007. The Fund's shares are listed on the New York Stock Exchange under the symbol "SRV".

2. Significant Accounting Policies

A. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, recognition of distribution income and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

B. Investment Valuation

The Fund uses the following valuation methods to determine fair value as either fair value for investments for which market quotations are available, or if not available, the fair value, as determined in good faith pursuant to such policies and procedures as may be approved by the Fund's Board of Trustees ("Board of Trustees") from time to time. The valuation of the portfolio securities of the Fund currently includes the following processes:

- (i) The fair value of each security listed or traded on any recognized securities exchange or automated quotation system will be the last reported sale price at the relevant valuation date on the composite tape or on the principal exchange on which such security is traded. If no sale is reported on that date, the Adviser utilizes, when available, pricing quotations from principal market makers. Such quotations may be obtained from third-party pricing services or directly from investment brokers and dealers in the secondary market. Generally, the Fund's loan and bond positions are not traded on exchanges and consequently are valued based on market prices received from third-party services or broker-dealer sources.
- (ii) Listed options on debt securities are valued at the average of the bid price and the ask price. Unlisted options on debt or equity securities are valued based upon their composite bid prices if held long, or their composite ask prices if held short. Futures are valued at the last sale price on the commodities exchange on which they trade.
- (iii) The Fund's non-marketable investments will generally be valued in such manner as the Adviser determines in good faith to reflect their fair values under procedures established by, and under the general supervision and responsibility of, the Board of Trustees. The pricing of all assets that are fair valued in this manner will be subsequently reported to and ratified by the Board of Trustees.

The Fund may engage in short sale transactions. For financial statement purposes, an amount equal to the settlement amount, if any, is included in the Statement of Assets and Liabilities as a liability. The amount of the liability is subsequently marked-to-market to reflect the fair value of the short positions.

Table of Contents

Subsequent fluctuations in market prices of securities sold short may require purchasing the securities at prices which may differ from the fair value reflected on the Statement of Assets and Liabilities. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which it made the short sale. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited in size, will be recognized under the termination of a short sale. The Fund is also subject to the risk that it may be unable to reacquire a security to terminate a short position except at a price substantially in excess of the last quoted price. The Fund is liable for any dividends paid on securities sold short and such amounts are reflected as dividend expense in the Statement of Operations. The Fund's obligation to replace the borrowed security is secured by collateral deposited with the broker-dealer. The Fund also is required to segregate similar collateral to the extent, if any, necessary so that the value of both collateral amounts in the aggregate is at all times equal to at least 100% of the fair value of the securities sold short. The fair value of securities sold short was \$16,834,900 at May 31, 2014.

C. Security Transactions, Investment Income and Expenses

Security transactions are accounted for on the date securities are purchased or sold (trade date). Realized gains and losses are reported on a specific identified cost basis. Interest income is recognized on the accrual basis, including amortization of premiums and accretion of discounts. Distributions are recorded on the ex-dividend date. Distributions received from the Fund's investments in master limited partnerships (MLPs) generally are comprised of ordinary income, capital gains and return of capital from the MLPs. The Fund records investment income on the ex-date of the distributions. For financial statement purposes, the Fund uses return of capital and income estimates to allocate the dividend income received. Such estimates are based on historical information available from each MLP and other industry sources. These estimates may subsequently be revised based on information received from the MLPs after their tax reporting periods are concluded, as the actual character of these distributions is not known until after the fiscal year end of the Fund.

The Fund estimates the allocation of investment income and return of capital for the distributions received from MLPs within the Statement of Operations. For the period ended May 31, 2014, the Fund has estimated approximately 100% of the distributions to be from return of capital.

Expenses are recorded on an accrual basis.

D. Distributions to Stockholders

Distributions to common stockholders are recorded on the ex-dividend date. The character of distributions to common stockholders made during the year may differ from their ultimate characterization for federal income tax purposes. For the period ended May 31, 2014, the Fund's distributions were expected to be comprised of 25% return of capital and 75% ordinary income. The tax character of distributions paid for the period ended May 31, 2014 will be determined in early 2015.

E. Federal Income Taxation

The Fund, taxed as a corporation, is obligated to pay federal and state income tax on its taxable income. Currently, the maximum marginal regular federal income tax rate for a corporation is 35%. The Fund may be subject to a 20% federal alternative minimum tax on its federal alternative minimum taxable income to the extent that its alternative minimum tax exceeds its regular federal income tax.

The Fund invests its assets primarily in MLPs, which generally are treated as partnerships for federal income tax purposes. As a limited partner in MLPs, the Fund reports its allocable share of each MLP's taxable income in computing its own taxable income.

