

Intellipharmaeutics International Inc.
Form 424B3
July 18, 2017

SHORT FORM BASE SHELF PROSPECTUS

Filed pursuant to Rule 424(b)(3)
Registration No. 333-218297

New Issue

INTELLIPHARMACEUTICS INTERNATIONAL INC.

U.S.\$100,000,000

Common Shares
Preference Shares
Warrants
Subscription Receipts
Subscription Rights
Units

Intellipharmaeutics International Inc. (the “Company”, “Intellipharmaeutics”, “we”, “us” or “our”) may offer and issue from time to time common shares of the Company (“common shares”), preference shares of the Company (“preference shares”), warrants to purchase common shares or preference shares (“warrants”), subscription receipts (“subscription receipts”), subscription rights (“subscription rights”) and/or units comprised of one or more of the foregoing (“units” and together with the common shares, preference shares, warrants, subscription receipts and subscription rights, the “securities”) or any combination thereof for up to an aggregate initial offering price of U.S.\$100,000,000 (or the equivalent thereof in other currencies) during the period that the registration statement of which this short form base shelf prospectus (the “prospectus”), including any amendments hereto, forms a part remains effective. Any offerings of the Company’s securities in Canada pursuant to this prospectus and any related filings with the securities commissions or other securities regulatory bodies in Canada shall be made only during the 25-month period commencing on the date hereof. Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying prospectus supplement (a “prospectus supplement”).

The specific terms of the securities with respect to a particular offering will be set out in the applicable prospectus supplement and may include, where applicable (i) in the case of common shares, the number of common shares offered, the offering price, whether the common shares are being offered for cash, and any other terms specific to the common shares being offered, (ii) in the case of preference shares, the number of preference shares offered, the designation of a particular class or series, if applicable, the offering price, whether the preference shares are being offered for cash, the dividend rate, if any, any terms for redemption or retraction, any conversion rights, and any other terms specific to the preference shares being offered, (iii) in the case of warrants, the offering price, whether the warrants are being offered for cash, the designation, the number and the terms of the common shares or preference shares purchasable upon exercise of the warrants, any procedures that will result in the adjustment of these numbers, the exercise price, the dates and periods of exercise and any other terms specific to the warrants being offered, (iv) in the case of subscription receipts, the number of subscription receipts being offered, the offering price, whether the subscription receipts are being offered for cash, the procedures for the exchange of the subscription receipts for

common shares, preference shares or warrants, as the case may be, and any other terms specific to the subscription receipts being offered, (v) in the case of subscription rights, the number of subscription rights being offered, the exercise price, the procedures for the exercise of the subscription rights and any other terms specific to the subscription rights being offered, and (vi) in the case of units, the number of units offered, the offering price, and any other terms specific to the units being offered. Where required by statute, regulation or policy, and where securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to the securities will be included in the prospectus supplement describing the securities.

All shelf information permitted under applicable law to be omitted from this prospectus will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus. Each prospectus supplement will be incorporated by reference into this prospectus for the purposes of securities legislation as of the date of the prospectus supplement and only for the purposes of the distribution of the securities to which the prospectus supplement pertains.

This prospectus constitutes a public offering of the securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell the securities in those jurisdictions. The Company may offer and sell securities to, or through, underwriters or dealers and also may offer and sell certain securities directly to other purchasers or through agents pursuant to exemptions from registration or qualification under applicable securities laws. A prospectus supplement relating to each issue of securities offered thereby will set forth the names of any underwriters, dealers, or agents involved in the offering and sale of the securities and will set forth the terms of the offering of the securities, the method of distribution of the securities including, to the extent applicable, the proceeds to the Company and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution.

The outstanding common shares are listed for trading on the Toronto Stock Exchange (the “TSX”), and on The NASDAQ Capital Market (“NASDAQ”), under the symbol “IPCI”. Unless otherwise specified in the applicable prospectus supplement, no securities, other than common shares, will be listed on any securities exchange.

On July 13, 2017, the closing sale price of the common shares as reported by the TSX and NASDAQ was Cdn\$3.36 and \$2.68, respectively. On July 13, 2017, the aggregate market value of our outstanding common shares held by non-affiliates was \$68,462,610, based on our 30,572,912 outstanding common shares as of such date, of which 24,450,932 common shares were held by non-affiliates, and a per share price of \$2.80, the closing sale price of our common shares on July 11, 2017 (which is the highest closing sale price of our common shares in the last 60 days). We have sold or offered securities having an aggregate market value of approximately \$3,427,319 pursuant to General Instruction I.B.5 of Form F-3 during the prior twelve calendar month period that ends on and includes the date of this prospectus.

The Company’s registered office and head office is located at 30 Worcester Road, Toronto, Ontario, Canada, M9W 5X2.

We are a foreign private issuer under United States (“U.S.”) securities laws. The financial statements incorporated herein by reference have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The offering price of the securities being distributed under this prospectus will be stated in U.S. dollars.

Purchasers of any securities should be aware that the acquisition of the securities may have tax consequences both in the United States and in Canada. Such consequences for purchasers who are resident in, or citizens of, the United States or who are resident in Canada may not be described fully herein or in any applicable prospectus supplement. Purchasers of the securities should read any applicable tax discussion contained in the applicable prospectus supplement with respect to a particular offering of securities.

The enforcement by investors of civil liabilities under U.S. federal securities laws may be affected adversely by the fact that the Company is incorporated under the laws of Canada, that all of its officers and directors are residents of Canada, that some or all of the experts named in the registration statement are residents of a foreign country, and that a substantial portion of the assets of the Company and said persons are located outside the United States.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC") NOR ANY STATE SECURITIES COMMISSION OR CANADIAN SECURITIES REGULATOR HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

No underwriter has been involved in the preparation of this prospectus nor has any underwriter performed any review of the contents of this prospectus.

Investing in the securities involves certain risks. See “Risk Factors” beginning on page 6 of this prospectus. Prospective purchasers of the securities should carefully consider all the information in this prospectus and in the documents incorporated by reference in this prospectus.

The date of this prospectus is July 17, 2017

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You should rely only on the information contained in or incorporated by reference into this prospectus or any prospectus supplement. References to this "prospectus" include documents incorporated by reference therein. See "Where You Can Find More Information; Incorporation by Reference" at page 4 of this prospectus. The information in or incorporated by reference into this prospectus is current only as of its date. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to offer these securities.

Any reference in this prospectus or any prospectus supplement to our "products" includes a reference to our product candidates and future products we may develop.

Whenever we refer to any of our current product candidates (including additional product strengths of products we are currently marketing, such as generic Focalin XR® (dexamethylphenidate hydrochloride extended-release) capsules and generic Seroquel XR® (quetiapine fumarate extended release) tablets and future products we may develop, no assurances can be given that we, or any of our strategic partners, will successfully commercialize or complete the development of any of such product candidates or future products under development or proposed for development, that regulatory approvals will be granted for any such product candidate or future product, or that any approved product will be produced in commercial quantities or sold profitably.

In this prospectus, any prospectus supplement, and/or the documents incorporated by reference herein or therein, we refer to information regarding potential markets for our products, product candidates and other industry data. We believe that all such information has been obtained from reliable sources that are customarily relied upon by companies in our industry. However, we have not independently verified any such information.

