

TORTOISE ENERGY INFRASTRUCTURE CORP  
Form DEF 14A  
March 11, 2005

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

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED  
IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. 1)

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 under Rule 14a-12

**TORTOISE ENERGY INFRASTRUCTURE 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):

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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:

---

[TORTOISE LOGO]

**TORTOISE ENERGY INFRASTRUCTURE CORPORATION**  
10801 Mastin Boulevard, Suite 222  
Overland Park, Kansas 66210  
1-888-728-8784

March 15, 2005

Dear Fellow Stockholder:

You are cordially invited to attend the first annual meeting of stockholders of **Tortoise Energy Infrastructure Corporation** (the "Company") on Friday, April 15, 2005 at 9:00 a.m., Central Time, at The Doubletree Hotel, 10100 College Boulevard, Overland Park, Kansas 66210.

The matters scheduled for consideration at the meeting are the election of one director of the Company, granting the Company the authority to sell a limited number of its common shares for less than net asset value, subject to certain conditions, and the ratification of the selection of Ernst & Young LLP as independent, registered certified public accountants of the Company for its fiscal year ending November 30, 2005, 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 proxy statement, which gives detailed information about the proposals and why the Board recommends that you vote to approve each of them, 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 1-888-728-8784.

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,

/s/ David J. Schulte

David J. Schulte  
CEO and President

---

**TORTOISE ENERGY INFRASTRUCTURE CORPORATION**

**ANSWERS TO SOME IMPORTANT QUESTIONS**

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

A. This proxy contains three proposals: (i) the election of one director to serve until the 2008 Annual Stockholder Meeting; (ii) granting the Company the authority to sell a limited number of its common shares for less than net asset value, subject to certain conditions; and (iii) the ratification of Ernst & Young LLP as the Company's independent, registered certified public accountants. Stockholders of the Company may also transact such other business as may properly come before the meeting.

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

A. The Board of Directors of the 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 card, 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 Proxy Statement carefully.**

**If you have questions, call 1-888-728-8784.**

---

**TORTOISE ENERGY INFRASTRUCTURE CORPORATION  
10801 Mastin Boulevard, Suite 222  
Overland Park, Kansas 66210  
1-888-728-8784**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

To the Stockholders of Tortoise Energy Infrastructure Corporation:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Tortoise Energy Infrastructure Corporation, a Maryland Corporation (the "Company"), will be held on Friday, April 15, 2005 at 9:00 a.m. Central Time at The Doubletree Hotel, 10100 College Boulevard, Overland Park, Kansas 66210 for the following

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

purposes:

1. To elect one director of the Company, to hold office for a term of three years and until his successor is duly elected and qualified;
2. To grant the Company the authority to sell a limited number of its common shares for less than net asset value, subject to certain conditions;
3. To ratify the selection of Ernst & Young LLP as independent, registered certified public accountants of the Company for its fiscal year ending November 30, 2005; and
4. To transact any other business that may properly come before the meeting or any adjournment or postponement thereof.

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

Stockholders may also transact any other business that properly comes before the meeting.

Stockholders of record as of the close of business on March 7, 2005 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 the Company,

/s/ Zachary A. Hamel

Zachary A. Hamel  
Secretary

March 15, 2005  
Overland Park, 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**  
10801 Mastin Boulevard, Suite 222  
Overland Park, Kansas 66210  
1-888-728-8784

### PROXY STATEMENT

**ANNUAL MEETING OF STOCKHOLDERS**  
**APRIL 15, 2005**

This proxy statement is being sent to you by the Board of Directors of **Tortoise Energy Infrastructure Corporation** (the "Company"). The Board of

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

Directors is asking you to complete and return the enclosed proxy card, permitting your shares of the Company to be voted at the annual meeting of stockholders called to be held on April 15, 2005. Stockholders of record at the close of business on March 7, 2005 (the "record date") are entitled to vote at the meeting. This proxy statement and enclosed proxy are first being mailed to stockholders on or about March 15, 2005.

You should have received the Company's Annual Report to stockholders for the fiscal year ended November 30, 2004. **If you would like another copy of the Annual Report, please write the Company at the address shown at the top of this page or call the Company at 888-728-8784. The report will be sent to you without charge.** The Company's reports can be accessed on its website ([www.tortoiseenergy.com](http://www.tortoiseenergy.com)) or on the SEC's website ([www.sec.gov](http://www.sec.gov)).

1

---

### PROPOSAL ONE

#### ELECTION OF DIRECTOR

At the annual meeting, one director will be elected to serve for a term of three years and until his successor is duly elected and qualified. The Board of Directors unanimously nominated Conrad S. Ciccotello, who is currently a director. Mr. Ciccotello has consented to be named in this proxy statement and has agreed to serve if elected. The Company has no reason to believe that he 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. Ciccotello as a director of the Company. Currently the Company has five directors. In accordance with the Company's Articles of Amendment and Restatement, 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 Charles E. Heath and Terry C. Matlack expire on the date of the 2006 annual meeting of stockholders and the terms of John R. Graham and H. Kevin Birzer expire on the date of the 2007 annual meeting of stockholders. If Mr. Ciccotello is elected at the annual meeting, his term will expire at the annual meeting of stockholders in 2008. Pursuant to the terms of the preferred shares, the preferred stockholders have the exclusive right to elect two directors to the board. The board has designated Mr. Matlack and Mr. Graham as the directors the preferred stockholders shall have the right to elect.

On this proposal, the holders of preferred shares of the Company will have equal voting rights with the holders of common shares (i.e., one vote per share) and the common shares and the preferred shares will vote together as a single class. The Company's directors are elected by a plurality of the votes cast at the meeting. This means the nominee who receives more votes than any other candidate, regardless of the votes withheld for that candidate, will be elected. Thus, shares present at the annual meeting that are not voted for a particular nominee, shares present in person or represented by proxy where the stockholder properly withholds authority to vote for such nominee, and broker non-votes, if any, will not be counted towards such nominee's achievement of a plurality. Stockholders do not have cumulative voting rights.

If elected, Mr. Ciccotello will hold office until the 2008 annual meeting of stockholders or until his successor is duly elected and qualified. If Mr. Ciccotello is unable to serve because of an event not now anticipated, the

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

persons named as proxies may vote for another person designated by the Board of Directors.

The following table sets forth each Board member's name, age and address; position(s) with the Company 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. The Fund Complex is comprised of the closed-end funds advised by the Advisor, and as of March 15, 2005 included the Company, Tortoise North American Energy Corporation and Tortoise MLP Investment Corporation.