Table of Contents

The Fund's tax expense or benefit is included in the Statement of Operations based on the component of income or gains (losses) to which such expense or benefit relates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized.

The Fund recognizes in the financial statements the impact of a tax position, if that position is more-likely-than-not to be sustained on examination by the taxing authorities, based on the technical merits of the position. Tax benefits resulting from such a position are measured as the amount that has a greater than fifty percent likelihood on a cumulative basis to be sustained on examination.

F. Cash and Cash Equivalents

The Fund considers all highly liquid investments purchased with initial maturity equal to or less than three months to be cash equivalents.

G. Cash Flow Information

The Fund makes distributions from investments, which include the amount received as cash distributions from MLPs, common stock dividends and interest payments. These activities are reported in the Statement of Changes in Net Assets, and additional information on cash receipts and payments is presented in the Statement of Cash Flows.

H. Indemnifications

Under the Fund's organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, in the normal course of business, the Fund may enter into contracts that provide general indemnification to other parties. The Fund's maximum exposure under such indemnification arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred, and may not occur.

I. Derivative Financial Instruments

The Fund provides disclosure regarding derivatives and hedging activity to allow investors to understand how and why the Fund uses derivatives, how derivatives are accounted for, and how derivative instruments affect the Fund's results of operations and financial position.

The Fund occasionally purchases and sells (writes) put and call equity options as a source of potential protection against a broad market decline. A purchaser of a put option has the right, but not the obligation, to sell the underlying instrument at an agreed upon price (strike price) to the option seller. A purchaser of a call option has the right, but not the obligation, to purchase the underlying instrument at the strike price from the option seller. Options are settled for cash.

Purchased Options Premiums paid by the Fund for purchased options are included in the Statement of Assets and Liabilities as an investment. The option is adjusted daily to reflect the fair value of the option and any change in fair value is recorded as unrealized appreciation or depreciation of investments. If the option is allowed to expire, the Fund will lose the entire premium paid and record a realized loss for the premium amount. Premiums paid for purchased options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying investment transaction to determine the realized gain/loss or cost basis of the security.

Written Options Premiums received by the Fund for written options are included in the Statement of Assets and Liabilities. The amount of the liability is adjusted daily to reflect the fair value of the written option and any change in fair value is recorded as unrealized appreciation or depreciation of

Table of Contents

investments. Premiums received from written options that expire are treated as realized gains. The Fund records a realized gain or loss on written options based on whether the cost of the closing transaction exceeds the premium received. If a call option is exercised by the option buyer, the premium received by the Fund is added to the proceeds from the sale of the underlying security to the option buyer and compared to the cost of the closing transaction to determine whether there has been a realized gain or loss. If a put option is exercised by an option buyer, the premium received by the option seller reduces the cost basis of the purchased security.

Written uncovered call options subject the Fund to unlimited risk of loss. Written covered call options limit the upside potential of a security above the strike price. Put options written subject the Fund to risk of loss if the value of the security declines below the exercise price minus the put premium.

The Fund is not subject to credit risk on written options as the counterparty has already performed its obligation by paying the premium at the inception of the contract.

The Fund has adopted the disclosure provisions of Financial Accounting Standards Board (FASB) Accounting Standard Codification 815, Derivatives and Hedging (ASC 815). ASC 815 requires enhanced disclosures about the Fund's use of and accounting for derivative instruments and the effect of derivative instruments on the Fund's results of operations and financial position. Tabular disclosure regarding derivative fair value and gain/loss by contract type (e.g., interest rate contracts, foreign exchange contracts, credit contracts, etc.) is required and derivatives accounted for as hedging instruments under ASC 815 must be disclosed separately from those that do not qualify for hedge accounting. Even though the Fund may use derivatives in an attempt to achieve an economic hedge, the Fund's derivatives are not accounted for as hedging instruments under ASC 815 because investment companies account for their derivatives at fair value and record any changes in fair value in current period earnings.

Transactions in purchased options during the period ended May 31, 2014, are as follows:

	Contracts	Premiums
Outstanding at November 30, 2013		\$
Options purchased	16,400	1,374,289
Options covered		
Options expired	(7,000)	(583,553)
Options exercised	(2,400)	(410,243)
Outstanding at May 31, 2014	7,000	\$ 380,493

The average monthly fair value of purchased options during the period ended May 31, 2014 was \$395,583.

Transactions in written options contracts for the period ended May 31, 2014, are as follows:

	Contracts	Premiums
Outstanding at November 30, 2013		\$
Options written	19,190	904,900
Options covered		
Options expired	(6,613)	(313,328)
Options exercised	(4,507)	(256,365)
Outstanding at May 31, 2014	8,070	\$ 335,207

The average monthly fair value of written options during the period ended May 31, 2014 was \$116,650.