TRADEMARKS

IntellipharmaTM, HypermatrixTM, Drug Delivery EngineTM, IntelliFoamTM, IntelliGITransporterTM, IntelliMatrixTM, IntelliOsmoticsTM, IntelliPasteTM, IntelliPelletsTM, IntelliShuttleTM, RexistaTM, nPODDDSTM, PODRASTM and RegabatinTM are trademarks. These trademarks are important to our business. Although we may have omitted the “TM” trademark designation for such trademarks in this prospectus or in any prospectus supplement, all rights to such trademarks are nevertheless reserved. Unless otherwise noted, other trademarks used in this prospectus are the property of their respective holders.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements included and incorporated by reference in this prospectus constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and/or “forward-looking information” under the Securities Act (Ontario). These statements include, without limitation, statements expressed or implied regarding our plans, goals and milestones, status of developments or expenditures relating to our business, plans to fund our current activities, statements concerning our partnering activities, health regulatory submissions, strategy, future operations, future financial position, future sales, revenues and profitability, projected costs, and market penetration. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “plans to,” “anticipates,” “believes,” “estimates,” “predicts,” “confident,” “prospects,” “potential,” “intends,” “look forward,” “could,” or the negative of such terms or other comparable terminology. We made a number of assumptions in the preparation of our forward-looking statements. You should not place undue reliance on our forward-looking statements, which are subject to a multitude of known and unknown risks and uncertainties that could cause actual results, future circumstances or events to differ materially from those stated in or implied by the forward-looking statements.

Risks, uncertainties and other factors that could affect our actual results include, but are not limited to, the effects of general economic conditions, securing and maintaining corporate alliances, our estimates regarding our capital requirements, and the effect of capital market conditions and other factors, including the current status of our product development programs, on capital availability, the estimated proceeds (and the expected use of any proceeds) we may receive from any offering of our securities, the potential dilutive effects of any future financing, our ability to maintain compliance with the continued listing requirements of the principal markets on which our securities are traded, our programs regarding research, development and commercialization of our product candidates, the timing of such programs, the timing, costs and uncertainties regarding obtaining regulatory approvals to market our product candidates and the difficulty in predicting the timing and results of any product launches, the timing and amount of profit-share payments from our commercial partners, and the timing and amount of any available investment tax credits. Other factors that could cause actual results to differ materially include but are not limited to:

the actual or perceived benefits to users of our drug delivery technologies, products and product candidates as compared to others;

our ability to establish and maintain valid and enforceable intellectual property rights in our drug delivery technologies, products and product candidates;

the scope of protection provided by intellectual property for our drug delivery technologies, products and product candidates;

the actual size of the potential markets for any of our products and product candidates compared to our market estimates;

our selection and licensing of products and product candidates;

our ability to attract distributors and/or commercial partners with the ability to fund patent litigation and with acceptable product development, regulatory and commercialization expertise and the benefits to be derived from such collaborative efforts;

sources of revenues and anticipated revenues, including contributions from distributors and commercial partners, product sales, license agreements and other collaborative efforts for the development and commercialization of product candidates;

our ability to create an effective direct sales and marketing infrastructure for products we elect to market and sell directly;

the rate and degree of market acceptance of our products;

delays in product approvals that may be caused by changing regulatory requirements;

the difficulty in predicting the timing of regulatory approval and launch of competitive products;

the difficulty in predicting the impact of competitive products on volume, pricing, rebates and other allowances;

the number of competitive product entries, and the nature and extent of any aggressive pricing and rebate activities that may follow;

the inability to forecast wholesaler demand and/or wholesaler buying patterns;

the seasonal fluctuation in the numbers of prescriptions written for our Focalin XR® (dexamethylphenidate hydrochloride extended-release) capsules, which may produce substantial fluctuations in revenues;

the timing and amount of insurance reimbursement regarding our products;

changes in laws and regulations affecting the conditions required by the United States Food and Drug Administration, or FDA, for approval, testing and labeling of drugs including abuse or overdose deterrent properties, and changes affecting how opioids are regulated and prescribed by physicians;

changes in laws and regulations, including Medicare and Medicaid, affecting among other things, pricing and reimbursement of pharmaceutical products;

changes in U.S. federal income tax laws currently being considered, including, but not limited to, the U.S. changing the method by which foreign income is taxed and resulting changes to the passive foreign investment company laws and regulations which may impact our shareholders;

the success and pricing of other competing therapies that may become available;

our ability to retain and hire qualified employees;

the availability and pricing of third-party sourced products and materials;

challenges related to the development, commercialization, technology transfer, scale-up, and/or process validation of manufacturing processes for our products or product candidates;

the manufacturing capacity of third-party manufacturers that we may use for our products;

potential product liability risks;

the recoverability of the cost of any pre-launch inventory should a planned product launch encounter a denial or delay of approval by regulatory bodies, a delay in commercialization, or other potential issues;

the successful compliance with FDA, Health Canada and other governmental regulations applicable to us and our third-party manufacturers' facilities, products and/or businesses;

our reliance on commercial partners, and any future commercial partners, to market and commercialize our products and, if approved, our product candidates;

difficulties, delays or changes in the FDA approval process or test criteria for abbreviated new drug applications, or ANDAs, and new drug applications, or NDAs;

challenges in securing final FDA approval for our product candidates, including RexistaTM in particular, if a patent infringement suit is filed against us with respect to any particular product candidates (such as in the case of RexistaTM), which could delay the FDA's final approval of such product candidates;

healthcare reform measures that could hinder or prevent the commercial success of our products and product candidates;

the FDA may not approve requested product labeling for our product candidate(s) having abuse-deterrent properties targeting common forms of abuse (oral, intra-nasal and intravenous);

risks associated with cyber-security and the potential for vulnerability of our digital information or the digital information of a current and/or future drug development or commercialization partner of ours; and

risks arising from the ability and willingness of our third-party commercialization partners to provide documentation that may be required to support information on revenues earned by us from those commercialization partners.

Additional risks and uncertainties relating to us and our business can be found in the "Risk Factors" section of this prospectus, as well as in our other public filings incorporated by reference herein. The forward-looking statements reflect our current views with respect to future events, and are based on what we believe are reasonable assumptions as of the date hereof, and we disclaim any intention and have no obligation or responsibility, except as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Nothing contained in this document should be construed to imply that the results discussed herein will necessarily continue into the future or that any conclusion reached herein will necessarily be indicative of our actual operating results.

WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE

Available Information

We file reports and other information with the securities commissions and similar regulatory authorities in each of the provinces and territories of Canada. These reports and information are available to the public free of charge on SEDAR at www.sedar.com.

