

TORTOISE ENERGY INFRASTRUCTURE CORP  
Form PRE 14A  
April 03, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement.

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials.

Soliciting Material Pursuant to §240.14a-12

TORTOISE ENERGY INFRASTRUCTURE CORPORATION  
TORTOISE ENERGY CAPITAL CORPORATION  
TORTOISE NORTH AMERICAN ENERGY CORPORATION  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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[TORTOISE LOGO]

TORTOISE ENERGY INFRASTRUCTURE CORPORATION  
TORTOISE ENERGY CAPITAL CORPORATION  
TORTOISE NORTH AMERICAN ENERGY CORPORATION  
11550 Ash Street, Suite 300  
Leawood, Kansas 66211

April \_\_, 2009

Dear Fellow Stockholder:

You are cordially invited to attend the combined annual meeting of stockholders of each of Tortoise Energy Infrastructure Corporation, Tortoise Energy Capital Corporation and Tortoise North American Energy Corporation (each a "Company" and collectively, the "Companies") on Friday, May 22, 2009 at 9:00 a.m., Central Time at 11550 Ash Street, Suite 300, Leawood, Kansas 66211.

At the meeting, you will be asked to elect two directors of the Company, to approve a proposal to authorize flexibility to the Company to sell its common shares for less than net asset value, subject to certain conditions, and to ratify the selection of Ernst & Young LLP as the independent registered public accounting firm of each Company for its fiscal year ending November 30, 2009, as more fully discussed in the enclosed proxy statement.

Enclosed with this letter are answers to questions you may have about the proposals, the formal notice of the meeting, the Companies' combined proxy statement, which gives detailed information about the proposals and why each Company's Board of Directors recommends that you vote to approve each of the Company's proposals and the actual proxy for you to sign and return. If you have any questions about the enclosed proxy or need any assistance in voting your shares, please call 1-866-362-9331.

Your vote is important. Please complete, sign, and date the enclosed proxy card and return it in the enclosed envelope. This will ensure that your vote is counted, even if you cannot attend the meeting in person.

Sincerely,

David J. Schulte  
Chief Executive Officer

TORTOISE ENERGY INFRASTRUCTURE CORPORATION  
TORTOISE ENERGY CAPITAL CORPORATION  
TORTOISE NORTH AMERICAN ENERGY CORPORATION

ANSWERS TO SOME IMPORTANT QUESTIONS

Q. WHAT AM I BEING ASKED TO VOTE “FOR” ON THIS PROXY?

A. This proxy contains four proposals for each Company: (i) to elect two directors to serve until the 2012 Annual Stockholder Meeting; (ii) to consider and approve a proposal authorizing flexibility to the Company to sell its common shares for less than net asset value, subject to certain conditions; (iii) to ratify Ernst & Young LLP as each Company’s independent registered public accounting firm; and (iv) to consider and take action upon such other business as may properly come before the meeting including the adjournment or postponement thereof.

Q. AM I ENTITLED TO VOTE ON THE ELECTION OF BOTH DIRECTORS?

A. With respect to Tortoise Energy Infrastructure Corporation and Tortoise Energy Capital Corporation, holders of preferred shares and holders of common shares are entitled to vote as a single class on the election of Charles E. Heath. Only holders of preferred shares voting as a class are entitled to vote on the election of Terry C. Matlack. With respect to Tortoise North American Energy Corporation, which no longer has any preferred shares outstanding, holders of common shares are entitled to vote on the election of both Charles E. Heath and Terry C. Matlack.

Q. HOW DOES THE BOARD OF DIRECTORS SUGGEST THAT I VOTE?

A. The Board of Directors of each Company unanimously recommends that you vote “FOR” all proposals on the enclosed proxy card.

Q. HOW CAN I VOTE?

A. You can vote by completing, signing and dating your proxy, and mailing it in the enclosed envelope. You also may vote in person if you are able to attend the meeting. However, even if you plan to attend the meeting, we urge you to cast your vote by mail. That will ensure that your vote is counted should your plans change.

This information summarizes information that is included in more detail in the Proxy Statement. We urge you to read the entire Proxy Statement carefully.

If you have questions, call 1-866-362-9331.

TORTOISE ENERGY INFRASTRUCTURE CORPORATION  
TORTOISE ENERGY CAPITAL CORPORATION  
TORTOISE NORTH AMERICAN ENERGY CORPORATION  
11550 Ash Street, Suite 300  
Leawood, Kansas 66211  
1-866-362-9331

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the Stockholders of: Tortoise Energy Infrastructure Corporation  
Tortoise Energy Capital Corporation  
Tortoise North American Energy Corporation:

NOTICE IS HEREBY GIVEN that the combined Annual Meeting of Stockholders of Tortoise Energy Infrastructure Corporation, Tortoise Energy Capital Corporation and Tortoise North American Energy Corporation, each a Maryland corporation (each a "Company" and, collectively, the "Companies"), will be held on Friday, May 22, 2009 at 9:00 a.m. Central Time at 11550 Ash Street, Suite 300, Leawood, Kansas 66211 for the following purposes:

1. For all Companies: To elect two directors of the Company, to hold office for a term of three years and until their successors are duly elected and qualified;
2. For all Companies: To consider and vote upon a proposal to authorize flexibility to the Company to sell its common shares for less than net asset value, subject to certain conditions;
3. For all Companies: To ratify the selection of Ernst & Young LLP as the independent registered public accounting firm of the Company for its fiscal year ending November 30, 2009; and
4. For all Companies: To consider and take action upon such other business as may properly come before the meeting, including the adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

Stockholders of record as of the close of business on April 7, 2009 are entitled to notice of and to vote at the meeting (or any adjournment or postponement of the meeting).