2

### NOMINEE FOR DIRECTOR WHO IS NOT AN INTERESTED PERSON:

<u>Name and Age</u>	<u>Positions(s) Held With Company and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number Portfolio Fund Comple Overseen Direct</u>
Conrad S. Ciccotello, 44 10801 Mastin Blvd. Suite 222 Overland Park, KS 66210	Director since 2003	Associate Professor of Risk Management and Insurance, Robinson College of Business, Georgia State University since 1999; Director of Graduate Personal Financial Planning Programs, Editor, <i>Financial Services Review</i> since 2001 (an academic journal dedicated to the study of individual financial management). Formerly, faculty member, Pennsylvania State University (1997-1999).	Three

### REMAINING DIRECTORS WHO ARE NOT INTERESTED PERSONS:

<u>Name and Age</u>	<u>Positions(s) Held With Company and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number Portfolio Fund Comple Overseen Direct</u>
John R. Graham, 59 10801 Mastin Blvd. Suite 222 Overland Park, KS 66210	Director since 2003	Executive-in-Residence and Professor of Finance, 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. and Owner of Graham Ventures. Formerly, CEO, Kansas Farm	Three

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

Charles E. Heath, 62 10801 Mastin Blvd. Suite 222 Overland Park, KS 66210	Director since 2003	Bureau Financial Services, including seven affiliated insurance or financial service companies (1979-2000).  Retired in 1999. Formerly, Chief Investment Officer, General Electric's Employers Reinsurance Corporation (1989-1999). CFA since 1974.	Three
--	---------------------	---	-------

3

REMAINING DIRECTORS WHO ARE INTERESTED PERSONS:

<u>Name and Age</u>	<u>Positions(s) Held With Company and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number Portfolio Fund Comple Overseen Direct</u>
H. Kevin Birzer, 45 10801 Mastin Blvd. Suite 222 Overland Park, KS 66210	Director and Chairman of the Board since 2003	Partner/Senior Analyst, Fountain Capital (1989 - present); Managing Director of the Advisor. Formerly, Vice President, Corporate Finance Department, Drexel Burnham Lambert (1986-1989); Vice President, F. Martin Koenig & Co. (1983- 1986).	Three
Terry C. Matlack, 49 10801 Mastin Blvd. Suite 222 Overland Park, KS 66210	Director, Treasurer and Chief Financial Officer since 2003	Managing Director, KCEP, a private equity firm (2001-present); Managing Director of the Advisor. Formerly, President, GreenStreet Capital (1995 - 2001).	Three

Officers. Mr. Birzer is the Chairman of the Board of the Company, and Mr. Matlack is the Chief Financial Officer and Treasurer of the Company. The preceding table gives more information about Mr. Birzer and Mr. Matlack. The following table sets forth each other officer's name, age and address; position(s) held with the 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. Each officer serves until his successor is chosen and qualified or until his resignation or removal.

<u>Name and Age</u>	<u>Positions(s) Held With Company and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number Portfolio Fund Comple Overseen Direct</u>
David J. Schulte, 43 10801 Mastin Blvd.	President and Chief Executive	Managing Director, KCEP (1993-present); Managing	Three

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

Suite 222 Overland Park, KS 66210	Officer since 2003	Director of the Advisor; CFA since 1992; Member, Global Corporate Governance Committee of the CFA Institute.	
Zachary A. Hamel, 39 10801 Mastin Blvd. Suite 222 Overland Park, KS 66210	Secretary since 2003	Partner/Senior Analyst with Fountain Capital (1997-present); Managing Director of the Advisor.	Three

4

---

Kenneth P. Malvey, 39 10801 Mastin Blvd. Suite 222 Overland Park, KS 66210	Vice President since 2003	Partner/Senior Analyst, Fountain Capital Management (2002-present); Managing Director of the Advisor. Formerly, Investment Risk Manager and member of the Global Office of Investments, GE Capital's Employers Reinsurance Corporation (1996 - 2002).	Three
---	---------------------------	---	-------

*Committees of the Board of Directors.* The Company's Board of Directors currently has two standing committees:

*Executive Committee.* Messrs. Birzer and Matlack are members of the executive committee. The 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 the Company as defined by Section 2(a)(19) of the Investment Company Act of 1940.

*Audit Committee.* Messrs. Ciccotello, Heath and Graham serve on the audit committee. The audit committee operates under a written charter adopted and approved by the Board. The Audit Committee Charter is attached hereto as Appendix A and will be attached every third year going forward. The audit committee approves and recommends to the Board the election, retention or termination of independent 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 by the New York Stock Exchange.

The Board does not currently have a standing nominating or compensation committee. The New York Stock Exchange does not require boards of directors of closed-end funds to have a standing nominating or compensation committee.

Your Board of Directors does not believe a standing nominating committee is necessary because the full Board of Directors currently participates in the consideration of director nominees. The Board of Directors does not have a charter with respect to the duties it fulfills in its nominating capacity. The Board of Directors does not have a specific policy with regard to consideration



## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

of director candidates recommended by stockholders and will give consideration to director candidates recommended by stockholders in accordance with the Company's Bylaws and the procedures described under "Stockholder Proposals." The Company's Bylaws require all directors and nominees for directors (1) to be at least 21 years of age and have substantial expertise, experience and 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, to have a certification as a public accountant in the United States, to

5

---

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 Board of Directors does not have a specific process for identifying and evaluating nominees for director, but when considering nominations for membership on the Board, the Board of Directors seeks to identify persons who satisfy the criteria identified above and who have the highest capabilities, judgment and ethical standards and an understanding of the business of the Company. The Board of Directors does not evaluate nominees for director differently when a nominee is proposed by a stockholder.

The following table shows the number of meetings held for the Company during the fiscal year ended November 30, 2004:

Board of Directors	10
Executive Committee	3
Audit Committee	5

All of the members of the Board and committee members then serving attended at least 75% of the meetings of the Board of Directors and applicable committees held during the fiscal year.

*Director and Officer Compensation.* The Company does not compensate any of the directors who are interested persons and does not compensate any of its officers. The following table sets forth certain information with respect to the compensation paid by the Company and the Fund Complex during fiscal 2004 to each of the current directors.