We have filed with the SEC a registration statement on Form F-3 to register an indeterminable number of common shares, preference shares, warrants, subscription receipts and subscription rights as may from time to time be offered for sale by us, either individually or in units, at indeterminate prices (up to an aggregate maximum offering price for all such securities of U.S.\$100,000,000). The registration statement of which this prospectus is a part replaces our prior Shelf Registration Statement (as defined below) on Form F-3 (Registration No. 333-196112) that became effective in June 2014. The information contained in this prospectus is not complete and may be changed. This prospectus provides you with some of the general terms that may apply to an offering of our securities. Each time we sell securities under this shelf registration, we will provide a prospectus supplement that will contain specific information about the terms of that specific offering, including the number and price per security (or exercise price) of the securities to be offered and sold in that offering and the specific manner in which such securities may be offered. A prospectus supplement may also add to, update or change any of the information contained in this prospectus. If there is an inconsistency between the information in this prospectus and a prospectus supplement, you should rely on the information in the prospectus supplement. This prospectus, which constitutes a part of the registration statement, does not contain all of the information contained in the registration statement, certain items of which are contained in the exhibits to the registration statement as permitted by the rules and regulations of the SEC. Statements included in this prospectus or incorporated herein by reference about the contents of any contract, agreement or other documents referred to are not necessarily complete, and in each instance investors should refer to the exhibits for a more complete description of the matter involved. Each such statement is qualified in its entirety by such reference.

We are subject to the information requirements of the U.S. Securities Exchange Act of 1934, as amended, or the U.S. Exchange Act, relating to foreign private issuers and applicable Canadian securities legislation and, in accordance therewith, file reports and other information with the SEC and with the securities regulatory authorities in Canada. As a foreign private issuer, we are exempt from the rules under the U.S. Exchange Act prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the U.S. Exchange Act. In addition, we are not required to publish financial statements as promptly as U.S. companies.

Investors may read any document that we have filed with the SEC at the SEC's public reference room in Washington, D.C. Investors may also obtain copies of those documents from the public reference room of the SEC at 100 F Street, N.E., Washington, D.C., 20549 by paying a fee. Investors should call the SEC at 1-800-SEC-0330 or access its website at www.sec.gov for further information about the public reference rooms. Investors may read and download some of the documents we have filed with the SEC's Electronic Data Gathering and Retrieval system at www.sec.gov.

Readers should rely only on information contained or incorporated by reference in this prospectus and any applicable prospectus supplement. We have not authorized anyone to provide the reader with different information. We are not making an offer of any securities in any jurisdiction where the offer is not permitted. Readers should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus, unless otherwise noted herein or as required by law. It should be assumed that the information appearing in this prospectus and the documents incorporated herein by reference are accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

Documents Incorporated by Reference

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in each of the provinces and territories of Canada and filed with, or furnished to, the SEC. Copies of the documents incorporated herein by reference may be obtained on request without charge from our Chief Financial Officer at 30 Worcester Road, Toronto, Ontario, Canada, M9W 5X2, telephone (416) 798-3001 or on our website at www.intellipharmaceutics.com. The information on our website is not incorporated by reference into this prospectus. These documents are also available through the Internet on SEDAR, which can be accessed online at www.sedar.com, and on the SEC's Electronic Data Gathering and Retrieval System at www.sec.gov. The following documents filed or furnished by us with the various securities commissions or similar authorities in the provinces and territories of Canada and the SEC, as applicable, are specifically incorporated by reference into and form an integral part of this prospectus, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this prospectus or in any other subsequently filed document that is also incorporated by reference in this prospectus:

- a) our condensed unaudited interim consolidated financial statements and notes to the condensed unaudited interim consolidated financial statements: (i) for the three months ended February 28, 2017, which were included as Exhibit 99.2 to the Report on Form 6-K furnished to the SEC on April 12, 2017, together with the Management Discussion and Analysis of Financial Condition and Results of Operations for the three months ended February 28, 2017, which was included as Exhibit 99.1 to the Report on Form 6-K furnished to the SEC on April 12, 2017; and (ii) for the three and six months ended May 31, 2017, which were included as Exhibit 99.2 to the Report on Form 6-K furnished to the SEC on July 11, 2017, together with the Management Discussion and Analysis of Financial Condition and Results of Operations for the three and six months ended May 31, 2017, which was included as Exhibit 99.1 to the Report on Form 6-K furnished to the SEC on July 11, 2017;
- b) our report on Form 6-K furnished to the SEC on March 21, 2017, including our management proxy circular dated March 8, 2017, for the annual meeting of shareholders held on April 18, 2017, which was included as part of Exhibit 99.2, but excluding Exhibits 99.1, 99.3, 99.4 and 99.5 thereto;
- c) our annual report on Form 20-F for the fiscal year ended November 30, 2016, which was filed with the SEC on February 28, 2017, including our audited consolidated balance sheets as at November 30, 2016 and November 30, 2015, and the consolidated statements of operations and comprehensive loss, cash flows and shareholders' equity (deficiency) for each of the years in the three-year period ended November 30, 2016; and
- d) our reports on Form 6-K furnished to the SEC on April 19, 2017, May 10, 2017, May 24, 2017, June 6, 2017 and June 30, 2017.

In addition, this prospectus shall also be deemed to incorporate by reference all subsequent annual reports filed on Form 20-F, Form 40-F or Form 10-K, and all subsequent filings on Forms 10-Q and 8-K filed by us pursuant to the U.S. Exchange Act (i) after the date of the initial registration statement and before effectiveness of the registration statement and (ii) after the date of this prospectus and prior to the termination of the offering made by this prospectus. We may incorporate by reference into this prospectus any Form 6-K that is submitted to the SEC after the date of the filing of the registration statement of which this prospectus forms a part and before the date of termination of this offering. Any such Form 6-K that we intend to so incorporate shall state in such form that it is being incorporated by reference into the registration statement of which this prospectus forms a part. The documents

incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to us and the readers should review all information contained in this prospectus and the documents incorporated or deemed to be incorporated herein by reference.

Upon a new annual report on Form 20-F and related annual consolidated financial statements being filed by us with the applicable securities regulatory authorities during the duration that this prospectus is effective, the previous annual report on Form 20-F, the previous annual consolidated financial statements and all interim consolidated financial statements, and in each case the accompanying management's discussion and analysis, information circulars (to the extent the disclosure is inconsistent) and material change reports filed prior to the commencement of the financial year of the Company in which the new annual report on Form 20-F is filed shall be deemed no longer to be incorporated into this prospectus for purposes of future offers and sales of securities under this prospectus. Upon (i) interim consolidated financial statements and the accompanying management's discussion and analysis being filed by us with the applicable securities regulatory authorities during the duration that this prospectus is effective and (ii) the incorporation thereof herein by reference, all interim consolidated financial statements and the accompanying management's discussion and analysis filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated into this prospectus for purposes of future offers and sales of securities under this prospectus.

A prospectus supplement containing the specific terms of an offering of securities and other information relating to the securities will be delivered to prospective purchasers of such securities together with this prospectus and will be deemed to be incorporated into this prospectus as of the date of such prospectus supplement only for the purpose of the offering of the securities covered by that prospectus supplement.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not constitute a part of this prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

FINANCIAL INFORMATION

The financial statements of the Company incorporated herein by reference and in any prospectus supplement are reported in United States dollars and have been prepared in accordance with U.S. GAAP. References to “\$,” “U.S.\$” or “dollars” are to U.S. dollars, and all references to “Cdn\$” or “C\$” are to the lawful currency of Canada. In this prospectus, where applicable, and unless otherwise indicated, amounts are converted from U.S. dollars to Canadian dollars and vice versa by applying the noon spot rate of exchange of the Bank of Canada on July 7, 2017. See “Exchange Rate Information” below.