By Order of the Board of Directors of each Company,

Connie J. Savage  
Secretary  
April \_\_, 2009

Leawood, Kansas

All stockholders are cordially invited to attend the meeting in person. Whether or not you expect to attend the meeting, please complete, date, sign and return the enclosed proxy as promptly as possible in order to ensure your representation at the meeting. A return envelope (which postage is prepaid if mailed in the United States) is enclosed for that purpose. Even if you have given your proxy, you may still vote in person if you attend the meeting. Please

note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the meeting, you must obtain from the record holder a proxy issued in your name.

TORTOISE ENERGY INFRASTRUCTURE CORPORATION  
TORTOISE ENERGY CAPITAL CORPORATION  
TORTOISE NORTH AMERICAN ENERGY CORPORATION  
11550 Ash Street, Suite 300  
Leawood, Kansas 66211  
1-866-362-9331

COMBINED PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

MAY 22, 2009

This combined proxy statement is being sent to you by the Boards of Directors of each of Tortoise Energy Infrastructure Corporation (“TYG”), Tortoise Energy Capital Corporation (“TYC”) and Tortoise North American Energy Corporation (“TYN”) (each a “Company” and collectively, the “Companies”). The Board of Directors of each Company is asking you to complete and return the enclosed proxy, permitting your shares of the Company to be voted at the annual meeting of stockholders called to be held on May 22, 2009. The Board of Directors of each Company has fixed the close of business on April 7, 2009 as the record date (the “record date”) for the determination of stockholders entitled to notice of and to vote at the meeting and at any adjournment thereof as set forth in this combined proxy statement. This combined proxy statement and the enclosed proxy are first being mailed to stockholders on or about April \_\_, 2009.

Each Company’s reports can be accessed through its link on its investment advisor’s website ([www.tortoiseadvisors.com](http://www.tortoiseadvisors.com)) or on the Securities and Exchange Commission’s (“SEC”) website ([www.sec.gov](http://www.sec.gov)).

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on May 22, 2009: This combined proxy statement is available on the internet at \_\_\_\_\_. On this site, you will be able to access the proxy statement for the annual meeting and any amendments or supplements to the foregoing material required to be furnished to stockholders.



This combined proxy statement sets forth the information that each Company's stockholders should know in order to evaluate each of the following proposals. The following table presents a summary of the proposals for each Company and the class of stockholders of the Company being solicited with respect to each proposal.

Proposals (For Each Company)	Class of Stockholders of Each Company Entitled to Vote
1. To elect the following individuals as directors for a term of three years: Terry C. Matlack	For each of TYG and TYY - Preferred Stockholders voting as a class For TYN – Common Stockholders voting as a class
Charles E. Heath	For each of TYG and TYY – Common Stockholders and Preferred Stockholders, voting as a single class For TYN – Common Stockholders voting as a class
2. To approve a proposal to authorize flexibility to the Company to sell its common shares for less than net asset value, subject to certain conditions	For each of TYG and TYY - Common Stockholders and Preferred Stockholders, voting as a single class For TYN – Common Stockholders voting as a class
3. To ratify the selection of Ernst & Young LLP as the independent registered public accounting firm of the Company for the fiscal year ending November 30, 2009	For each of TYG and TYY - Common Stockholders and Preferred Stockholders, voting as a single class For TYN – Common Stockholders voting as a class
4. To consider and take action upon such other business as may properly come before the meeting including the adjournment or postponement thereof.	For each of TYG and TYY - Common Stockholders and Preferred Stockholders, voting as a single class For TYN – Common Stockholders voting as a class

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## PROPOSAL ONE

### ELECTION OF TWO DIRECTORS

The Board of Directors of each Company unanimously nominated Terry C. Matlack and Charles E. Heath, following a recommendation by the Nominating and Governance Committee of each Company, for election as directors at the combined annual meeting of stockholders of the Companies. Mr. Matlack and Mr. Heath are currently directors of each Company, have consented to be named in this proxy statement and have agreed to serve if elected. The Companies have no reason to believe that either Mr. Matlack or Mr. Heath will be unavailable to serve.

The persons named on the accompanying proxy card intend to vote at the meeting (unless otherwise directed) “FOR” the election of Mr. Matlack and Mr. Heath as directors of each Company. Currently, each Company has five directors. In accordance with each Company’s Articles of Incorporation, its Board of Directors is divided into three classes of approximately equal size. The terms of the directors of the different classes are staggered. The terms of H. Kevin Birzer and John R. Graham expire on the date of the 2010 annual meeting of stockholders and the term of Mr. Ciccotello expires on the date of the 2011 annual meeting of stockholders of that Company. Pursuant to the terms of each of TYG’s and TYY’s preferred shares, the preferred stockholders of that Company have the exclusive right to elect two directors to the Company’s Board. The Board of each of TYG and TYY has designated Mr. Matlack and Mr. Graham as the directors the preferred stockholders of that Company shall have the right to elect.

On this proposal, for each of TYG and TYY, holders of preferred shares will have the exclusive right, voting as a class, to vote on the election of Mr. Matlack as director of that Company, and holders of preferred shares and common shares will vote together as a single class on the election of Mr. Heath as director of that Company. For TYN, holders of common shares will vote as a class on the election of Mr. Matlack and Mr. Heath as directors of that Company. Stockholders do not have cumulative voting rights.