<u>Name</u>	<u>Compensation from Company</u>	<u>Total Compensation from Fund Complex</u>
H. Kevin Birzer	\$0	\$0
Terry C. Matlack	\$0	\$0
Conrad S. Ciccotello	\$19,000	\$19,000
John R. Graham	\$20,500	\$20,500
Charles E. Heath	\$21,000	\$21,000

*Required Vote.* Mr. Ciccotello will be elected by the vote of a plurality of all shares of the Company present at the meeting, in person or by proxy. Each common share and each preferred share is entitled to one vote.

### BOARD RECOMMENDATION

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS OF THE

COMPANY VOTE "FOR" MR. CICCOTELLO AS A DIRECTOR.

6

---

**PROPOSAL TWO**

**APPROVAL TO SELL A LIMITED NUMBER OF  
COMMON SHARES BELOW NET ASSET VALUE**

Since our initial public offering in February 2004, the Company sold common shares in a subsequent public offering and invested the proceeds from such subsequent public offering in accordance with its investment objectives. The Investment Company Act of 1940 ("1940 Act") permits such sales, so long as the net sale price to the Company (after deduction of offering expenses) is at least equal to the net asset value per share (the "NAV") of its common shares. Additionally, the 1940 Act permits the Company to sell its common shares below NAV with the consent of a majority of its common stockholders. The 1940 Act establishes a connection between common share net sale price and NAV because when stock is sold at a net sale price below NAV, the resulting increase in the number of outstanding shares is not accompanied by a proportionate increase in the net assets of the Company.

The Company believes that having the ability to issue a limited number of the Company's common shares below NAV in certain instances will benefit all stockholders. The Company is periodically presented with attractive opportunities to acquire securities of master limited partnerships ("MLPs") that require the Company to make its investment commitment quickly. Because the Company generally attempts to remain fully invested and does not intend to maintain cash for the purpose of making these investments, the Company may be unable to capitalize on investment opportunities presented to it unless it quickly raises capital. The market value of our common shares, however, periodically falls below our NAV, which is not uncommon for a closed-end fund such as the Company. When this happens, the Company is not able to effectively access capital markets to enable it to take advantage of attractive investment opportunities.

The proposed resolution would give the Company the opportunity to raise cash and purchase attractively priced securities even if the net sale price to the Company of our common shares is below NAV. The Company does not anticipate selling common shares below NAV unless the Company has identified attractive near term investment opportunities that the directors, including a majority of independent directors, reasonably believe will increase stockholder distributions. Further, to the extent the Company issues common shares below NAV in a publicly registered transaction, the market capitalization and number of publicly tradable shares of the Company will increase, thus affording all stockholders greater liquidity.

The Company will only sell common shares below NAV in accordance with the following parameters:

1. The aggregate number of the Company's common shares issued below NAV will not exceed more than 20% of the Company's outstanding common shares as of any offering date. In determining the number of the Company's outstanding common shares, all common shares outstanding on the date of the stockholder vote shall be deemed to be outstanding, as well as all common shares sold at a net sale price in excess of NAV from and after the date of the stockholder vote. However, common shares previously sold at a net sale price below NAV will not be deemed

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

to be outstanding for purposes of computing the 20% limitation.

7

2. The Company will not sell its common shares at a net sale price to the Company, after deduction of all offering expenses and underwriting fees and commissions, that represents a discount of more than 5% of the NAV, as determined at any time within 48 hours of pricing of the common shares to be sold below NAV.

3. The Company will only issue common shares below NAV if a majority of the independent directors makes a determination that they reasonably expect that the investment(s) to be made with the net proceeds of such issuance will increase stockholder distributions.

As discussed below under the caption "More Information About the Meeting - Investment Advisory Agreement," the Company's investment 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 the Company issue common shares below NAV may conflict with the interests of the Company and its stockholders.

Furthermore, if current stockholders of the 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 voting power will be diluted.

The table below sets forth the pro forma effect on our NAV if we were to have issued shares below our NAV as of February 28, 2005. The table assumes that we issue 2,948,820 shares, which represents all of the shares we would be currently authorized under this proposal to issue, at a net sale price to us after deducting all expenses of issuance, including underwriting discounts and commissions, equal to \$26.95, 95% of the NAV of our common shares as of February 28, 2005.

### Impact of Below NAV Issuances of Common Shares

Common shares currently outstanding .....	14,744,098
Common shares that currently may be issued below NAV.....	2,948,820
Total common shares outstanding if all authorized are issued below NAV.....	17,692,918
Net asset value per share as of February 28, 2005 .....	\$28.37
Aggregate net asset value of all currently outstanding common shares based on NAV as of February 28, 2005.....	\$418,339,229.00
Aggregate net proceeds to the Company (assuming the Company sold all authorized shares and received net proceeds equal to \$26.95 per share (95% of the NAV as of February 28, 2005)).....	\$79,470,699.00
Expected aggregate net asset value of the Company after issuance.....	\$497,809,928.00
NAV per share after issuance .....	\$28.14

The persons named in the accompanying proxy card intend to vote at the meeting (unless otherwise directed) FOR approval of the sale of common shares below NAV.

*Required Vote.* The proposal must be approved by both (a) the affirmative vote of a majority of all common stockholders of record, and (b) a majority of

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

the votes cast by the common stockholders and the preferred stockholders, voting together as a single class.

8

---

For the purpose of determining whether a majority of the common stockholders approved the matter, the number of common shares held by any single stockholder will not be relevant. For the purpose of determining whether a majority of the common stockholders approved this proposal, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.

For the purposes of determining whether the majority of the votes cast by the common and preferred stockholders voting together as a single class approved the proposal, each common share and each preferred share is entitled to one vote. Further, 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 THE 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 CERTIFIED PUBLIC ACCOUNTANTS**

The Board of Directors recommends that the stockholders of the Company ratify the selection of Ernst & Young LLP ("E&Y"), independent, registered certified public accountants, to audit the accounts of the Company for the fiscal year ending November 30, 2005. E&Y's selection was approved by the Audit Committee at a meeting held on January 19, 2005. Their selection also was ratified and approved by the vote, cast in person, of a majority of the directors of the Company, including a majority of the directors who are not "interested persons" of the Company within the meaning of the 1940 Act, as amended, and who are "independent" as defined in the New York Stock Exchange listing standards, at a meeting held on January 19, 2005.