EXCHANGE RATE INFORMATION

The following table sets out the high and low rates of exchange for one U.S. dollar expressed in Canadian dollars in effect at the end of each of the following periods; the average rate of exchange for those periods; and the rate of exchange in effect at the end of each of those periods, each based on the closing rate published by the Bank of Canada.

	Seven months ended June 30, 2017	Fiscal years ended November 30,		
		2016	2015	2014
High	Cdn \$1.3743	Cdn \$1.4559	Cdn \$1.3418	Cdn \$1.1440
Low	Cdn \$1.2977	Cdn \$1.2536	Cdn \$1.1328	Cdn \$1.0587
Average for the Period	Cdn \$1.3343	Cdn \$1.3276	Cdn \$1.2603	Cdn \$1.0971
End of Period	Cdn \$1.2887	Cdn \$1.3429	Cdn \$1.3353	Cdn \$1.1440

On July 7, 2017, the closing rate for Canadian dollars in terms of the United States dollar, as reported by the Bank of Canada, was U.S. \$1.00=Cdn \$1.2977 or Cdn \$1.00=U.S.\$0.7706.

RISK FACTORS

Prospective purchasers of securities should carefully consider the risk factors contained in and incorporated by reference in this prospectus (including subsequently filed documents incorporated by reference) and those described in a prospectus supplement relating to a specific offering of securities. Each of these risk factors could adversely affect our business, operating results and financial condition, as well as adversely affect the value of an investment in our securities. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations.

Prospects for companies in the pharmaceutical industry generally may be regarded as uncertain given the research and development nature of the industry and uncertainty regarding the prospects of successfully commercializing product candidates and, accordingly, investments in companies such as ours should be regarded as very speculative. An investor should carefully consider the risks and uncertainties described below, as well as other information contained or incorporated by reference in this prospectus or in any applicable prospectus supplement. The list of risks and uncertainties described below is not an exhaustive list. Additional risks and uncertainties not presently known to us or that we believe to be immaterial may also adversely affect our business. If any one or more of the following risks, or those contained in any document incorporated by reference in this prospectus or in any applicable prospectus supplement, occur, our business, financial condition and results of operations could be seriously harmed. Further, if we fail to meet the expectations of the public market in any given period, the market price of our common shares could decline. If any of the following risks actually occurs, our business, operating results, or financial condition could be materially adversely affected.

Our activities entail significant risks. In addition to the usual risks associated with a business, the following is a general description of certain significant risk factors which may be applicable to us.

Risks related to our Company

Our business is capital intensive and requires significant investment to conduct research and development, clinical and regulatory activities necessary to bring our products to market, which capital may not be available in amounts or on terms acceptable to us, if at all.

Our business requires substantial capital investment in order to conduct the research and development, clinical and regulatory activities necessary to bring our products to market and to establish commercial manufacturing, marketing and sales capabilities. As of February 28, 2017, we had a cash balance of \$2.4 million. As of July 7, 2017, our cash balance was \$0.6 million. We currently expect to satisfy our operating cash requirements until September 2017 from cash on hand and quarterly profit share payments from Par Pharmaceutical, Inc. ("Par") and Mallinckrodt LLC ("Mallinckrodt"). Should our marketing and distribution partner Mallinckrodt soon be successful in fully commercializing our generic Seroquel XR® (all strengths of which were launched in June 2017), then we may be cash flow positive in the second half of 2017. Failing this, we may need to obtain additional funding prior to that time as we further the development of our product candidates and if we accelerate our product commercialization activities. There can be no assurance as to when or if Par will launch the remaining two strengths of its generic Focalin XR® and, if launched, whether they will be successfully commercialized, or if generic Seroquel XR® will be successfully commercialized. If necessary, we expect to utilize our at-the-market equity offering program (see "Prior Sales" below for a further description of our at-the-market offering program) to bridge any funding shortfall in the second half of 2017. Our future operations are highly dependent upon our ability to source additional capital to support advancing our product pipeline through continued research and development activities which are at higher-than-currently projected levels and to fund any significant expansion of our operations. Although there can be no assurances, such capital may come from revenues from the sales of our generic Focalin XR® capsules, from sales of our generic Seroquel XR® tablets, from proceeds of our at-the-market offering program, and from potential partnering opportunities. Other potential sources of capital may include payments from licensing agreements, cost savings associated with managing operating expense levels, other equity and/or debt financings, and/or new strategic partnership agreements which fund some or all costs of product development. Our ultimate success will depend on whether our product candidates receive the approval of the FDA or Health Canada and whether we are able to successfully market approved products. We cannot be certain that we will be able to receive FDA or Health Canada approval for any of our current N="bottom" STYLE="BORDER-BOTTOM:1px solid #b2b2b2"> 16,839,755

Buckeye Partners LP

588,370 40,062,113

Delek Logistics Partners LP

387,630 11,698,673

Enbridge Energy Partners LP

760,400 22,880,436

Holly Energy Partners LP

155,220 4,881,669

Magellan Midstream Partners LP

196,440 12,206,782

[See Notes to Financial Statements.](#)

ClearBridge Energy MLP Total Return Fund Inc.

	Shares/ Units	Value
Security		
<i>Liquids Transportation & Storage continued</i>		
MPLX LP	356,520	\$ 13,590,542
Oiltanking Partners LP	150,447	9,010,271
Plains All American Pipeline LP	1,399,926	72,194,184
Sunoco Logistics Partners LP	122,378	8,661,915
Susser Petroleum Partners LP	477,540	16,069,221
Tesoro Logistics LP	37,278	1,910,498
World Point Terminals LP	599,990	11,615,806
<i>Total Liquids Transportation & Storage</i>		<i>224,782,110</i>
<i>Natural Gas Transportation & Storage 8.4%</i>		
Boardwalk Pipeline Partners LP	962,600	25,354,884
El Paso Pipeline Partners LP	674,120	28,029,910
TC Pipelines LP	410,910	20,134,590
<i>Total Natural Gas Transportation & Storage</i>		<i>73,519,384</i>
<i>Oil/Refined Products 1.6%</i>		
Rose Rock Midstream LP	390,219	13,997,156
<i>Propane 1.5%</i>		
Suburban Propane Partners LP	280,957	12,893,117
<i>Refining 0.5%</i>		
Western Refining Logistics LP	182,970	4,654,757 *
<i>Shipping 7.3%</i>		
Golar LNG Partners LP	333,340	10,660,213
KNOT Offshore Partners LP	549,590	15,415,999 ^(b)
Teekay LNG Partners LP	381,410	15,675,951
Teekay Offshore Partners LP	671,096	22,025,371
<i>Total Shipping</i>		<i>63,777,534</i>
Total Investments 143.0% (Cost \$933,953,576#)		1,248,718,231
Liabilities in Excess of Other Assets (43.0)%		(375,586,559)
Total Net Assets 100.0%		\$ 873,131,672

Payment-in-kind security receives stock dividends in the form of additional shares.

* Non-income producing security.

^(a) Security is valued in good faith in accordance with procedures approved by the Board of Directors (See Note 1).