With respect to each Company, if elected, Mr. Matlack and Mr. Heath will hold office until the 2012 annual meeting of stockholders of that Company and until their successors are duly elected and qualified. If either Mr. Matlack or Mr. Heath is unable to serve because of an event not now anticipated, the persons named as proxies may vote for another person designated by the Company’s Board of Directors.

The following table sets forth each Board member’s name and age; position(s) with the Companies and length of time served; principal occupation during the past five years; the number of portfolios in the Fund Complex that each Board member oversees; and other public company directorships held by each Board member. Unless otherwise indicated, the address of each Director is 11550 Ash Street, Suite 300, Leawood, Kansas 66211. The Investment Company Act of 1940, as amended (the “1940 Act”), requires the term “Fund Complex” to be defined to include registered investment companies advised by the Company’s investment advisor, Tortoise Capital Advisors, L.L.C. (the “Adviser”), and, as a result, as of March 31, 2009, the Fund Complex included TYG, TYY, TYN, Tortoise Capital Resources Corporation (“TTO”), Tortoise Total Return Fund, LLC (“TTRF”), and Tortoise Gas and Oil Corporation (“TGOC”).



## Nominee For Director Who Is Independent:

Name and Age	Positions(s) Held With Each Company, Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex Overseen by Director	Other Public Company Directorships Held by Director
Charles E. Heath* (Born 1942)	Director of each Company since its inception (TYG inception in 2003; TYY and TYN inception in 2005).	Retired in 1999. Formerly, Chief Investment Officer, GE Capital's Employers Reinsurance Corporation (1989-1999); Chartered Financial Analyst ("CFA") designation since 1974	Six	None

\*Mr. Heath has also served as a Director of each of TTO, TTRF and TGOC since its inception (TTO inception in 2005; TGOC and TTRF inception in 2007).

## Nominee For Director Who Is An Interested Person

Terry C. Matlack** (Born 1956)	Director and Chief Financial Officer of each Company since its inception; Assistant Treasurer of each Company from November 2005 to April 2008; Treasurer of each Company from its inception to November 2005; Chief Compliance Officer of TYG from 2004 to May 2006 and of each of TYY and TYN from its inception through May 2006.	Chief Managing Director of the Financial Officer Adviser since 2002; Full-time Managing Director, Kansas City Equity Partners L.C. ("KCEP"), a private equity firm (2001- 2002); formerly, President, GreenStreet Capital, a private investment firm (1998 - 2001); Director and Chief Financial Officer of each of TTO, TGOC and TTRF since its inception; Assistant Treasurer of each of TTO and TGOC from its inception to April 2008 and of TTRF since its inception; CFA designation since 1985	Six	None
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\*\*Mr. Matlack, as a principal of the Adviser, is an "interested person" of each Company, as that term is defined in Section 2(a)(19) of the 1940 Act.

## Remaining Directors Who Are Independent:

Name and Age	Positions(s) Held With Each Company, Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex Overseen by Director	Other Public Company Directorships Held by Director
Conrad S. Ciccotello* (Born 1960)	Director of each Company since its inception.	Tenured Associate Professor of Risk Management and Insurance, Robinson College of Business, Georgia State University (faculty member since 1999); Director of Graduate Personal Financial Planning Programs; formerly Editor, Financial Services Review (an academic journal dedicated to the study of individual financial management) (2001-2007); formerly faculty member, Pennsylvania State University (1997-1999). Published several academic and professional journal articles about energy infrastructure and oil and gas MLPs.	Six	None
John R. Graham* (Born 1945)	Director of each Company since its inception.	Executive-in-Residence and Professor of Finance (Part-time), College of Business Administration, Kansas State University (has served as a professor or adjunct professor since 1970); Chairman of the Board, President and CEO, Graham Capital Management, Inc. (primarily a real estate	Six	Kansas State Bank

development, investment and venture capital company) and Owner of Graham Ventures (a business services and venture capital firm); Part-time Vice President Investments, FB Capital Management, Inc. (a registered investment adviser), since 2007. Formerly, CEO, Kansas Farm Bureau Financial Services, including seven affiliated insurance or financial service companies (1979-2000).

\*Messrs. Ciccotello and Graham have also served as Directors of each of TTO, TGOC and TTRF since its inception.

## Remaining Director Who Is An Interested Person:

Name and Age	Positions(s) Held With Each Company, Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex Overseen by Director	Other Public Company Directorships Held by Director
H. Kevin Birzer* (Born 1959)	Director and Chairman of the Board of each Company since its inception.	Managing Director of the Adviser since 2002; Member, Fountain Capital Management, L.L.C. ("Fountain Capital"), a registered investment advisor (1990 – present); formerly, Vice President, Corporate Finance Department, Drexel Burnham Lambert (1986-1989); formerly Vice President, F. Martin Koenig & Co., an investment management firm (1983- 1986); Director and Chairman of the Board of each of TTO, TTRF and TGO since its inception; CFA designation since 1988.	Six	None

\*Mr. Birzer, as a principal of the Adviser, is an "interested person" of each Company, as that term is defined in Section 2(a)(19) of the 1940 Act.

Officers. Mr. Birzer is the Chairman of the Board of each Company, and Mr. Matlack is the Chief Financial Officer of each Company. The preceding tables give more information about Mr. Birzer and Mr. Matlack. The following table sets forth each other officer's name and age; position(s) held with each Company and length of time served; principal occupation during the past five years; the number of portfolios in the Fund Complex overseen by each officer; and other directorships held by each officer. Unless otherwise indicated, the address of each officer is 11550 Ash Street, Suite 300, Leawood, Kansas 66211. Each officer serves until his successor is chosen and qualified or until his resignation or removal. As principals of the Adviser, each of the following officers are "interested persons" of each Company, as that term is defined in Section 2(a)(19) of the 1940 Act. Additionally, other than Mr. Thummel, each of the following officers serves as an officer of TTO, TTRF and TGO.