Table of Contents

The effect of derivative instruments on the Statement of Operations for the fiscal year ended May 31, 2014:

Amount of Realized Gain or (Loss) on Derivatives Recognized in Income			
Derivatives not accounted for as hedging instruments under ASC 815	Purchased Options	Written Options	Total
Equity Contracts	\$ (919,606)	\$ 313,328	\$ (606,278)

Amount of Unrealized Appreciation (Depreciation) on Derivatives Recognized in Income			
Derivatives not accounted for as hedging instruments under ASC 815	Purchased Options	Written Options	Total
Equity Contracts	\$	\$ (40,193)	\$ (40,193)

3. Concentrations of Risk

The Fund's investment objective is to seek to produce current income and capitalization. The Fund will seek to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets, plus any borrowings for investment purposes, in MLP investments; up to 50% of its Managed Assets in securities of MLPs and other natural resource companies that are not publicly traded, or that are otherwise restricted securities; up to 20% of its Managed Assets in securities of companies that are not MLPs, including other natural resource companies, and U.S. and non-U.S. issuers that may not constitute other natural resource companies; and up to 20% of its Managed Assets in debt securities of MLPs, other natural resource companies and other issuers.

Managed Assets means the total assets of the Fund, minus all accrued expenses incurred in the normal course of operations other than liabilities or obligations attributable to investment leverage, including, without limitation, investment leverage obtained through (i) indebtedness of any type (including, without limitation, borrowing through a credit facility or the issuance of debt securities), (ii) the issuance of shares of preferred stock or other similar preference securities and/or (iii) the reinvestment of collateral received for securities loaned in accordance with the Fund's investment objective and policies.

4. Agreements and Related Party Transactions

The Fund has entered into an Investment Management Agreement with the Adviser (the Agreement). Under the terms of the Agreement, the Fund will pay the Adviser a fee, payable at the end of each calendar month, at an annual rate equal to 1.25% of the average weekly value of the Fund's managed assets during such month for the services and facilities provided by the Adviser to the Fund. The Adviser earned \$2,079,133 in advisory fees for the period ended May 31, 2014.

The Fund has engaged U.S. Bancorp Fund Services, LLC to serve as the Fund's administrator. The Fund pays the administrator a monthly fee computed at an annual rate of 0.08% of the first \$100,000,000 of the Fund's managed assets, 0.05% on the next \$200,000,000 of managed assets and 0.04% on the balance of the Fund's managed assets, with a minimum annual fee of \$40,000.

Computershare Trust Fund, N.A. serves as the Fund's transfer agent, dividend paying agent, and agent for the automatic dividend reinvestment plan.

U.S. Bank, N.A. serves as the Fund's custodian. The Fund pays the custodian a monthly fee computed at an annual rate of 0.004% of the Fund's average daily market value, with a minimum annual fee of \$4,800.

Table of Contents**5. Income Taxes**

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting and tax purposes. Components of the Fund's deferred tax assets and liabilities as of May 31, 2014, are as follows:

Deferred tax assets:	
Net operating loss carryforward	\$ 478,217
Capital loss carryforward	29,650,347
Total deferred tax assets before valuation allowance	30,128,564
Less: Valuation Allowance	(10,945,900)
Total deferred tax assets	19,182,664
Less Deferred tax liabilities:	
Unrealized appreciation on investment securities	19,182,664
Net deferred tax asset	\$

The capital loss carryforwards are available to offset future taxable income. The Fund has the following capital loss amounts:

Fiscal Year Ended Capital Loss	Amount	Expiration
November 30, 2009	\$ 49,927,372	November 30, 2014
November 30, 2010	5,173,355	November 30, 2015
November 30, 2012	8,179,856	November 30, 2017
November 30, 2014	16,068,947	November 30, 2019
Total Fiscal Year Ended Capital Loss	\$ 79,349,530	

For corporations, capital losses can only be used to offset capital gains and cannot be used to offset ordinary income. Capital losses may be carried forward for 5 years and, accordingly, would begin to expire as of November 30, 2014.