^(b) In this instance, as defined in the Investment Company Act of 1940, an Affiliated Company represents Fund ownership of at least 5% of the outstanding voting securities of an issuer. At November 30, 2013, the total market value of Affiliated Companies was \$15,415,999, and the cost was \$11,746,679 (See Note 5).

Aggregate cost for federal income tax purposes is \$903,629,692.

See Notes to Financial Statements.

Statement of assets and liabilities

November 30, 2013

Assets:

Investments in unaffiliated securities, at value (Cost \$922,206,897)	\$ 1,233,302,232
Investments in affiliated securities, at value (Cost \$11,746,679)	15,415,999
Cash	12,973,404
Receivable for securities sold	13,664,548
Deferred debt issuance and offering cost	1,297,205
Dividends and distributions receivable	189,161
Prepaid expenses	73,772
Total Assets	1,276,916,321

Liabilities:

Senior Secured Notes (Note 7)	180,000,000
Deferred tax liability (Note 10)	126,128,198
Loan payable (Note 6)	80,000,000
Payable for securities purchased	13,342,131
Interest payable	1,322,008
Current tax liability (Note 10)	1,231,112
Investment management fee payable	929,877
Audit and tax fees payable	333,050
Accrued expenses	498,273
Total Liabilities	403,784,649
Total Net Assets	\$ 873,131,672

Net Assets:

Par value (\$0.001 par value, 38,305,191 shares issued and outstanding; 100,000,000 shares authorized)	\$ 38,305
Paid-in capital in excess of par value	665,629,861
Accumulated net investment loss, net of income taxes	(14,832,164)
Accumulated net realized gain on investments, net of income taxes	23,679,173
Net unrealized appreciation on investments, net of income taxes	198,616,497
Total Net Assets	\$ 873,131,672

Shares Outstanding	38,305,191
Net Asset Value	\$22.79

See Notes to Financial Statements.

Statement of operations

For the Year Ended November 30, 2013

Investment Income:

Dividends and distributions from unaffiliated investments	\$ 61,201,867
Dividends and distributions from affiliated investments	413,457
Less: Foreign taxes withheld	(119,711)
Return of capital (Note 1(f))	(61,019,211)
Net dividends and distributions	476,402
Total Investment Income	476,402

Expenses:

Investment management fee (Note 2)	10,880,748
Interest expense (Notes 6 and 7)	6,060,108
Audit and tax	268,800
Legal fees	233,225
Transfer agent fees	167,941
Franchise fees	140,000
Directors' fees	136,518
Commitment fees (Note 6)	82,496
Amortization of deferred debt issuance and offering costs	79,968
Fund accounting fees	79,677
Shareholder reports	50,340
Stock exchange listing fees	30,630
Rating agency fees	25,262
Insurance	16,030
Custody fees	879
Miscellaneous expenses	129,904
Total Expenses	18,382,526
Net Investment Loss, before income taxes	(17,906,124)
Net current and deferred tax benefit (Note 10)	5,965,718
Net Investment Loss, net of income taxes	(11,940,406)

Realized and Unrealized Gain (Loss) on Investments (Notes 1, 3 and 10):

Net Realized Gain From:	
Investment transactions from unaffiliated securities	55,781,490
Net current and deferred tax expense (Note 10)	(19,963,393)
Net Realized Gain, net of income taxes	35,818,097
Change in Net Unrealized Appreciation (Depreciation) From:	
Unaffiliated investments	240,836,918
Affiliated investments	(5,228,255)
Deferred tax expense (Note 10)	(86,702,129)
Change in Net Unrealized Appreciation (Depreciation), net of income taxes	148,906,534
Net Gain on Investments, net of income taxes	184,724,631
Increase in Net Assets from Operations	\$ 172,784,225

See Notes to Financial Statements.

Statements of changes in net assets

For the Years Ended November 30,	2013	2012
Operations:		
Net investment loss, net of income taxes	\$ (11,940,406)	\$ (2,891,758)
Net realized gain (loss), net of income taxes	35,818,097	(1,643,555)
Change in net unrealized appreciation (depreciation), net of income taxes	148,906,534	49,709,963
<i>Increase in Net Assets From Operations</i>	<i>172,784,225</i>	<i>45,174,650</i>
Distributions to Shareholders From (Note 1):		
Dividends	(10,495,369)	
Return of capital	(39,985,851)	(24,790,333)
<i>Decrease in Net Assets From Distributions to Shareholders</i>	<i>(50,481,220)</i>	<i>(24,790,333)</i>
Fund Share Transactions:		
Net proceeds from sale of shares (0 and 38,129,480 shares issued, respectively) (Note 9)		726,748,090
Reinvestment of distributions (123,333 and 52,378 shares reinvested, respectively)	2,697,855	998,405
<i>Increase in Net Assets From Fund Share Transactions</i>	<i>2,697,855</i>	<i>727,746,495</i>
<i>Increase in Net Assets</i>	<i>125,000,860</i>	<i>748,130,812</i>
Net Assets:		
Beginning of year	748,130,812	
End of year*	\$ 873,131,672	\$ 748,130,812
* Includes accumulated net investment loss, net of income taxes, of:	\$(14,832,164)	\$(2,891,758)

For the period June 27, 2012 (commencement of operations) to November 30, 2012.

Net of offering costs and sales load of \$35,841,510.

See Notes to Financial Statements.

Statement of cash flows

For the Year Ended November 30, 2013

Increase (Decrease) in Cash:

Cash Provided (Used) by Operating Activities:

Net increase in net assets resulting from operations	\$ 172,784,225
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided (used) by operating activities:	
Purchases of portfolio securities	(298,966,561)
Sales of portfolio securities	287,408,453
Return of capital	61,019,211
Increase in receivable for securities sold	(13,664,548)
Increase in dividends and distributions receivable	(25,312)
Amortization of deferred debt issuance and offering costs	79,968
Increase in prepaid expenses	(49,471)
Increase in payable for securities purchased	13,342,131
Increase in investment management fee payable	122,676
Increase in interest payable	1,233,075
Increase in audit and tax fees payable	333,050
Increase in current tax liability	1,231,112
Increase in accrued expenses	178,471
Increase in net deferred tax expenses	99,368,692
Net realized gain on investments	(55,781,490)
Change in unrealized appreciation of investments	(235,608,663)
Net Cash Provided by Operating Activities*	33,005,019

Cash Provided (Used) by Financing Activities:

Payment of offering costs	(296,377)
Payment of debt issuance costs	(1,377,173)
Distributions paid on common stock, net of reinvestments	(47,783,365)
Proceeds from issuance of Senior Secured Notes	180,000,000
Repayment of loan	(160,000,000)
Net Cash Used in Financing Activities	(29,456,915)

Net Increase in Cash

Cash at Beginning of Year	9,425,300
Cash at End of Year	\$ 12,973,404

Non-Cash Financing Activities:

Reinvestment of Distributions	\$ 2,697,855
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* Included in operating expenses is cash of \$4,827,033 paid for interest and commitment fees on borrowings and \$100,000 paid for income taxes net of refunds, if any.

See Notes to Financial Statements.