The persons named in the accompanying proxy card intend to vote at the meeting (unless otherwise directed) FOR the ratification of E&Y as the Company's independent, registered certified public accountants. E&Y has audited the accounts of the Company since prior to the Company's commencement of business in February 2004 and does not have any direct financial interest or any material indirect financial interest in the Company. 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. The Audit Committee of the Board of Directors meets 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 the Company's independent, registered certified public accountant by the affirmative vote of a majority of all shares cast at the meeting, in person or by proxy. Each common share and each preferred share is entitled to one vote. For the purposes of the vote on this proposal, abstentions will not be counted as votes cast and will have no

effect on the result of the vote.

---

**AUDIT COMMITTEE REPORT**

The audit committee of the Board of Directors of the Company reviews the Company's annual financial statements with both management and the independent auditors, and the committee meets periodically with the independent auditors to consider their evaluation of the Company's financial and internal controls.

The audit committee, in discharging its duties, has met with and held discussions with management and the Company's independent auditors. The committee has reviewed and discussed the audited financial statements with management. Management has represented to the independent auditors that the Company's financial statements were prepared in accordance with generally accepted accounting principles.

The audit committee has also discussed with the independent auditors the matters required to be discussed by the Statement on Auditing Standards No. 61 (Communications with Audit Committees). The independent auditors provided to the committee the written disclosure required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), and the committee discussed with representatives of the independent auditors their firm's independence.

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 committee recommended that the Board include the audited financial statements in the Company's Annual Report.

The members of the Company's Audit Committee are Conrad S. Ciccotello, Charles E. Heath and John R. Graham.

**INDEPENDENT AUDITORS**

On January 19, 2005, the Company's audit committee selected E&Y, independent, registered certified public accountants, to audit the books and records of the Company for its fiscal year ending November 30, 2005. E&Y is registered with the Public Company Accounting Oversight Board.

**AUDIT AND RELATED FEES**

*Audit Fees.* For professional services rendered with respect to the audit of the Company's financial statements and the review of the Company's statutory and regulatory filings for its last fiscal year, the Company paid E&Y fees in the approximate amount of \$67,500. The Company was formed on October 29, 2003, and thus did not pay E&Y any fees prior to that date.

*Audit-Related Fees.* The Company did not pay E&Y any fees for assurance and related services reasonably related to the performance of the audits of the Company's annual financial statements for its last fiscal year.

*Tax Fees.* For professional services for tax compliance, tax advice and tax planning for its last fiscal year, the Company paid to E&Y fees in the approximate amount of \$14,300.

---

*All Other Fees.* The Company did not pay E&Y any fees for services other than those described above during its last fiscal year. The Advisor (as defined below) and its affiliates performing services for the Company did not pay any fees to E&Y during the Company's most recent fiscal year for services other than those described above.

*Aggregate Non-Audit Fees.* The Company did not pay E&Y any amounts for any non-audit services during the Company's last fiscal year.

In addition, neither the Advisor nor any entity controlling, controlled by, or under common control with the Advisor that provides ongoing services to the Company paid E&Y for any non-audit services during its last two fiscal years.

On July 15, 2004, the Audit Committee of the Company adopted pre-approval policies and procedures. Since the adoption of such policies and procedures, the Audit Committee has pre-approved all audit and non-audit services provided by E&Y, and all non-audit services provided by E&Y for the Advisor, or any entity controlling, controlled by, or under common control with the Advisor that provides ongoing services to the Company, that are related to the operation of the Company.

The audit committee of the Company has considered whether E&Y's provision of services (other than audit services to the Company) to the Company, the Advisor or any entity controlling, controlled by, or under common control with the Advisor that provide services to the Company is compatible with maintaining E&Y's independence in performing audit services.

#### **OTHER MATTERS**

The Board of Directors of the Company knows of no other matters that are intended to be brought before the meeting. If other matters are presented for action, the proxies named in the enclosed form of proxy will vote on those matters in their sole discretion.

#### **MORE INFORMATION ABOUT THE MEETING**

*Stockholders.* At the record date, the Company had the following numbers of shares issued and outstanding:

<b>Common Shares</b>	<b>Preferred Shares</b>
14,787,327	1,400

At February 28, 2005, each director beneficially owned (as determined pursuant to Rule 16a-1(a)(2) under the Securities Exchange Act of 1934) shares of the Company and in all Funds overseen by each Director in the same Family of Investment Companies having values within the indicated dollar ranges.

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

<u>Director</u>	<u>Aggregate Dollar Range of Holdings in the Company</u>	<u>Aggregate Dollar Range of Holdings in Funds Overseen by Director in Family of Investment Companies<sup>1</sup></u>
H. Kevin Birzer <sup>2</sup>	Over \$100,000	Over \$100,000
Terry C. Matlack <sup>2</sup>	Over \$100,000	Over \$100,000
Conrad S. Ciccotello	\$50,001 - \$100,000	\$50,001 - \$100,000
John R. Graham	Over \$100,000	Over \$100,000
Charles E. Heath	Over \$100,000	Over \$100,000

<sup>1</sup> Includes the Company, Tortoise North American Energy Corporation and Tortoise MLP Investment Corporation.

<sup>2</sup> These persons are "interested persons" of the Company as defined by Section 2(a)(19) of the Investment Company Act of 1940.

At February 28, 2005, each director, the officers and the directors and officers as a group, beneficially owned (as determined pursuant to Rule 13d-3 under the Securities Exchange Act of 1934) shares of the Company (or percentage of outstanding shares) as follows:

<u>Directors and Officers</u>	<u>Number of Common Shares</u>	<u>%</u>	<u>Number of Preferred Shares</u>	<u>%</u>
H. Kevin Birzer**	23,657.72	*	- 0 -	N/A
Terry C. Matlack**	4,435.00	*	- 0 -	N/A
Conrad S. Ciccotello	1,940.00	*	- 0 -	N/A
John R. Graham	10,060.761	*	- 0 -	N/A
Charles E. Heath	8,000.00	*	- 0 -	N/A
David J. Schulte**	7,022.51	*	- 0 -	N/A
Zachary A. Hamel**	2,959.82	*	- 0 -	N/A
Kenneth P. Malvey**	2,222.12	*	- 0 -	N/A
Directors and Officers as a Group	60,269.47	*	- 0 -	N/A

\*Indicates less than 1%.

\*\*These persons are "interested persons" of the Company as defined by Section 2(a)(19) of the Investment Company Act of 1940.

<sup>1</sup>Includes 4,000 shares owned by Master Teacher Employee Benefit Trust. Mr. Graham is the trustee of this trust and thus has sole investment and voting power. He, however, disclaims beneficial ownership of all shares held by the trust.