Total income tax benefit (current and deferred) differs from the amount computed by applying the federal statutory income tax rate of 35% to net investment income and realized and unrealized gains (losses) on investments before taxes for the period ended May 31, 2014, as follows:

Income tax expense at the Federal statutory rate of 35%	\$ 7,791,621
State income tax expense, net of federal benefit	526,882
Income tax benefit on permanent items	(72,566)
Return to provision	8,754
Tax benefit due to change in effective state rates	(560,751)
Valuation allowance changes affecting the provision for income taxes	(116,003)
Total Tax Expense to be accrued	\$ 7,577,937

At May 31, 2014, the cost basis of investments was \$260,972,943 and gross unrealized appreciation and depreciation of investments for federal income tax purposes were as follows:

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

Gross unrealized appreciation	\$ 175,572,884
Gross unrealized depreciation	(124,236,710)
Net unrealized appreciation	\$ 51,336,174

Table of Contents

The Fund recognizes the tax benefits of uncertain tax positions only where the position is more likely than not to be sustained assuming examination by tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on U.S. tax returns and state tax returns filed since inception of the Fund. No income tax returns are currently under examination. All tax years beginning after November 30, 2011 remain subject to examination by the tax authorities in the United States. Due to the nature of the Fund's investments, the Fund may be required to file income tax returns in several states. The Fund is not aware of any tax positions for which it is reasonably expected that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

6. Fair Value Measurements

Various inputs that are used in determining the fair value of the Fund's investments are summarized in the three broad levels listed below:

Level 1 quoted prices in active markets for identical securities

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)
The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

These inputs are summarized in the three levels listed below.

Description	Fair Value at May 31, 2014	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Equity Securities				
Common Stock	\$ 15,850,630	\$ 15,850,630	\$	\$
Master Limited Partnerships and Related Companies ^(a)	293,580,062	293,580,062		
Royalty Trusts	3,166,800	3,166,800		
Preferred Stock ^(a)	7,347,934	7,347,934		
Total Equity Securities	319,945,426	319,945,426		
Notes				
Senior Notes	7,978,503		7,978,503	
Total Notes	7,978,503		7,978,503	
Other				
Short-Term Investment Companies	266,988	266,988		
Options	1,328,500	1,328,500		
Total Other	1,595,488	1,595,488		

Edgar Filing: Cushing MLP Total Return Fund - Form N-CSRS

Total Assets	\$ 329,519,417	\$ 321,540,911	\$ 7,978,503	\$
Liabilities				
Securities sold short	\$ 16,834,900	\$ 16,834,900	\$	\$
Options	375,400	375,400		
Total Liabilities	\$ 17,210,300	\$ 17,210,300	\$	\$

(a) All other industry classifications are identified in the Schedule of Investments. The Fund did not hold Level 3 investments at any time during the period ended May 31, 2014. Transfers into and out of each level are measured at fair value at the end of the fiscal year. There were no transfers between any levels during the period ended May 31, 2014.

Table of Contents

7. Investment Transactions

For the period ended May 31, 2014, the Fund purchased (at cost) and sold securities (proceeds) in the amount of \$238,326,560 and \$210,067,275 (excluding short-term securities), respectively and made purchases to cover investments sold short and received proceeds from investments sold short in the amount of \$36,722,603 and \$37,960,446, respectively. The Fund purchased (at cost) and sold covered options (proceeds) in the amount of \$1,374,289 and \$20,739,533, respectively. The Fund sold written options (proceeds) in the amount of \$904,706.

8. Common Stock

The Fund has unlimited shares of capital stock authorized and 33,556,030 shares outstanding at May 31, 2014. Transactions in common stock for the fiscal years ended November 30, 2013 and period ended May 31, 2014 were as follows:

Shares at November 30, 2012	33,257,500
Shares issued through reinvestment of distributions	220,792
Shares at November 30, 2013	33,478,292
Shares issued through reinvestment of distributions	77,738
Shares at May 31, 2014	33,556,030

9. Borrowing Facilities

The Fund maintains a margin account arrangement with Bank of America Merrill Lynch. The interest rate charged on margin borrowing is tied to the cost of funds for Bank of America Merrill Lynch (which approximates LIBOR plus 0.65%). Proceeds from the margin account arrangement are used to execute the Fund's investment objective.

The average principal balance and interest rate for the period during which the credit facilities were utilized during the period ended May 31, 2014 was approximately \$95,714,560 and 0.73%, respectively. At May 31, 2014, the principal balance outstanding was \$106,250,000.

10. Subsequent Events

On June 23, 2014, the Fund issued 36,809 shares through its dividend reinvestment plan. After these share issuances, the Fund's total common shares outstanding were 33,592,839.

Effective June 16, 2014, the Fund terminated its transfer agent agreement with Computershare Trust Company, N.A. The Fund engaged U.S. Bancorp Fund Services, LLC to serve as the Fund's transfer agent effective June 16, 2014.