Financial highlights

For a share of capital stock outstanding throughout each year ended November 30, unless otherwise noted:

	2013 ¹	2012 ^{1,2}
Net asset value, beginning of year	\$19.59	\$19.06 ³
Income (loss) from operations:		
Net investment loss	(0.31)	(0.08)
Net realized and unrealized gain	4.83	1.26
<i>Total income from operations</i>	<i>4.52</i>	<i>1.18</i>
Less distributions from:		
Dividends	(0.27)	
Return of capital	(1.05)	(0.65)
<i>Total distributions</i>	<i>(1.32)</i>	<i>(0.65)</i>
Net asset value, end of year	\$22.79	\$19.59
Market price, end of year	\$21.90	\$19.82
<i>Total return, based on NAV^{4,5}</i>	<i>23.39%</i>	<i>6.28%</i>
<i>Total return, based on Market Price⁶</i>	<i>17.34%</i>	<i>2.50%</i>
Net assets, end of year (millions)	\$873	\$748
Ratios to average net assets:		
Management fees	1.30%	1.24% ⁷
Other expenses	0.89 ⁸	0.45 ^{7,9}
<i>Subtotal</i>	<i>2.19</i>	<i>1.69</i>
Income tax expense	12.02	8.55 ⁷
<i>Total expenses</i>	<i>14.21⁸</i>	<i>10.24^{7,9,10}</i>
Net investment loss, net of income taxes	(1.42)	(0.92) ⁷
Portfolio turnover rate	25%	4%
Supplemental data:		
Loan and Debt Issuance Outstanding, End of Year (000s)	\$260,000	\$240,000
Asset Coverage for Loan and Debt Issuance Outstanding	436%	412%
Weighted Average Loan and Debt Issuance (000s)	\$250,082	\$175,796
Weighted Average Interest Rate on Loans and Debt Issuance	2.42%	1.04%

¹ Per share amounts have been calculated using the average shares method.

² For the period June 27, 2012 (commencement of operations) to November 30, 2012.

³ Initial public offering price of \$20.00 per share less offering costs and sales load totaling \$0.94 per share.

⁴ Performance figures may reflect compensating balance arrangements, fee waivers and/or expense reimbursements. In the absence of compensating balance arrangements, fee waivers and/or expense reimbursements, the total return would have been lower. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

See Notes to Financial Statements.

⁵ The total return calculation assumes that distributions are reinvested at NAV. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁶ The total return calculation assumes that distributions are reinvested in accordance with the Fund's dividend reinvestment plan. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁷ Annualized.

⁸ The impact of compensating balance arrangements, if any, was less than 0.01%.

⁹ The impact of compensating balance arrangements was 0.02%.

¹⁰ Excludes the impact of reimbursement for organization fees in the amount of 0.02%. Inclusive of the reimbursement the ratio is 10.22%. The investment manager has agreed to reimburse all organization expenses.

[See Notes to Financial Statements.](#)

Notes to financial statements

1. Organization and significant accounting policies

ClearBridge Energy MLP Total Return Fund Inc. (the Fund) was incorporated in Maryland on April 10, 2012 and is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the 1940 Act). The Board of Directors authorized 100 million shares of \$0.001 par value common stock. The Fund's investment objective is to provide a high level of total return, consisting of cash distributions and capital appreciation. The Fund seeks to achieve its objective by investing primarily in master limited partnerships (MLPs) in the energy sector. There can be no assurance that the Fund will achieve its investment objective.

Under normal market conditions, the Fund will invest at least 80% of its Managed Assets in energy MLPs (the 80% policy). For purposes of the 80% policy, the Fund considers investments in MLPs to include investments that offer economic exposure to public and private MLPs in the form of equity securities of MLPs, securities of entities holding primarily general partner or managing member interests in MLPs, securities that are derivatives of interests in MLPs, including I-Shares, and debt securities of MLPs. Energy entities are engaged in the business of exploring, developing, producing, gathering, transporting, processing, storing, refining, distributing, mining or marketing of natural gas, natural gas liquids (including propane), crude oil, refined petroleum products or coal. Managed Assets means net assets plus the amount of any borrowings and assets attributable to any preferred stock of the Fund that may be outstanding.

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles (GAAP). Estimates and assumptions are required to be made regarding assets, liabilities and changes in net assets resulting from operations when financial statements are prepared. Changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ. Subsequent events have been evaluated through the date the financial statements were issued.

(a) Investment valuation. Equity securities for which market quotations are available are valued at the last reported sales price or official closing price on the primary market or exchange on which they trade. The valuations for fixed income securities (which may include, but are not limited to, corporate, government, municipal, mortgage-backed, collateralized mortgage obligations and asset-backed securities) and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of valuation techniques and methodologies. The independent third party pricing services use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar securities. Short-term fixed income securities that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value. If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the manager to be unreliable, the market

price may be determined by the manager using quotations from one or more broker/dealers or at the transaction price if the security has recently been purchased and no value has yet been obtained from a pricing service or pricing broker. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Fund calculates its net asset value, the Fund values these securities as determined in accordance with procedures approved by the Fund's Board of Directors.

The Board of Directors is responsible for the valuation process and has delegated the supervision of the daily valuation process to the Legg Mason North American Fund Valuation Committee (the "Valuation Committee"). The Valuation Committee, pursuant to the policies adopted by the Board of Directors, is responsible for making fair value determinations, evaluating the effectiveness of the Fund's pricing policies, and reporting to the Board of Directors. When determining the reliability of third party pricing information for investments owned by the Fund, the Valuation Committee, among other things, conducts due diligence reviews of pricing vendors, monitors the daily change in prices and reviews transactions among market participants.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making fair value determinations. Examples of possible methodologies include, but are not limited to, multiple of earnings; discount from market of a similar freely traded security; discounted cash-flow analysis; book value or a multiple thereof; risk premium/yield analysis; yield to maturity; and/or fundamental investment analysis. The Valuation Committee will also consider factors it deems relevant and appropriate in light of the facts and circumstances. Examples of possible factors include, but are not limited to, the type of security; the issuer's financial statements; the purchase price of the security; the discount from market value of unrestricted securities of the same class at the time of purchase; analysts' research and observations from financial institutions; information regarding any transactions or offers with respect to the security; the existence of merger proposals or tender offers affecting the security; the price and extent of public trading in similar securities of the issuer or comparable companies; and the existence of a shelf registration for restricted securities.

For each portfolio security that has been fair valued pursuant to the policies adopted by the Board of Directors, the fair value price is compared against the last available and next available market quotations. The Valuation Committee reviews the results of such back testing monthly and fair valuation occurrences are reported to the Board of Directors quarterly.

The Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

Notes to financial statements (cont d)

GAAP establishes a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. These inputs are summarized in the three broad levels listed below:

Level 1 quoted prices in active markets for identical investments

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

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

The following is a summary of the inputs used in valuing the Fund's assets carried at fair value:

Description	ASSETS			Total
	Quoted Prices (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Master limited partnerships				
Gathering/processing		\$ 14,000,959		\$ 14,000,959
Other master limited partnerships	\$ 1,234,717,272			1,234,717,272
Total investments	\$ 1,234,717,272	\$ 14,000,959		\$ 1,248,718,231

See Schedule of Investments for additional detailed categorizations.