At February 28, 2005, no director or officer held preferred shares of the Company.

At February 28, 2005, to the knowledge of the Company, no person held (sole or shared) power to vote or dispose of more than 5% of the outstanding shares of the Company.

*Investment Advisory Agreement.* Tortoise Capital Advisors, LLC (the "Advisor") is the Company's investment advisor. The Advisor is controlled equally by Fountain Capital

Management, L.L.C. and Kansas City Equity Partners LC. As of February 28, 2005, the Advisor had approximately \$760 million of client assets under management. The Advisor may be contacted at the address listed on the first page of this proxy statement.

Pursuant to the terms of an Advisory Agreement between the Company and the Advisor, the Company pays to the Advisor quarterly, as compensation for the services rendered by the Advisor, a fee equal on an annual basis to 0.95% of the Company's average monthly Managed Assets. Managed Assets means the total assets of the Company (including any assets attributable to leverage that may be outstanding) minus accrued liabilities other than (1) deferred taxes, (2) debt entered into for the purpose of leverage, and (3) the aggregate liquidation preference of any outstanding preferred stock. The Advisor has contractually agreed to waive or reimburse the Company for fees and expenses, including the investment advisory fee and other expenses in the amount of 0.23% of the average monthly Managed Assets through February 28, 2006 and 0.10% of the average monthly Managed Assets through February 28, 2009. The Advisor does not have the right to recoup any fees waived or reimbursed by the Advisor. In its last fiscal year the Company paid the net amount of \$2,006,155 to the Advisor under the Advisory Agreement. The Advisor is owned directly or indirectly by David J. Schulte, CEO and President of the Company; Terry Matlack, a director and the Chief Financial Officer and Treasurer of the Company; H. Kevin Birzer, director and Chairman of the Board of the Company, Zachary A. Hamel, Secretary of the Company, and Kenneth P. Malvey, Vice President of the Company, among others.

*How Proxies Will Be Voted.* All proxies solicited by the Board of Directors that are properly executed and received prior to the meeting, and that are not revoked, will be voted at the meeting. Shares represented by those proxies will be voted in accordance with the instructions marked on the proxy. If no instructions are specified, shares will be counted as a vote FOR the proposals.

*How To Vote.* Complete, sign and date the enclosed proxy card and return it in the enclosed envelope.

*Expenses and Solicitation of Proxies.* The expenses of preparing, printing and mailing the enclosed proxy card, the accompanying notice and this proxy statement and all other costs, in connection with the solicitation of proxies will be borne by the Company. The Company may also reimburse banks, brokers and others for their reasonable expenses in forwarding proxy solicitation material to the beneficial owners of shares of the Company. In order to obtain the necessary quorum at the meeting, additional solicitation may be made by mail, telephone, telegraph, facsimile or personal interview by representatives of the Company, the Advisor, the Company's transfer agent, or by brokers or their representatives or by a solicitation firm that may be engaged by the Company to assist in proxy solicitations. Any costs associated with such additional solicitation are not anticipated to exceed \$35,000. The Company will not pay any representatives of the Company or the Advisor any additional compensation for their efforts to supplement proxy solicitation.

*Revoking a Proxy.* At any time before it has been voted, you may revoke your proxy by: (1) sending a letter saying that you are revoking your proxy to the Secretary of the Company at the Company's offices located at 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210; (2) properly executing and sending a later-dated proxy; or (3) attending the meeting, requesting return of any previously delivered proxy, and voting in person.



*Quorum.* The presence, in person or by proxy, of holders of shares entitled to cast a majority of the votes entitled to be cast (without regard to class) constitutes a quorum. For purposes of determining the presence or absence of a quorum, abstentions and broker non-votes will be treated as shares that are present at the meeting but have not been voted.

If a quorum is not present in person or by proxy at the meeting, the chairman of the meeting or the stockholders entitled to vote at such meeting, present in person or by proxy, have the power to adjourn the meeting to a date not more than 120 days after the original record date without notice other than announcement at the meeting.

#### **SECTION 16(a) BENEFICIAL INTEREST REPORTING COMPLIANCE**

Section 30(h) of the 1940 Act and Section 16(a) of the Securities Exchange Act of 1934 require the Company's directors and officers, investment advisor, affiliated persons of the investment advisor and persons who own more than 10% of a registered class of the Company's equity securities to file forms reporting their affiliation with the Company and reports of ownership and changes in ownership of the Company's shares with the Securities and Exchange Commission (the "SEC") and the New York Stock Exchange. Those persons and entities are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file. Based on a review of those forms furnished to the Company, the Company believes that its directors and officers, investment advisor and affiliated persons of the investment advisor have complied with all applicable Section 16(a) filing requirements during the last fiscal year. To the knowledge of management of the Company, no person owns beneficially more than 10% of a class of the Company's equity securities.

#### **ADMINISTRATORS**

The Company has entered into an administration agreement with US Bancorp, whose principal business address is 615 E. Michigan Street, Milwaukee, Wisconsin 53202.

#### **STOCKHOLDER COMMUNICATIONS**

Stockholders are able to send communications to the Board of Directors. Communications should be addressed to the Secretary of the Company at its principal offices at 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210. The Secretary will forward any communications received directly to the Board of Directors. The Company does not have a policy with regard to Board attendance at annual meetings. This is the Company's first annual meeting.

#### **STOCKHOLDER PROPOSALS AND NOMINATIONS FOR THE 2006 ANNUAL MEETING**

*Method for Including Proposals in the Company's Proxy Statement.* Under the rules of the SEC, if you want to have a proposal included in our proxy statement for our next annual meeting of stockholders that proposal must be received by the Secretary of the Company at 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210, not later than 5:00 p.m., Central Time on November 15, 2005. Such proposal must comply with all applicable requirements of Rule 14a-8 of the Securities Exchange Act of 1934.