Name and Age	Position(s) Held With Each Company, Term	Principal Occupation During Past Five Years	Number of Portfolios in Fund	Other Public Company Directorships
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	of Office and Length of Time Served	Complex Overseen by Officer	Held by Officer
David J. Schulte (Born 1961)	President and Chief Executive Officer of each of TYG and TYT, since its inception; Chief Executive Officer of TYN since its inception; President of TYN from its inception to September 2008.	Managing Director of the Adviser since 2002; Full-time Managing Director, KCEP (1993-2002); Chief Executive Officer of TTO since 2005 and President of TTO from 2005 to April 2007; Chief Executive Officer of TGOC since 2007 and President of TGOC from 2007 to June 2008; President of TTRF since 2007 and Chief Executive Officer of TTRF from 2007 to December 2008; CFA designation since 1992.	Six  None

Name and Age	Position(s) Held With Each Company, Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex Overseen by Officer	Other Public Company Directorships Held by Officer
Rob Thummel (Born 1972)	President of TYN since September 2008.	Investment Analyst of the Adviser since 2004; formerly, Director of Finance at KLT Inc., a subsidiary of Great Plains Energy, from 1998 to 2004, and a Senior Auditor at Ernst & Young from 1995 to 1998.	One	None
Zachary A. Hamel (Born 1965)	Senior Vice President of each of TYY since its inception and of each of TYG and TYN since April 2007; Secretary of each Company from its inception to April 2007; Vice President of each of TYG and TYN from its inception to April 2007.	Managing Director of the Adviser since 2002; Partner, Fountain Capital (1997-present); Senior Vice President of each of TTO, TGOC and TTRF since its inception; Secretary of TTO from its inception to April 2007; CFA designation since 1998.	Six	None

Name and Age	Position(s) Held With Each Company, Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex Overseen by Officer	Other Public Company Directorships Held by Officer
Kenneth P. Malvey (Born 1965)	Treasurer of each Company since November 2005; Vice President of TYY since its inception and each of TYG and TYN since April 2007; Vice President of each of TYG and TYN from its inception to April 2007; Assistant Treasurer of each Company from its inception to November 2005.	Managing Director of the Adviser since 2002; Partner, Fountain Capital (2002-present); formerly, Investment Risk Manager and member of the Global Office of Investments, GE Capital's Employers Reinsurance Corporation (1996 - 2002); Senior Vice President and Treasurer of each of TTO, TGOC and TTRF since its inception; Chief Executive Officer of TTRF since December 2008; CFA designation since 1996.	Six	None

Committees of the Board of Directors. Each Company's Board of Directors currently has four standing committees: the Executive Committee, the Audit Committee, the Nominating and Governance Committee and the Compliance Committee. Currently, all of the non-interested directors, Messrs. Ciccotello, Graham and Heath, are the only members of each Company's Audit Committee, Nominating and Governance Committee and Compliance Committee. Each Company's Executive Committee currently consists of Mr. Birzer and Mr. Matlack.

- **Executive Committee.** Each Company's Executive Committee has authority to exercise the powers of the Board (i) where assembling the full Board in a timely manner is impracticable, (ii) to address emergency matters, or (iii) to address matters of an administrative or ministerial nature. Messrs. Birzer and Matlack are "interested persons" of each Company as defined by Section 2(a)(19) of the 1940 Act.
- **Audit Committee.** Each Company's Audit Committee was established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and operates under a written charter adopted and approved by the Board, a current copy of which is available at the Company's link on the Adviser's website ([www.tortoiseadvisors.com](http://www.tortoiseadvisors.com)). The Audit Committee approves and recommends to the Board the selection, retention or termination of the independent registered public accounting firm ("auditors"); approves services to be rendered by the auditors; monitors the auditors' performance; reviews the results of the Company's audit; determines whether to recommend to the Board that the Company's audited financial statements be included in the Company's Annual Report; and responds to other matters as outlined in the Audit Committee Charter. Each Audit Committee member is "independent" as defined under the applicable New York Stock Exchange listing standards, and none are "interested persons" of the Company as defined in the 1940 Act.

- Nominating and Governance Committee. Each Nominating and Governance Committee member is “independent” as defined under the New York Stock Exchange listing standards, and none are “interested persons” of the Company as defined in the 1940 Act.