(b) Repurchase agreements. The Fund may enter into repurchase agreements with institutions that its investment adviser has determined are creditworthy. Each repurchase agreement is recorded at cost. Under the terms of a typical repurchase agreement, the Fund acquires a debt security subject to an obligation of the seller to repurchase, and of the Fund to resell, the security at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. When entering into repurchase agreements, it is the Fund's policy that its custodian or a third party custodian, acting on the Fund's behalf, take possession of the underlying collateral securities, the market value of which, at all times, at least equals the principal amount of the repurchase transaction, including accrued interest. To the extent that any repurchase transaction maturity exceeds one business day, the value of the collateral is marked-to-market and measured against the value of the agreement in an effort to ensure the adequacy of the collateral. If the counterparty defaults, the Fund generally has the right to use the collateral to satisfy the terms of the repurchase transaction. However, if the market value of the collateral declines during the period in which the Fund seeks to assert its rights or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Fund may be delayed or limited.

(c) Net asset value. The Fund determines the net asset value of its common stock on each day the NYSE is open for business, as of the close of the customary trading session (normally 4:00 p.m. Eastern Time), or any earlier closing time that day. The Fund determines the net asset value per share of common stock by dividing the value of the Fund's secu-

rities, cash and other assets (including interest accrued but not collected) less all its liabilities (including accrued expenses, borrowings and interest payables), net of income taxes, by the total number of shares of common stock outstanding.

(d) Master limited partnerships. Entities commonly referred to as MLPs are generally organized under state law as limited partnerships or limited liability companies. The Fund intends to primarily invest in MLPs receiving partnership taxation treatment under the Internal Revenue Code of 1986 (the Code), and whose interests or units are traded on securities exchanges like shares of corporate stock. To be treated as a partnership for U.S. federal income tax purposes, an MLP whose units are traded on a securities exchange must receive at least 90% of its income from qualifying sources such as interest, dividends, real estate rents, gain from the sale or disposition of real property, income and gain from mineral or natural resources activities, income and gain from the transportation or storage of certain fuels, and, in certain circumstances, income and gain from commodities or futures, forwards and options with respect to commodities. Mineral or natural resources activities include exploration, development, production, processing, mining, refining, marketing and transportation (including pipelines) of oil and gas, minerals, geothermal energy, fertilizer, timber or industrial source carbon dioxide. An MLP consists of a general partner and limited partners (or in the case of MLPs organized as limited liability companies, a managing member and members). The general partner or managing member typically controls the operations and management of the MLP and has an ownership stake in the partnership. The limited partners or members, through their ownership of limited partner or member interests, provide capital to the entity, are intended to have no role in the operation and management of the entity and receive cash distributions. The MLPs themselves generally do not pay U.S. federal income taxes. Thus, unlike investors in corporate securities, direct MLP investors are generally not subject to double taxation (i.e., corporate level tax and tax on corporate dividends). Currently, most MLPs operate in the energy and/or natural resources sector.

(e) Concentration risk. Concentration in the energy sector may present more risks than if the Fund were broadly diversified over numerous sectors of the economy. A downturn in the energy sector of the economy could have a larger impact on the Fund than on an investment company that does not concentrate in the sector. At times, the performance of securities of companies in the sector may lag the performance of other sectors or the broader market as a whole.

(f) Return of capital estimates. Distributions received from the Fund's investments in MLPs generally are comprised of income and return of capital. The Fund records investment income and return of capital based on estimates made at the time such distributions are received. Such estimates are based on historical information available from each MLP and other industry sources. These estimates may subsequently be revised based on information received from MLPs after their tax reporting periods are concluded.

For the year ended November 30, 2013, the Fund estimated that approximately 98.65% of the MLP distributions received would be treated as a return of capital. The Fund recorded as return of capital the amount of \$60,781,772 of dividends and distributions received from its investments.

Notes to financial statements (cont d)

Additionally, the Fund recorded revisions to the return of capital estimates from the year ended November 30, 2012 in the amount of a \$237,439 decrease in dividends received from investments.

(g) Security transactions and investment income. Security transactions are accounted for on a trade date basis. Interest income, adjusted for amortization of premium and accretion of discount, is recorded on the accrual basis. Dividends and distributions are recorded on ex-date. The cost of investments sold is determined by use of the specific identification method. To the extent any issuer defaults or a credit event occurs that impacts the issuer, the Fund may halt any additional interest income accruals and consider the realizability of interest accrued up to the date of default or credit event.

(h) Distributions to shareholders. Distributions to common stockholders are declared and paid on a quarterly basis and are recorded on the ex-dividend date. The estimated characterization of the distributions paid to common stockholders will be either a dividend (ordinary income) or distribution (return of capital). This estimate is based on the Fund's operating results during the period. The Fund anticipates 80% of its current year distributions will be comprised of return of capital as a result of the tax character of cash distributions made by the MLPs. The Fund has generated sufficient current year earnings and profits for tax purposes from gains realized on the sale of its MLP investments such that approximately 20% of the distributions paid during the current year will be treated as dividend income. Because the Fund is taxed as a C Corporation, the distributions paid by the Fund are considered to be dividend income to the extent that the distributions are paid out of the Fund's current net income and realized capital gains.

(i) Compensating balance arrangements. The Fund has an arrangement with its custodian bank whereby a portion of the custodian's fees is paid indirectly by credits earned on the Fund's cash on deposit with the bank.

(j) Partnership accounting policy. The Fund records its pro rata share of the income (loss) and capital gains (losses), to the extent of distributions it has received, allocated from the underlying partnerships and accordingly adjusts the cost basis of the underlying partnerships for return of capital. These amounts are included in the Fund's Statement of Operations.

(k) Federal and other taxes. The Fund, as a corporation, is obligated to pay federal and state income tax on its taxable income. The Fund invests its assets primarily in MLPs, which generally are treated as partnerships for federal income tax purposes. As a limited partner in the MLPs, the Fund includes its allocable share of the MLP's taxable income in computing its own taxable income. Deferred income taxes reflect (i) taxes on unrealized gains (losses), which are attributable to the temporary difference between fair market value and tax basis, (ii) the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and (iii) the net tax benefit of accumulated net operating losses and tax credit carryforwards. To the extent the Fund has a deferred tax asset, consideration is given as to whether

or not a valuation allowance is required. The need to establish a valuation allowance for deferred tax assets is assessed periodically by the Fund based on the Income Tax Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification that it is more likely than not that some portion or all of the deferred tax asset will not be realized. In the assessment for a valuation allowance, consideration is given to all positive and negative evidence related to the realization of the deferred tax asset. This assessment considers, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability (which are highly dependent on future cash distributions from the Fund s MLP holdings), the duration of statutory carryforward periods and the associated risk that net operating loss and tax credit carryforwards may expire unused.

For all open tax years and for all major jurisdictions, management of the Fund has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. Furthermore, management of the Fund is also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

The Fund may rely to some extent on information provided by the MLPs, which may not necessarily be timely, to estimate taxable income allocable to the MLP units held in the portfolio and to estimate the associated deferred tax liability. Such estimates are made in good faith. From time to time, as new information becomes available, the Fund modifies its estimates or assumptions regarding the deferred tax liability.