*Other Proposals and Nominations.* If you want to nominate a director or have other business considered at our next annual meeting of stockholders but do not want those items included in our proxy statement, you must comply with the advance notice provision of our Bylaws. Under our Bylaws, nominations for director or other business proposals to be addressed at our next annual meeting may be made by a stockholder who has delivered a notice to the Secretary of the Company at 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210, no earlier than November 15, 2005 nor later than 5:00 p.m. Central Time on December 16, 2005. The stockholder must satisfy certain requirements set forth in the Company's Bylaws and the notice must contain specific information required by the Company's Bylaws. With respect to nominees for director, the notice must include, among other things, the name, age, business address and residence address of any nominee for director, certain information regarding such person's ownership of Company shares, and all other information relating to the nominee as is required to be disclosed in solicitations of proxies in an election contest or as otherwise required by Regulation 14A under the Securities Exchange Act of 1934. With respect to other business to be brought before the meeting, a notice must include, among other things, a description of the business and any material interest in such business by the stockholder and certain associated persons proposing the business. Any stockholder wishing to make a proposal should carefully read and review the Company's Bylaws. A copy of the Company's Bylaws may be obtained by contacting the Secretary of the Company at 1-888-728-8784 or by writing the Secretary of the Company at 10801 Mastin Boulevard, Suite 222, Overland Park, Kansas 66210. Timely submission of a proposal does not mean the proposal will be included in the proxy material sent to stockholders.

These advance notice provisions are in addition to, and separate from, the requirements that a stockholder must meet in order to have a proposal included in the Company's proxy statement under the rules of the SEC.

A proxy granted by a stockholder will give discretionary authority to the proxies to vote on any matters introduced pursuant to the above advance notice Bylaw provisions, subject to applicable rules of the SEC.

By Order of the Board of Directors

/s/ Zachary A. Hamel

Zachary A. Hamel  
Secretary

March 15, 2005

**AUDIT COMMITTEE CHARTER**

**I. PURPOSE**

The Audit Committee is a committee of the Board of the Company. Its primary function is to assist the Board in fulfilling certain of its responsibilities. This Charter sets forth the duties and responsibilities of the Audit Committee.

The Audit Committee serves as an independent and objective party to oversee the Company's accounting policies, financial reporting and internal control system, as well as the work of the independent auditors. The Audit Committee assists Board oversight of (1) the integrity of the Company's financial statements; (2) the Company's compliance with legal and regulatory requirements; (3) the independent auditors' qualifications and independence; and (4) the performance of the Company's independent auditors. The Audit Committee also serves to provide an open avenue of communication among the independent auditors, Company management and the Board.<sup>1</sup>

Company management has the primary responsibility to establish and maintain systems for accounting, reporting and internal controls, which functions may be delegated to an accounting service agent or custodian, provided Company management provides adequate oversight.

The independent auditors have the primary responsibility to plan and implement a proper audit of the Company's financial statements, including consideration of the Company's accounting, reporting and internal control practices.

The Audit Committee may have additional functions and responsibilities as deemed appropriate by the Board and the Audit Committee.<sup>2</sup>

Although the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and have been prepared in accordance with generally accepted accounting principles.

-----  
1 The New York Stock Exchange Corporate Governance Standards require the Audit Committee's charter to address, as one of the Committee's purposes, that it assist Board oversight of "the performance of the company's internal audit function." Since the Company has no internal audit function, this has not been included as one of the purposes of the Committee.

2 The Audit Committee also has as a purpose the preparation of an audit committee report to be included in the annual proxy statement. This report is described in footnote 8.

---

**II. COMPOSITION**

The Audit Committee shall be comprised of all independent board members who, in the opinion of the Board, are free from any relationship that would interfere with the exercise of his or her independent judgment as a member of the Audit Committee. For these purposes, a board member is considered an independent board member if:

he or she is not an "interested person" of the Company as that term is

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

defined in the Investment Company Act of 1940;

he or she does not accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the Company (except in the capacity as a Board or committee member); and

he or she meets the independence requirements set forth in the New York Stock Exchange Listed Company Manual, Section 303A.07.

Each member of the Audit Committee shall be financially literate, as such qualification is interpreted by the Board in its business judgment. The Audit Committee will review the qualifications of its members and determine whether any of its members qualify as an "audit committee financial expert"<sup>3</sup> as defined in Form N-CSR. The Audit Committee will submit such determination to the Board for its final determination. At least one member of the Audit Committee must have accounting or related financial management expertise, as the Board interprets such qualification in its business judgment.

Audit Committee members may enhance their familiarity with finance and accounting by participating in educational programs from time to time, at the expense of the Company.

The members of the Audit Committee shall be elected by the Board annually and serve until their successors shall be duly elected and qualified. Unless a Chairman is elected by the Board, the Chairman shall be elected annually by a majority vote of the members of the Audit Committee.

The Audit Committee shall have unrestricted access to the independent auditors and the executive and financial management of the Company. The Audit Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority in its

-----  
3 An "audit committee financial expert" of a company is defined as a person who has all of the following attributes: (1) an understanding of generally accepted accounting principles ("GAAP") and financial statements; (2) the ability to assess the general application of GAAP in connection with the accounting for estimates, accruals and reserves; (3) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the company's financial statements, or experience actively supervising one or more persons engaged in such activities; (4) an understanding of internal controls and procedures for financial reporting; and (5) an understanding of audit committee functions. An audit committee financial expert must have acquired such attributes through any one or more of the following: (1) education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions (or active supervision of such persons); or (2) experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or (3) other relevant experience.

---

discretion to retain special legal, accounting or other experts or consultants to advise the Audit Committee at the expense of the Company if, in the Audit Committee's judgment, that is appropriate.

**III. MEETINGS**

The Audit Committee shall meet two times annually, or more frequently as circumstances dictate. Special meetings (including telephone meetings) may be called by the Chair or a majority of the members of the Audit Committee upon reasonable notice to the other members of the Audit Committee. With a view to fostering open communication, the Audit Committee shall meet at least annually with senior Company management responsible for accounting and financial reporting and the independent auditors in separate executive sessions to discuss any matters that the Audit Committee, or any of such other persons, believes should be discussed privately.

**IV. RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties the Audit Committee shall:

A. Charter. Review this Charter annually and recommend changes, if any, to the Board.

B. Internal Controls.

1. Review annually with Company management and the independent auditors:
  - a. the organizational structure, reporting relationship, adequacy of resources and qualifications of the senior Company management personnel responsible for accounting and financial reporting;
  - b. their separate evaluations of the adequacy and effectiveness of the Company's system of internal controls, including those of the Company's service providers; and
  - c. any significant findings related to the Company's systems for accounting, reporting and internal controls, in the form of written observations and recommendations (including any management letter), and Company management's written response.
2. Establish procedures for the receipt, retention and treatment of complaints received by the Company and/or the Audit Committee regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by officers of the Company or employees of the Adviser or any other service provider to the Company of concerns regarding questionable accounting or auditing matters.