Table of Contents

The Cushing[®] MLP Total Return Fund

Additional Information (Unaudited)

May 31, 2014

Investment Policies and Parameters

Previously, the Fund had stated an intention to generally invest in 20-30 issuers. The Board of Trustees has approved eliminating that policy. While the Fund initially expects to invest in a greater number of issuers, the Fund may in the future invest in fewer issuers. The Fund is a non-diversified, closed-end management investment company under the 1940 Act. Accordingly, the Fund may invest a greater portion of its assets in a more limited number of issuers than a diversified fund. An investment in the Fund may present greater risk to an investor than an investment in a diversified portfolio because changes in the financial condition or market assessment of a single issuer may cause greater fluctuations in the value of the Fund's shares.

The Commodity Futures Trading Commission (CFTC) amended Rule 4.5, which permits investment advisers to registered investment companies to claim an exclusion from the definition of commodity pool operator with respect to a fund provided certain requirements are met. In order to permit the Investment Adviser to continue to claim this exclusion with respect to the Fund under the amended rule, the Fund limits its transactions in futures, options of futures and swaps (excluding transactions entered into for bona fide hedging purposes, as defined under CFTC regulations) such that either: (i) the aggregate initial margin and premiums required to establish its futures, options on futures and swaps do not exceed 5% of the liquidation value of the Fund's portfolio, after taking into account unrealized profits and losses on such positions; or (ii) the aggregate net notional value of its futures, options on futures and swaps does not exceed 100% of the liquidation value of the Fund's portfolio, after taking into account unrealized profits and losses on such positions. The Fund and the Adviser do not believe that complying with the amended rule will limit the Fund's ability to use futures, options and swaps to the extent that it has used them in the past.

Trustee and Executive Officer Compensation

The Fund does not currently compensate any of its trustees who are interested persons nor any of its officers. For the period ended May 31, 2014, the aggregate compensation paid by the Fund to the independent trustees was \$41,001. The Fund did not pay any special compensation to any of its trustees or officers. The Fund continuously monitors standard industry practices and this policy is subject to change.

Cautionary Note Regarding Forward-Looking Statements

This report contains forward-looking statements as defined under the U.S. federal securities laws. Generally, the words believe, expect, intend, estimate, anticipate, project, will and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to materially differ from the Fund's historical experience and its present expectations or projections indicated in any forward-looking statements. These risks include, but are not limited to, changes in economic and political conditions; regulatory and legal changes; MLP industry risk; leverage risk; valuation risk; interest rate risk; tax risk; and other risks discussed in the Fund's filings with the SEC. You should not place undue reliance on forward-looking statements, which speak only as of the date

Table of Contents

they are made. The Fund undertakes no obligation to update or revise any forward-looking statements made herein. There is no assurance that the Fund's investment objectives will be attained.

Proxy Voting Policies

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities owned by the Fund and information regarding how the Fund voted proxies relating to the portfolio of securities during the 12-month period ended June 30 are available to stockholders without charge, upon request by calling the Fund toll-free at (800)236-4424 and on the Fund's website at www.cushingcef.com. Information regarding how the Fund voted proxies relating to the portfolio of securities during the 12-month period ended June 30 are also available to stockholders without charge on the SEC's website at www.sec.gov.

Form N-Q

The Fund files its complete schedule of portfolio holdings for the first and third quarters of each fiscal year with the SEC on Form N-Q. The Fund's Form N-Q and statement of additional information are available without charge by visiting the SEC's website at www.sec.gov. In addition, you may review and copy the Fund's Form N-Q at the SEC's Public Reference Room in Washington D.C. You may obtain information on the operation of the Public Reference Room by calling (800) SEC-0330.

Portfolio Turnover

The portfolio turnover rate for the period ended May 31, 2014 was 66.94%. Portfolio turnover may vary greatly from period to period. The Fund does not consider portfolio turnover rate a limiting factor in the Adviser's execution of investment decisions, and the Fund may utilize investment and trading strategies that may involve high portfolio turnover. A higher portfolio turnover rate results in correspondingly greater brokerage commissions and other transactional expenses that are borne by the Fund.

Certifications

The Fund's Chief Executive Officer has submitted to the New York Stock Exchange the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Fund Manual.

The Fund has filed with the SEC the certification of its Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

Dividend Reinvestment Plan

How the Plan Works

Unless the registered owner of common shares elects to receive cash by contacting the Plan Agent, all dividends declared for your common shares of the Fund will be automatically reinvested by Computershare Trust Company, N.A. and/or Computershare Inc. (together, the Plan Agent), agent for stockholders in administering the Fund's Dividend Reinvestment Plan (the Plan), in additional common shares of the Fund. The Plan Agent will open an account for each common stockholder under the Plan in the same name in which such common stockholder's common shares are registered. Whenever the Fund declares a dividend or other distribution (for purposes of this section, together, a dividend) payable in cash, non-participants in the Plan will receive cash and participants in the Plan will receive the equivalent in common shares. The common shares will be acquired by the Plan Agent for the participants' accounts, depending upon the circumstances described below, either (i) through receipt of

Table of Contents

additional unissued but authorized common shares from the Fund (newly-issued common shares) or (ii) by purchase of outstanding common shares on the open market (open-market purchases) on the New York Stock Exchange or elsewhere.