Each Company's Nominating and Governance Committee operates under a written charter adopted and approved by the Board, a current copy of which is available at the Company's link on the Adviser's website ([www.tortoiseadvisors.com](http://www.tortoiseadvisors.com)). The Nominating and Governance Committee: (i) identifies individuals qualified to become Board members and recommends to the Board the director nominees for the next annual meeting of stockholders and to fill any vacancies; (ii) monitors the structure and membership of Board committees and recommends to the Board director nominees for each committee; (iii) reviews issues and developments related to corporate governance issues and develops and recommends to the Board corporate governance guidelines and procedures, to the extent necessary or desirable; (iv) has the sole authority to retain and terminate any search firm used to identify director candidates and to approve the search firm's fees and other retention terms, though it has yet to exercise such authority; and (v) may not delegate its authority. The Nominating and Governance Committee will consider stockholder recommendations for nominees for membership to the Board so long as such recommendations are made in accordance with the Company's Bylaws. Nominees recommended by stockholders in compliance with the Bylaws of the Company will be evaluated on the same basis as other nominees considered by the Nominating and Governance Committee. Stockholders should see "Stockholder Proposals and Nominations for the 2010 Annual Meeting" below for information relating to the submission by stockholders of nominees and matters for consideration at a meeting of the Company's stockholders. Each Company's Bylaws require all directors and nominees for directors (1) to be at least 21 years of age and have substantial expertise, experience or relationships relevant to the business of the Company and (2) to have a master's degree in economics, finance, business administration or accounting, to have a graduate professional degree in law from an accredited university or college in the United States or the equivalent degree from an equivalent institution of higher learning in another country, or to have a certification as a public accountant in the United States, or be deemed an "audit committee financial expert" as such term is defined in Item 401 of Regulation S-K as promulgated by the SEC, or to be a current director of the Company. The Nominating and Governance Committee has the sole discretion to determine if an individual satisfies the foregoing qualifications.

- **Compliance Committee.** Each Company formed this committee in December 2005. Each committee member is "independent" as defined under the New York Stock Exchange listing standards, and none are "interested persons" of the Company as defined in the 1940 Act. Each Company's Compliance Committee operates under a written charter adopted and approved by the Board. The committee reviews and assesses management's compliance with applicable securities laws, rules and regulations; monitors compliance with the Company's Code of Ethics; and handles other matters as the Board or committee chair deems appropriate.

None of the Companies currently has a standing compensation committee. None of the Companies have any employees and the New York Stock Exchange does not require boards of directors of registered closed-end funds to have a standing compensation committee.

The following table shows the number of Board and committee meetings held during the fiscal year ended November 30, 2008 for each Company:

	TYG	TYY	TYN
Board of Directors	11	11	11
Executive Committee	3	0	0
Audit Committee	2	2	2
Nominating and Governance Committee	1	1	1
Compliance Committee	1	1	1

During the 2008 fiscal year, for each Company, all directors attended at least 75% of the aggregate of (1) the total number of meetings of the Board and (2) the total number of meetings held by all committees of the Board on which they served. None of the Companies has a policy with respect to Board member attendance at annual meetings. All of the directors of each Company attended the Company's 2008 annual meeting.

Director and Officer Compensation. None of the Companies compensates any of its directors who are interested persons nor any of its officers. The following table sets forth certain information with respect to the compensation paid by each Company and the Fund Complex for fiscal 2008 to each of the current directors for their services as a director. None of the Companies has any retirement or pension plans.

Name of Person, Position	Agregate Compensation from Company (1)			Pension or Retirement Benefits Accrued as Part of Company Expenses	Estimated Annual Benefits Upon Retirement	Total Compensation from Company and Fund Complex Paid to Directors (2)
	TYG	TYY	TYN			
Independent Persons						
Conrad S. Ciccotello	\$50,667	\$46,667	\$27,667	\$0	\$0	\$182,000
John R. Graham	\$47,667	\$43,667	\$26,667	\$0	\$0	\$171,000
Charles E. Heath	\$47,667	\$43,667	\$26,667	\$0	\$0	\$171,000

(1) No amounts have been deferred for any of the persons listed in the table.

(2) Fund Complex includes the six companies - TYG, TYY, TYN, TTO, TTRF and TGOC.

Required Vote. With respect to each of TYG and TYY, Mr. Heath will each be elected by the vote of a plurality of all shares of common stock and preferred stock of the Company present at the meeting, in person or by proxy, and Mr. Matlack will be elected by the vote of a plurality of all shares of preferred stock of the Company present at the meeting, in person or by proxy. With respect to TYN, Mr. Matlack and Mr. Heath will each be elected by the vote of a plurality of all shares of common stock of the Company present at the meeting, in person or by proxy. When there are two vacancies for director, as is the case here, a vote by plurality means the two nominees with the highest number of affirmative votes, regardless of the votes withheld for the candidates, will be elected. Therefore, with respect to

each Company, withheld votes and broker non votes, if any, will not be counted towards a nominee's achievement of a plurality. With respect to each of TYG and TYY, each common share and each preferred share is entitled to one vote in the election of Mr. Heath, and each preferred share is entitled to one vote in the election of Mr. Matlack. With respect to TYN, each common share is entitled to one vote in the election of Mr. Heath and one vote in the election of Mr. Matlack.

## BOARD RECOMMENDATION

The Board of Directors of each of TYG and TYY unanimously recommends that the common and preferred stockholders of that Company vote “for” Mr. Heath as a director and that the preferred stockholders of that Company vote “for” Mr. Matlack as a director. The Board of Directors of TYN unanimously recommends that the common stockholders of that Company vote “for” Mr. Heath as a director and “for” Mr. Matlack as a director.

## PROPOSAL TWO

### APPROVAL TO SELL COMMON SHARES BELOW NET ASSET VALUE

Each Company is a closed-end management investment company under the 1940 Act and is generally prohibited from issuing its common shares at a price below the net asset value per share ("NAV"), subject to certain exceptions. One of these exceptions would allow each Company to sell its common shares below NAV if they obtain stockholder approval.

Each Company is seeking approval of this proposal so that it may, in one or more public or private offerings of its common stock, sell or otherwise issue shares of its common stock, not exceeding 25% of its then outstanding common stock, at a price below its then current NAV, subject to certain conditions discussed below. If approved for a Company, the authorization would be effective for that Company for a period of one year or until the date of the 2010 annual meeting of stockholders for that Company, whichever is earlier.