- 
3. Review annually with Company management and the independent auditors, policies for valuation of Company portfolio securities, and the frequency and magnitude of pricing errors.

C. Independent Auditors.

1. Approve and recommend to the Board, the selection, retention or termination of the independent auditors, and approve the fees and other compensation to be paid to the independent auditors. Such selection shall be pursuant to a written engagement letter

approved by the Audit Committee, which shall provide that:

The Audit Committee shall be directly responsible for the appointment, compensation, retention and oversight (such oversight shall include resolving any disagreements between Company management and the independent auditors regarding financial reporting) of the independent auditors; and

The independent auditors shall report directly to the Audit Committee.

2. Pre-approve any engagement of the independent auditors to provide any non-prohibited services to the Company, including the fees and other compensation to be paid to the independent auditors.<sup>4</sup>

The Chairman of the Audit Committee may grant the pre-approval referenced above for non-prohibited services for engagements of less than \$5,000.

All such delegated pre-approvals shall be presented to the Audit Committee no later than the next Audit Committee meeting.

3. Pre-approve any engagement of the independent auditors, including the fees and other compensation to be paid to the independent auditors, to provide any non-audit services to the Adviser (or any "control affiliate"<sup>5</sup> of the Adviser providing ongoing services to the Company), if the engagement relates directly to the operations and financial reporting of the Company.

-----  
4 Pre-approval of non-audit services for the Company pursuant to Section IV.C. 2 above is not required if: (a) the aggregate amount of all non-audit services provided to the Company is no more than 5% of the total fees paid by the Company to the independent auditors during the fiscal year in which the non-audit services are provided; (b) the services were not recognized by Company management at the time of the engagement as non-audit services; and (c) such services are promptly brought to the attention of the Audit Committee by Company management and the Audit Committee approves them (which may be by delegation) prior to the completion of the audit.

5 "Control affiliate" means any entity controlling, controlled by, or under common control with the Adviser.

---

The Chairman of the Audit Committee may grant the pre-approval referenced above for non-prohibited services for engagements of less than \$5,000.

All such delegated pre-approvals shall be presented to the Audit Committee no later than the next Audit Committee meeting.

4. On an annual basis, request, receive in writing and review a report by the independent auditors describing:

the independent auditors' internal quality-control procedures;

any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigations by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues; and

all relationships between the independent auditors and the Company, so as to assess the auditors' independence, including identification of all relationships the independent auditors have with the Company and all significant relationships the independent auditors have with the Adviser (and any "control affiliate" of the Adviser) and any material service provider to the Company (including, but not limited to, disclosures regarding the independent auditors' independence required by Independence Standards Board Standard No. 1 and compliance with the applicable independence provisions of Rule 2-01 of Regulation S-X).

In assessing the auditors' independence, the Audit Committee shall take into account the opinions of Company management. The Committee will present its conclusions with respect to the independent auditors to the Board, and recommend that the Board take appropriate action, if any, in response to the independent auditors' report to satisfy itself of the independent auditors' independence.

5. On an annual basis, meet with the independent auditors and Company management to review the arrangements for and scope of the annual audit for the current year and the audit procedures to be utilized.
6. Review the management letter, if any, prepared by the independent auditors and Company management's response.
7. Review and evaluate the lead audit partner (such review to include consideration of whether, in addition to the regular rotation of the lead audit partner as required by law, in order to assure continuing auditor

---

independence, there should be regular consideration of rotation of the firm serving as independent auditors).

D. Financial Reporting Processes.

1. Review with Company management and the independent auditors, the Company's audited financial statements, including management's discussion of Company performance, and recommend to the Board, if appropriate, that the audited financial statements be included in the Company's annual report to shareholders required by Section 30(e) of the Investment Company Act of 1940 and Rule 30d-1 thereunder;
2. Review the Company's policy and procedures with respect to declaring dividends and issuing dividend announcements and related press releases, as well as financial information and dividend guidance provided to analysts and rating agencies; and

3. Review with Company management and the independent auditors the matters that auditing professional standards require to be communicated to the Audit Committee, including, but not limited to, the matters required to be discussed by Statement on Auditing Standards No. 61 (Communications with Audit Committees) and 90 (Audit Committee Communications), including:

the independent auditors' judgments about the quality, and not just the acceptability, of the Company's accounting principles as applied in its financial reporting;

the process used by Company management in formulating estimates and the independent auditors' conclusions regarding the reasonableness of those estimates;

all significant adjustments arising from the audit, whether or not recorded by the Company;

when the independent auditors are aware that Company management has consulted with other accountants about significant accounting and auditing matters, the independent auditors' views about the subject of the consultation;

any disagreements with Company management regarding accounting or reporting matters;

any difficulties encountered in the course of the audit, including any restrictions on the scope of the independent auditors' activities or on access to requested information; and

---

significant deficiencies in the design or operation of internal controls.

4. Receive annually a report from the independent auditors to the Audit Committee of any changes to the previously reported information regarding:
- a. all critical accounting policies and practices to be used;
  - b. all alternative treatments of financial information within GAAP for policies and practices related to material items that have been discussed with Company management, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors;
  - c. other material written communications between the independent auditors and Company management including, but not limited to, any management letter or schedule of unadjusted differences; and
  - d. all non-audit services provided to an entity in the "investment company complex"<sup>6</sup> as defined in paragraph (f)(14) of Rule 2-01 of Regulation S-X that were not pre-approved by the Audit Committee.



## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

If the communication is not within 90 days prior to the filing of the Company's annual financial statements with the SEC, the independent auditors shall provide an update in the 90 day period prior to the filing.

5. Review, initially, with Company management and the independent auditors, the process for developing the Company's "disclosure controls and procedures"<sup>7</sup> as defined in Rule 30a-3(c) under the Investment Company Act of 1940 and thereafter any significant changes thereto.

---

6 "Investment company complex" includes: (1) an investment company and its investment adviser or sponsor; (2) any entity controlled by or controlling an investment adviser or sponsor in (1) above, or any entity under common control with any investment adviser or sponsor in (1) above if the entity: (A) is an investment adviser or sponsor or (B) is engaged in the business of providing administrative, custodian, underwriter, or transfer agent services to any investment company, investment adviser, or sponsor; and (3) an investment company or entity that would be an investment company but for the exclusions provided by Section 3(c) of the 1940 Act that has an investment adviser or sponsor included in (1) and (2) above. Investment adviser does not include a subadviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser. Sponsor is an entity that establishes a unit investment trust.