If, on the payment date for any dividend, the market price per common share plus per share fees (which include any brokerage commissions the Plan Agent is required to pay) is greater than the net asset value per common share, the Plan Agent will invest the dividend amount in newly-issued common shares, including fractions, on behalf of the participants. The number of newly-issued common shares to be credited to each participant's account will be determined by dividing the dollar amount of the dividend by the net asset value per common share on the payment date; provided that, if the net asset value per common share is less than 95% of the market price per common share on the payment date, the dollar amount of the dividend will be divided by 95% of the market price per common share on the payment date. If, on the payment date for any dividend, the net asset value per common share is greater than the market value per common share plus per share fees, the Plan Agent will invest the dividend amount in common shares acquired on behalf of the participants in open-market purchases.

Participation in the Plan

If a registered owner of common shares elects not to participate in the Plan, you will receive all dividends in cash paid by check mailed directly to you (or, if the shares are held in street or other nominee name, then to such nominee) by the Plan Agent, as dividend disbursing agent. You may elect not to participate in the Plan and to receive all dividends in cash by sending written or telephonic instructions to the Plan Agent, as dividend paying agent, or by contacting the Plan Agent via their website at the address set out below. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by contacting the Plan Agent before the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

Plan Fees

There will be no per share fees with respect to common shares issued directly by the Fund. However, each participant will pay a per share fee (currently \$0.03) incurred in connection with open-market purchases. There is no direct transaction fee to participants in the Plan; however, the Fund reserves the right to amend the Plan to include a transaction fee payable by the participants. Participants who request a sale of shares through the Plan Agent are subject to a \$15.00 sales transaction fee and pay a per share fee of \$0.12 per share sold. All per share fees include any brokerage commissions the Plan Agent is required to pay.

Tax Implications

The automatic reinvestment of dividends will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such dividends. Accordingly, any taxable dividend received by a participant that is reinvested in additional common shares will be subject to federal (and possibly state and local) income tax even though such participant will not receive a corresponding amount of cash with which to pay such taxes.

Contact Information

For more information about the plan you may contact the Plan Agent in writing at PO Box 43078, Providence, RI 02940-3078, by calling the Plan Agent at 1-800-662-7232 or at the Plan Agent's website, www.computershare.com/investor.

Table of Contents

Privacy Policy

In order to conduct its business, the Fund collects and maintains certain nonpublic personal information about its stockholders of record with respect to their transactions in shares of the Fund's securities. This information includes the stockholder's address, tax identification or Social Security number, share balances, and dividend elections. We do not collect or maintain personal information about stockholders whose share balances of our securities are held in street name by a financial institution such as a bank or broker.

We do not disclose any nonpublic personal information about you, the Fund's other stockholders or the Fund's former stockholders to third parties unless necessary to process a transaction, service an account, or as otherwise permitted by law.

To protect your personal information internally, we restrict access to nonpublic personal information about the Fund's stockholders to those employees who need to know that information to provide services to our stockholders. We also maintain certain other safeguards to protect your nonpublic personal information.

Other Information For Stockholders

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund from time to time may purchase its common shares of beneficial interest in the open market.

This report is sent to stockholders of The Cushing[®] MLP Total Return Fund for their information. It is not a prospectus, circular or representation intended for use in the purchase or sale of shares of the Fund or of any securities mentioned in this report.

The Fund does not make available copies of its Statement of Additional Information because the Fund's shares are not continuously offered, which means that the Statement of Additional Information has not been updated after completion of the Fund's initial public offering and the information contained in such Statement of Additional Information may have become outdated.

The Fund makes available performance and certain other on its website at www.cushingcef.com. Investors and others are advised to periodically check the website for updated performance information and the release of other material information about the Fund. This reference to Fund's website is intended to allow investors public access to information regarding the Fund and does not, and is not intended to, incorporate the Fund's website in this report.

Table of Contents

The Cushing[®] MLP Total Return Fund

Board Approval of Investment Management Agreement

(Unaudited)

May 31, 2014

On May 21, 2014, the Board of Trustees of the Fund (members of which are referred to collectively as the Trustees) met in person to discuss, among other things, the approval of the Investment Management Agreement (the Agreement) between the Fund and Cushing Asset Management, LP (the Adviser).