Each Company's Board of Directors, including a majority of each Company's independent directors, has approved this proposal as in the best interests of the Company and its stockholders and recommends it to the stockholders for their approval.

#### Reasons to Offer Common Stock Below NAV

The global financial crisis has impacted each Company's ability to access the debt and equity capital markets to fund these investment opportunities. The amount the Companies may borrow or finance through the issuance of preferred stock is also limited under the 1940 Act. Each of the Company's credit facilities with U.S. Bank, N.A. as lender, agent and lead arranger also requires that it abide by the leverage limitations of the 1940 Act.

Current global economic conditions have created, and the Companies believe will continue to create, favorable opportunities to invest at attractive risk-adjusted returns, including opportunities that, all else being equal, could prove to be accretive to the Companies total return over the long term. In addition, each of the Companies also believes situations may arise in which it is in the best interests of the Company and its stockholders to issue its common shares below NAV to retire outstanding leverage. Because each of the Companies generally attempts to remain fully invested and does not maintain cash for purposes of making investments or retiring leverage, each Company needs to be able to maintain consistent access to equity capital. Stockholder approval of this proposal for a Company to sell its common shares below NAV, subject to the conditions set forth herein, is expected to provide that Company such access.

The following table lists the high and low sales prices for each Company's common stock, as reported on the New York Stock Exchange, and the closing sales price as a percentage of NAV for its two previous fiscal years. On April \_\_\_, 2009, the closing sales price of each Company's common stock on





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the New York Stock Exchange was \$\_\_\_ per share for TYG, \$\_\_\_ per share for TYY, and \$\_\_\_ per share for TYN.

Quarter Ended	NAV(1)	Sales Price High	Low	High Sales Price to NAV(2)	Low Sales Price to NAV(2)
Fiscal Year ended November 30, 2007					
First Quarter					
TYG	\$34.83	\$36.64	\$33.48	5.2%	-3.9%
TYY	\$29.28	\$29.39	\$26.36	0.4%	-10.0%
TYN	\$25.28	\$23.48	\$21.40	-7.1%	-15.3%
Second Quarter					
TYG	\$38.73	\$42.12	\$35.26	8.8%	-9.0%
TYY	\$31.94	\$32.02	\$28.35	0.3%	-11.2%
TYN	\$29.56	\$27.41	\$22.45	-7.3%	-24.1%
Third Quarter					
TYG	\$34.63	\$44.89	\$34.39	29.6%	-0.7%
TYY	\$29.18	\$31.54	\$26.75	8.1%	-8.3%
TYN	\$26.94	\$27.95	\$22.48	3.7%	-16.6%
Fourth Quarter					
TYG	\$32.96	\$39.75	\$30.70	20.6%	-6.9%
TYY	\$27.84	\$30.45	\$24.01	9.4%	-13.8%
TYN	\$27.25	\$26.03	\$22.40	-4.5%	-17.8%
Fiscal Year Ended November 30, 2008					
First Quarter					
TYG	\$30.98	\$34.40	\$30.86	11.0%	-0.4%
TYY	\$26.32	\$28.45	\$24.13	8.1%	-8.3%
TYN	\$27.30	\$25.51	\$21.83	-6.6%	-20.0%
Second Quarter					
TYG	\$30.35	\$32.60	\$28.46	7.4%	-6.2%
TYY	\$26.05	\$26.13	\$23.88	0.3%	-8.3%
TYN	\$30.13	\$25.37	\$22.25	-15.8%	-26.2%
Third Quarter					
TYG	\$27.55	\$32.95	\$24.70	19.6%	-10.3%
TYY	\$23.51	\$27.40	\$21.44	16.5%	-8.8%
TYN	\$25.32	\$26.10	\$19.98	3.1%	-21.1%
Fourth Quarter					
TYG	\$17.36	\$30.07	\$10.01	73.2%	-42.3%
TYY	\$12.85	\$24.86	\$ 7.00	93.5%	-45.5%
TYN	\$10.78	\$21.40	\$ 8.00	98.5%	-25.8%

(1)NAV is determined as of the last day in the relevant quarter and therefore may not reflect the net asset value per share on the date of the high and low sales prices. The net asset values shown are based on outstanding shares at the end of each period.

(2)Calculated as the respective high or low sales price divided by NAV.

Examples of Dilutive Effect of the Issuance of Shares Below NAV

The following table illustrates the reduction to NAV and dilution that would be experienced by a nonparticipating stockholder in three different hypothetical offerings of different sizes and levels of discount to NAV, although it is not possible to predict the level of market price decline that may occur. Actual sales prices and discounts may differ from the presentation below; provided the Company will not issue common shares at a price that, after deducting offering expenses and commissions, reflects a discount to NAV of more than 10%.

The examples assume that Company XYZ has 1,000,000 common shares outstanding, \$15,000,000 in total assets and \$5,000,000 in total liabilities. The current net asset value and NAV are

thus \$10,000,000 and \$10.00. The table illustrates the dilutive effect on nonparticipating Stockholder A of (1) an offering of 50,000 shares (5% of the outstanding shares) at \$9.50 per share after offering expenses and commission (a 5% discount to NAV), (2) an offering of 100,000 shares (10% of the outstanding shares) at \$9.00 per share after offering expenses and commissions (a 10% discount to NAV) and (3) an offering of 200,000 shares (20% of the outstanding shares) at \$9.00 per share after offering expenses and commissions (a 10% discount to NAV). The table assumes offering expenses and commissions of 5%.