7 "Disclosure controls and procedures" means controls and other procedures of a registered management investment company that are designed to ensure that information required to be disclosed by the investment company on Form N-CSR is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an investment company in the reports that it files or submits on Form N-CSR is accumulated and communicated to the investment company's management, including its principal executive

- 
6. Receive a report, semi-annually, from Company management that all necessary certifications have been made under Sarbanes-Oxley Act of 2002.
  7. Review with Company management and the independent auditors a report by Company management covering any Form N-CSR filed, and any required certification of such filing, along with the results of Company management's most recent evaluation of the Company's "disclosure controls and procedures."
  8. Ask Company management, the Company's accounting services agent and the independent auditors to review significant changes to elected tax accounting policies and their effect on amounts distributed and reported to shareholders for Federal tax purposes and review any material accounting, tax, valuation or recordkeeping issues that may affect the Company, its financial statements or the amount of its dividends or distributions.

### E. Process Improvements

To the extent appropriate, review with the independent auditors and Company management significant changes or improvements in

## Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

accounting and auditing processes that have been implemented.

### F. Legal and Compliance

1. Review any legal or regulatory matters that arise that could have a material impact on the Company's financial statements.
2. Review policies and procedures with respect to financial statement risk assessment and risk management, including the steps Company management has taken to monitor and control such risk exposures.
3. Establish clear hiring policies for the Company with respect to employees or former employees of the independent auditors.

### G. Other Responsibilities

1. Review, annually, the performance of the Audit Committee.
2. Prepare a report of the Audit Committee as required to be included in the annual proxy statement.<sup>8</sup>

-----  
officer or officers and principal financial officer or officers, or person performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

<sup>8</sup> Item 306 of Regulation S-K requires each proxy statement relating to a shareholder meeting at which directors are to be elected to include a report, followed by the name of each Audit Committee member, stating whether: (1) the Committee has reviewed and discussed the audited financial statements with management, (2) the Committee has discussed with the independent auditors the matters required to be discussed by SAS 61, (3) the Committee has

- 
3. Investigate any other matter brought to its attention within the scope of its duties, and have the authority in its discretion to retain legal, accounting or other experts or consultants to advise the Audit Committee, at the expense of the Company, if, in the Committee's judgment, that is appropriate.
  4. Perform any other activities consistent with this Charter, the Company's Articles of Incorporation, Bylaws and governing law, as the Audit Committee or the Board deems necessary or appropriate.
  5. Maintain minutes of committee meetings, report its significant activities to the Board, and make such recommendations to the Board as the Audit Committee may deem necessary or appropriate.

## V. **FUNDING**

The Audit Committee shall receive appropriate funding, as determined by the Audit Committee, for payment of (i) compensation to the independent auditors for approved audit or non-audit services for the Company; (ii) compensation to any legal, accounting or other experts or consultants retained by the Audit Committee pursuant to Section IV.G.3 above and (iii) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

\* \* \* \* \*

Adopted December 12, 2003  
Amended July 15, 2004

-----  
received the the written disclosures and the letter from the independent auditors required by Independence Standards Board Standard No. 1, and has discussed with the independent auditors their independence, and (4) based on the review and discussions referred to in paragraphs (1) through (3), the Audit Committee recommended to the Board that the audited financial statements be included in the Company's annual report to shareholders required by Section 30(e) of the Investment Company Act of 1940 and Rule 30d-1 thereunder.

---

-----  
**PROXY - TORTOISE ENERGY INFRASTRUCTURE CORPORATION**

**PROXY SOLICITED BY THE BOARD OF DIRECTORS FOR  
THE ANNUAL MEETING OF STOCKHOLDERS - APRIL 15, 2005**

The undersigned holder of common shares and/or preferred shares appoints David J. Schulte and Terry C. Matlack, or either of them, each with power of substitution, to vote all shares that the undersigned is entitled to vote at the annual meeting of stockholders of Tortoise Energy Infrastructure Corporation to be held on April 15, 2005 and at any adjournments thereof, as set forth on the reverse side of this card, and in their discretion upon any other business that may properly come before the meeting.

**YOUR VOTE IS IMPORTANT. PLEASE MARK, SIGN, DATE AND RETURN THIS  
PROXY PROMPTLY USING THE ENCLOSED POSTMARKED ENVELOPE.**

(Continued and to be signed on the reverse side)

-----  
[ ] Mark this box with an X if you have made changes to your name or address details above.

**ANNUAL MEETING PROXY CARD**

Edgar Filing: TORTOISE ENERGY INFRASTRUCTURE CORP - Form DEF 14A

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED HEREIN AND, ABSENT DIRECTION, WILL BE VOTED "FOR" THE PROPOSALS.

A. ELECTION OF DIRECTORS

1. THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE NOMINEE BELOW.

	FOR	WITHHOLD
Conrad S. Ciccotello	[    ]	[    ]

B. ISSUES

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE PROPOSAL AND RATIFICATION BELOW.

2. Approval of the Company's Sale of common shares below Net Asset Value ("NAV") subject to the following conditions: (i) the aggregate number of common shares issued below NAV will not exceed more than 20% of the Company's outstanding common shares as of any offering date; (2) the Company will not sell its common shares at a net sale price to the Company, after deduction of all offering expenses and underwriting fees and commissions, that represents a discount of more than 5% of the NAV, as determined at any time within 48 hours of pricing of the common shares to be sold below NAV; and (3) the Company will only issue common shares below NAV if a majority of the independent directors makes a determination that they reasonably expect that the investment(s) to be made with the net proceeds of such issuance will increase stockholder distributions.

FOR	AGAINST	ABSTAIN
[    ]	[    ]	[    ]

3. Ratification of Ernst & Young LLP as the Company's independent, registered, certified public accountants, to audit the accounts of the Company for the fiscal year ending November 30, 2005:

FOR	AGAINST	ABSTAIN
[    ]	[    ]	[    ]

C. NON-VOTING ISSUE

CHECK HERE IF YOU PLAN TO ATTEND THE MEETING [    ]

D. AUTHORIZED SIGNATURES - SIGN HERE - THIS SECTION MUST BE COMPLETED FOR YOUR INSTRUCTIONS TO BE EXECUTED

Please sign exactly as your name appears. If acting as attorney, executor, trustee, or in representative capacity, sign name and indicate title.

Signature 1 -  
Please keep signature  
within the box

Signature 2 -  
Please keep signature  
within the box

Date  
(mm/dd/yyyy)

-----