Activities and Composition of the Board

The Board of Trustees is comprised of four Trustees, three of whom are not interested persons, as such term is defined in the Investment Company Act of 1940, as amended (the 1940 Act), of the Fund (the Independent Trustees). The Board of Trustees is responsible for the oversight of the operations of the Fund and performs the various duties imposed by the 1940 Act on the trustees of investment companies. The Independent Trustees have retained independent legal counsel to assist them in connection with their duties. Prior to its consideration of the Agreement, the Board of Trustees received and reviewed information provided by the Adviser, including, among other things, comparative information about the fees and expenses and performance of certain other closed-end funds. The Board of Trustees also received and reviewed information responsive to requests from independent counsel to assist it in its consideration of the Agreement. Before the Board of Trustees voted on the approval of the Agreement, the Independent Trustees met with independent legal counsel during executive session and discussed the Agreement and related information.

Consideration of Nature, Extent and Quality of the Services

The Board of Trustees received and considered information regarding the nature, extent and quality of services provided to the Fund under the Agreement. The Board of Trustees reviewed certain background materials supplied by the Adviser in its presentation, including the Adviser's Form ADV.

The Board of Trustees reviewed and considered the Adviser's investment advisory personnel, its history as an asset manager and its performance and the amount of assets currently under management by the Adviser. The Board of Trustees also reviewed the research and decision-making processes utilized by the Adviser, including the methods adopted to seek to achieve compliance with the investment objectives, policies and restrictions of the Fund.

The Board of Trustees considered the background and experience of the Adviser's management in connection with the Fund, including reviewing the qualifications, backgrounds and responsibilities of the management team primarily responsible for the day-to-day portfolio management of the Fund and the extent of the resources devoted to research and analysis of the Fund's actual and potential investments.

The Board of Trustees also reviewed, among other things, the Adviser's insider trading policies and procedures and its Code of Ethics. The Board of Trustees, including all of the Independent Trustees, concluded that the nature, extent and quality of services to be rendered by the Adviser under the Agreement were adequate.

Consideration of Advisory Fees and the Cost of the Services

The Board of Trustees reviewed and considered the contractual annual advisory fee to be paid by the Fund to the Adviser in light of the extent, nature and quality of the advisory services to be provided by the Adviser to the Fund.

Table of Contents

The Board of Trustees considered the information they received comparing the Fund's contractual annual advisory fee and overall expenses with (a) a peer group of competitor closed-end funds determined by the Adviser; and (b) other accounts or vehicles managed by the Adviser. Given the small universe of managers and funds fitting within the criteria for the peer group, the Adviser did not believe that it would be beneficial to engage the services of an independent third-party to prepare the peer group analysis, and the Independent Trustees concurred with this approach.

Based on such information, the Board of Trustees determined that the levered management fee and the total expense ratio for the Fund were near the median in the peer group.

Consideration of Investment Performance

The Board of Trustees regularly reviews the performance of the Fund throughout the year. The Board of Trustees reviewed performance information comparing the performance of the Fund against its peer group. The Board of Trustees noted, among other things, that the Fund's performance generally continued to lag its peers with the exception of the year-to-date net asset value total return performance during the analysis period, and reviewed recent discussions with the Adviser regarding a variety of strategic alternatives for the Fund and personnel additions at the Adviser.

Other Considerations

The Board of Trustees received and considered a profitability analysis prepared by the Adviser based on the fees payable under the Agreement. The Board of Trustees considered the profits realized and anticipated to be realized by the Adviser in connection with the operation of the Fund and concluded that the profit, if any, anticipated to be realized by the Adviser in connection with the operation of the Fund is not unreasonable to the Fund.

The Board of Trustees considered whether economies of scale in the provision of services to the Fund had been or would be passed along to the shareholders under the Agreement. The Board of Trustees reviewed and considered any other incidental benefits derived or to be derived by the Adviser from its relationship with the Fund, including soft dollar arrangements or other so called "fall-out" benefits. The Board of Trustees concluded there were no material economies of scale or other incidental benefits accruing to the Adviser in connection with its relationship with the Fund.