	Prior to Sale Below NAV	Example 1 5% Offering at 5% Discount		Example 2 10% Offering at 10% Discount		Example 3 20% Offering at 10% Discount	
		Following Sale	% Change	Following Sale	% Change	Following Sale	% Change
<b>Offering Price</b>							
Price per Share to Public	--	\$ 10.00	--	\$ 9.47	--	\$ 9.47	--
Net Proceeds per Share to Issuer	--	\$ 9.50	--	\$ 9.00	--	\$ 9.00	--
<b>Decrease to NAV</b>							
Total Shares Outstanding	1,000,000	1,050,000	5.00%	1,100,000	10.00%	1,200,000	20.00%
NAV per Share	\$ 10.00	\$ 9.98	(0.20)%	\$ 9.91	(0.90)%	\$ 9.83	(1.70)%
<b>Share Dilution to Stockholder A</b>							
Shares Held by Stockholder A	10,000	10,000	--	10,000	--	10,000	--
Percentage of Shares Held by Stockholder A	1.0%	0.95%	(4.76)%	0.91%	(9.09)%	0.83%	(16.67)%
<b>Total Asset Values</b>							
Total NAV Held by Stockholder A	\$ 100,000	\$ 99,800	(0.20)%	\$ 99,100	(0.90)%	\$ 98,300	(1.70)%
Total Investment by Stockholder A (Assumed to Be \$10.00 per Share)	\$ 100,000	\$ 100,000	--	\$ 100,000	--	\$ 100,000	--
Total Dilution to Stockholder A (Total NAV Less Total Investment)	--	\$ (200)	--	\$ (900)	--	\$ (1,700)	--
<b>Per Share Amounts</b>							
NAV per Share Held by Stockholder A	--	\$ 9.98	--	\$ 9.91	--	\$ 9.83	--
Investment per Share Held by Stockholder A (Assumed to be \$10.00 per Share on Shares Held Prior to Sale)	\$ 10.00	\$ 10.00	--	\$ 10.00	--	\$ 10.00	--
Dilution per Share Held by Stockholder A (NAV per Share Less Investment per Share)	--	\$ (0.02)	--	\$ (0.09)	--	\$ (0.17)	--
Percentage Dilution to Stockholder A (Dilution per Share Divided by Investment per Share)	--	--	(0.20)%	--	(0.90)%	--	(1.70)%

Conditions to Sale Below NAV

If stockholders approve this proposal, each Company will only issue shares of its common stock at a price below NAV pursuant to this stockholder proposal if the following conditions are met:

- a "required majority" of the Company's directors have determined that any such sale would be in the best interests of the Company and its stockholders; and
- a "required majority" of the Company's directors, in consultation with the underwriter or underwriters of the offering if it is to be underwritten, have determined in good faith, and as of a time immediately prior to the first solicitation by or on behalf of the Company of firm commitments to purchase such common stock or immediately prior to the issuance of such common stock, that the price at which such shares of common stock are to be sold is not less than a price which closely approximates the market value of those shares of common stock, less any distributing commission or discount.
- if the net proceeds of any such sale are to be used to make investments, a "required majority" of the Company's directors has made a determination, based on information and a recommendation from the Adviser, that they reasonably expect that the investment(s) to be made will lead to a long-term increase in distribution growth.

- the price per common share in any such sale, after deducting offering expenses and commissions, reflects a discount to NAV, as determined at any time within two business days prior to the pricing of the common stock to be sold, of no more than 10%.

Under the 1940 Act, a "required majority" of directors means both a majority of the Company's directors who have no financial interest in the transaction and a majority of the Company's independent directors. For these purposes, directors will not be deemed to have a financial interest solely by reason of their ownership of the Company's common stock.

As discussed below under the caption "More Information About the Meeting – Investment Advisory Agreement," with respect to each Company, the Adviser is paid a fee based upon the Company's average monthly Managed Assets (as defined below). Therefore, the Adviser's interest in determining whether to recommend that a Company issue common shares below NAV may conflict with the interests of the Company and its stockholders, as such an issuance will result in an increase in a Company's Managed Assets and ultimately in the fee paid to the Adviser. The Adviser is controlled directly or indirectly by officers and the two interested directors of each Company, among others. For that reason, any issuance of shares at a price below NAV must be approved by a majority of the disinterested directors.

#### Key Stockholder Considerations

Before voting on this proposal or giving proxies with regard to this matter, each Company's common stockholders should consider the dilutive effect of the issuance of shares of the Company's common stock at less than NAV per share on the NAV per outstanding share of common stock. Any sale of common stock at a price below NAV would result in an immediate dilution of the NAV per outstanding share to existing common stockholders. There is a connection between the common share sale price and NAV because when stock is sold at a sale price below NAV per share, the resulting increase in the number of outstanding shares is not accompanied by a proportionate increase in the net assets of the Company. As discussed above, it should be noted that the maximum number of common shares issuable below NAV that could result in such dilution is limited to 25% of the Company's then outstanding common stock.

Common stockholders of a Company should also consider that holders of the Company's common stock have no subscription, preferential or preemptive rights to acquire additional shares of the common stock proposed to be authorized for issuance, and thus any future issuance of common stock will dilute such stockholders' holdings of common stock as a percentage of shares outstanding to the extent stockholders do not purchase sufficient shares in the offering to maintain their percentage interest. Further, if current stockholders of a Company either do not purchase any shares in an offering conducted by the Company or do not purchase sufficient shares in the offering to maintain their percentage interest, regardless of whether such offering is above or below the then current NAV, their percentage of the Company's distributions and their voting power will be diluted.