Conclusion

In approving the Agreement and the fees charged under the Agreement, the Board of Trustees concluded that no single factor reviewed by the Board of Trustees was identified by the Board of Trustees to be determinative as the principal factor in whether to approve the Agreement. The summary set out above describes the most important factors, but not all of the matters, considered by the Board of Trustees in coming to its decision regarding the Agreement. On the basis of such information as the Board of Trustees considered necessary to the exercise of its reasonable business judgment and its evaluation of all of the factors described above, and after much discussion, the Board of Trustees concluded that each factor they considered, in the context of all of the other factors they considered, favored approval of the Agreement. It was noted that it was the judgment of the Board of Trustees that approval of the Agreement was consistent with the best interests of the Fund and its shareholders, and a majority of the Trustees and, voting separately, a majority of the Independent Trustees, approved the Agreement.

Table of Contents

The Cushing® MLP Total Return Fund

TRUSTEES

Brian R. Bruce

Ronald P. Trout

Edward N. McMillan

Jerry V. Swank

EXECUTIVE OFFICERS

Jerry V. Swank

Chief Executive Officer

Daniel L. Spears

President

John H. Alban

Chief Financial Officer and Treasurer

Barry Y. Greenberg

Chief Compliance Officer and Secretary

Judd B. Cryer

Vice President

INVESTMENT ADVISER

Cushing® Asset Management, LP

8117 Preston Road, Suite 440

Dallas, TX 75225

ADMINISTRATOR

U.S. Bancorp Fund Services, LLC

615 East Michigan Street, 3rd Floor

Milwaukee, WI 53202

CUSTODIAN

U.S. Bank, N.A.

1555 N. River Center Drive, Suite 302

Milwaukee, WI 53212

TRANSFER AGENT

U.S. Bancorp Fund Services, LLC

615 East Michigan Street, 3rd Floor

Milwaukee, WI 53202

LEGAL COUNSEL

Skadden, Arps, Slate, Meagher & Flom LLP

Four Times Square

New York, NY 10036

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP

2323 Victory Avenue, Suite 2000

Dallas, TX 75219

NOT FDIC INSURED | NOT BANK GUARANTEED | MAY LOSE VALUE

Table of Contents

THE CUSHING[®] MLP TOTAL RETURN FUND

Investment Adviser

Cushing[®] Asset Management, LP

8117 Preston Road

Suite 440

Dallas, TX 75225

(214) 692-6334

(888) 777-2346

www.cushingcef.com

www.swankcapital.com

Table of Contents

Item 2. Code of Ethics.

Not applicable for semi-annual reports.

Item 3. Audit Committee Financial Expert.

Not applicable for semi-annual reports.

Item 4. Principal Accountant Fees and Services.

Not applicable for semi-annual reports.

Item 5. Audit Committee of Listed Registrants.

Not applicable to registrants who are not listed issuers (as defined in Rule 10A-3 under the Securities Exchange Act of 1934).

Item 6. Investments.

(a) Schedule of Investments is included as part of the report to shareholders filed under Item 1 of this Form.

(b) Not Applicable.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

Not applicable for semi-annual reports.

Item 8. Portfolio Managers of Closed-End Management Investment Companies.

Not applicable for semi-annual reports.

Table of Contents**Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.**

<i>Period</i>	<i>(a) Total Number of Shares (or Units) Purchased</i>	<i>(b) Average Price Paid per Share (or Unit)</i>	<i>(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs</i>	<i>(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs</i>
Month #1				
12/01/2013-12/31/2013	0	0	0	0
Month #2				
01/01/2014-01/31/2014	0	0	0	0
Month #3				
02/01/2014-02/28/2014	0	0	0	0
Month #4				
03/01/2014-03/31/2014	0	0	0	0
Month #5				
04/01/2014-04/30/2014	0	0	0	0
Month #6				
05/01/2014-05/31/2014	0	0	0	0
Total	0	0	0	0

* Footnote the date each plan or program was announced, the dollar amount (or share or unit amount) approved, the expiration date (if any) of each plan or program, each plan or program that expired during the covered period, each plan or program registrant plans to terminate or let expire.

Item 10. Submission of Matters to a Vote of Security Holders.

Not Applicable.

Item 11. Controls and Procedures.

- (a) The Registrant's President and Treasurer/Chief Financial Officer have reviewed the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) as of a date within 90 days of the filing of this report, as required by Rule 30a-3(b) under the Act and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934. Based on their review, such officers have concluded that the disclosure controls and procedures are effective in ensuring that information required to be disclosed in this report is appropriately recorded, processed, summarized and reported and made known to them by others within the Registrant and by the Registrant's service provider.
- (b) There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 12. Exhibits.

- (a) (1) *Any code of ethics or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy Item 2 requirements through filing an exhibit.* Not Applicable.
- (2) *A separate certification for each principal executive and principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.* Filed herewith.

Table of Contents

(3) *Any written solicitation to purchase securities under Rule 23c-1 under the Act sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons.* Not applicable.

(b) *Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* Furnished herewith.