Common stockholders should also consider the impact that issuances of shares of common stock below NAV have on each Company's expense ratio. In general, assuming that a fund's expenses consist of both fixed and variable costs, any time the fund issues shares the expense ratio should decrease because the fixed costs are spread over a larger amount of assets. If a Company issues shares of common stock below NAV, assuming its expenses consist of both fixed and variable costs, the Company's expense ratio will decrease; however, it will not decrease as much as it would have had the shares been issued at NAV.

#### Required Vote

For each Company, the proposal must be approved by both (a) the affirmative vote of a majority of all common stockholders of record, as of the record date, and (b) the affirmative vote of a majority of the votes cast, in person or by proxy, at the meeting by the holders of common stock and the holders of

preferred stock (if any), voting together as a single class. If both approvals are not obtained, the proposal will not pass.

Solely for the purpose of determining whether a majority of the number of common stockholders of record of a Company approved the proposal as required in (a) above, the number of common shares held by any single stockholder will not be relevant. For the purpose of determining whether a majority of the number of common stockholders of record of a Company approved the proposal, abstentions and broker non-votes, if any, recorded by record owners will have the effect of a vote against the proposal.

With respect to each Company, solely for the purposes of determining whether a majority of the votes cast by the stockholders entitled to vote approved this proposal as required in (b) above, each common share, and in the case of TYG and TYY, each preferred share, is entitled to one vote, and abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.

#### BOARD RECOMMENDATION

The Board of Directors of each Company unanimously recommends that stockholders of the Company vote “for” the proposal to allow the Company to sell its common shares below net asset value.

### PROPOSAL THREE

#### RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors of each Company recommends that the stockholders of the Company ratify the selection of Ernst & Young LLP (“E&Y”) as the independent registered certified public accountants (“independent auditors”), to audit the accounts of the Company for the fiscal year ending November 30, 2009. E&Y’s selection was approved by each Company’s Audit Committee at a meeting held on January 20, 2009. Their selection also was ratified and approved by the Board of Directors of each Company, including a majority of the directors who are not “interested persons” of the Company within the meaning of the 1940 Act, and who are “independent” as defined in the New York Stock Exchange listing standards, at a meeting held on January 20, 2009.

E&Y has audited the financial statements of each Company since prior to each Company’s commencement of business (TYG in February 2004; TYY in May 2005; and TYN in October 2005) and does not have any direct financial interest or any material indirect financial interest in any of the Companies. A representative of E&Y is expected to be available at the meeting and to have the opportunity to make a statement and respond to appropriate questions from the stockholders. Each Company’s Audit Committee meets twice each year with representatives of E&Y to discuss the scope of their engagement, review the financial statements of the Company and the results of their examination.

#### Required Vote

E&Y will be ratified as a Company’s independent registered public accounting firm by the affirmative vote of a majority of the votes cast, in person or by proxy, at the meeting by the holders of common stock and the holders of preferred stock (if any), voting together as a single class. With respect to each of TYG and TYY, each common share and each preferred share is entitled to one vote on this proposal. With respect to TYN, each common share is entitled to one vote on this proposal. For the purposes of the vote on this proposal for each Company, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.





## BOARD RECOMMENDATION

The Board of Directors of each Company unanimously recommends that stockholders of the Company vote “for” the ratification of Ernst & Young LLP as the Company’s Independent Public Accounting Firm.

## AUDIT COMMITTEE REPORT

The Audit Committee of each Company reviews the Company’s annual financial statements with both management and the independent auditors.

The Audit Committee of each Company, in discharging its duties, has met with and has held discussions with management and the Company’s independent auditors. Each Company’s Audit Committee has reviewed and discussed the Company’s audited financial statements for the fiscal year ended November 30, 2008 with management. Management of each Company has represented to the independent auditors that the Company’s financial statements were prepared in accordance with U.S. generally accepted accounting principles.

The Audit Committee of each Company has also discussed with the independent auditors the matters required to be discussed by the Statement on Auditing Standards No. 114 (The Auditor’s Communication With Those Charged With Governance). The independent auditors provided to each Company’s Audit Committee the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditors’ communications with the Audit Committee concerning independence, and each Company’s Audit Committee discussed with representatives of the independent auditors their firm’s independence with respect to that Company.

With respect to each Company, based on the Audit Committee’s review and discussions with management and the independent auditors, the representations of management and the reports of the independent auditors to the committee, the Audit Committee recommended that the Board include the audited financial statements in the Company’s Annual Report for filing with the SEC.

The Audit Committee of each Company

Conrad S. Ciccotello (Chairman)  
Charles E. Heath  
John R. Graham

## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

On January 20, 2009, each Company’s Audit Committee selected E&Y as the independent registered public accounting firm to audit the books and records of the Company for its fiscal year ending November 30, 2009. E&Y is registered with the Public Company Accounting Oversight Board.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
FEES AND SERVICES

The following table sets forth the approximate amounts of the aggregate fees billed to each Company for the fiscal years ended November 30, 2008 and 2007 by E&Y, respectively:

	TYG		TYY		TYN	
	2008	2007	2008	2007	2008	2007
Audit Fees(1)	\$259,000	\$224,000	\$191,000	\$150,000	\$ 92,000	\$ 76,000
Audit-Related Fees(2)	\$ 8,000	\$ 42,000	\$ 3,000	\$ 28,000	\$ 3,000	\$ 15,000
Tax Fees(3)	\$ 60,000	\$ 92,000				