The Fund s policy is to classify interest and penalties associated with underpayment of federal and state income taxes, if any, as income tax expense on its Statement of Operations. The current and prior tax years remain open and subject to examination by tax jurisdictions.

(I) Reclassification. GAAP requires that certain components of net assets be reclassified to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. During the current year, the following reclassifications have been made:

Accumulated Net Investment Loss (net of income taxes)	Accumulated Net Realized Gain on Investments (net of income taxes)
\$10,495,369	\$(10,495,369)

Reclassifications are due to distributions paid by the Fund in the current year which for tax purposes have been treated as dividend income. Because the Fund is taxed as a C Corporation, the distributions paid by the Fund are considered to be dividend income to the extent that the distributions are paid out of the Fund s current net income and realized capital gains. Because the primary source of the Fund s taxable income is realized gains, the cumulative taxable distributions are being reclassified against accumulated net realized gains for book purposes.

Notes to financial statements (cont d)

2. Investment management agreement and other transactions with affiliates

Legg Mason Partners Fund Advisor, LLC (LMPFA) is the Fund's investment manager and ClearBridge Investments, LLC (formerly ClearBridge Advisors, LLC) (ClearBridge) is the Fund's subadviser. LMPFA and ClearBridge are wholly-owned subsidiaries of Legg Mason, Inc. (Legg Mason).

Under the investment management agreement, the Fund pays an annual fee, paid monthly, in an amount equal to 1.00% of the Fund's average daily Managed Assets.

LMPFA provides administrative and certain oversight services to the Fund. LMPFA delegates to the subadviser the day-to-day portfolio management of the Fund, except for the management of cash and short-term instruments, which is provided by Western Asset. For its services, LMPFA pays ClearBridge 70% of the net management fee it receives from the Fund.

All officers and one Director of the Fund are employees of Legg Mason or its affiliates and do not receive compensation from the Fund.

3. Investments

During the year ended November 30, 2013, the aggregate cost of purchases and proceeds from sales of investments (excluding short-term investments) were as follows:

Purchases	\$ 298,966,561
Sales	287,408,453

4. Derivative instruments and hedging activities

GAAP requires enhanced disclosure about an entity's derivative and hedging activities.

During the year ended November 30, 2013, the Fund did not invest in any derivative instruments.

5. Transactions with affiliated companies

An Affiliated Company, as defined in the 1940 Act, includes a company in which the Fund owns 5% or more of the company's outstanding voting securities at any time during the period. The following transactions were effected in shares of such companies for the year ended November 30, 2013:

Company	Affiliate Value at 11/30/12	Purchased Cost	Shares/Par	Sold Cost	Shares/Par	Return of Capital	Affiliate Value at 11/30/13	Realized Gain/ Loss
EQT Midstream Partners LP* Knot Offshore	\$ 33,476,506							
Partners LP		\$ 12,160,136	549,590			\$ 413,457	15,415,999	
	\$ 33,476,506	\$ 12,160,136	549,590			\$ 413,457	\$ 15,415,999	

*This security is no longer an affiliated company.

6. Loan

During the year the Fund had a 364-day revolving credit agreement with a financial institution, which allowed the Fund to borrow up to an aggregate amount of \$300,000,000 (the "previous agreement"). On March 28, 2013, the Fund entered into a new \$125,000,000 secured revolving credit agreement (the "new agreement") and terminated the previous agreement. Unless renewed, the new agreement will terminate on March 27, 2014. The Fund pays a commitment fee up to an annual rate of 0.15% on the unutilized portion of the loan commitment amount. The interest on the loan is calculated at variable rates based on the LIBOR, plus any applicable margin. Securities held by the Fund are subject to a lien, granted to the lender, to the extent of the borrowing outstanding and any additional expenses. The lender has equal access to the lien as the senior secured notes holder (See Note 7). At November 30, 2013, the Fund had \$80,000,000 of borrowings outstanding per the current credit agreement.

Interest expense related to the loans for the year ended November 30, 2013 was \$1,294,428. For the year ended November 30, 2013, the Fund incurred \$82,496 in commitment fees. For the year ended November 30, 2013, the average daily loan balance was \$127,780,822 and the weighted average interest rate was 1.01%.

7. Senior secured notes

On March 28, 2013, the Fund completed a private placement of \$180,000,000 of fixed-rate senior secured notes (the "Senior Notes"). Net proceeds from such offering and borrowings under the new credit facility were used to repay outstanding borrowings, make new portfolio investments, and for general corporate purposes. At November 30, 2013, the Fund had \$180,000,000 aggregate principal amount of Senior Notes outstanding. Interest expense related to the Senior Notes for the year ended November 30, 2013 was \$4,765,680. Costs incurred by the Fund in connection with the Senior secured notes are recorded as a deferred charge which are amortized over the life of the notes. Securities held by the Fund are subject to a lien, granted to the Senior Notes holder, to the extent of the borrowings outstanding and any additional expenses. The Senior Notes holder has equal access to the lien as the lender (See Note 6).

The table below summarizes the key terms of the offering.

Security	Amount	Rate	Maturity
Senior secured notes:			
Series A	\$ 30,000,000	3.33%	March 28, 2020
Series B	\$ 70,000,000	3.93%	March 28, 2023
Series C	\$ 80,000,000	4.08%	March 28, 2025

8. Distributions

On October 21, 2013 the Fund's Board of Directors (the "Board") declared a quarterly distribution in the amount of \$0.33 per share payable on November 29, 2013 to shareholders of record on November 22, 2013.

On January 22, 2014, the Board declared a quarterly distribution in the amount of \$0.3300 per share, payable on February 21, 2014, to shareholders of record on February 28, 2014.

Notes to financial statements (cont d)

9. Capital shares

During the year ended November 30, 2013, the Fund filed a registration statement with the Securities and Exchange Commission authorizing the Fund to issue an additional 3,000,000 shares of common stock through an equity shelf offering. Under the equity shelf program, the Fund, subject to market conditions, may raise additional equity capital from time to time in varying amounts and offering methods at a net price at or above the Fund's then-current net asset value per common share. Costs incurred by the Fund in connection with the shelf offering are recorded as a deferred charge which are amortized over the period such additional common shares are sold, not to exceed one year. For the year ended November 30, 2013, there were no shares sold.

10. Income taxes

The current and deferred components of the tax benefit or expense are as follows:

	Current tax (benefit) expense	Deferred tax (benefit) expense	Total tax (benefit) expense
Net Investment Loss	(19,101,850)	13,136,132	(5,965,718)
Net Realized Gain	20,432,962	(469,569)	19,963,393
Change in Net Unrealized Appreciation / (Depreciation)		86,702,129	86,702,129
Total	1,331,112	99,368,692	100,699,804

The Federal and State components of the tax expense are as follows:

	Current tax (benefit) expense	Deferred tax (benefit) expense	Total tax (benefit) expense
Federal tax expense (benefit)	\$ 1,319,714	\$ 91,385,486	\$ 92,705,200
State tax expense (benefit)	11,398	7,983,206	7,994,604
Total tax expense (benefit)	\$ 1,331,112	\$ 99,368,692	\$ 100,699,804

Total income taxes have been computed by applying the federal statutory income tax rate of 35% plus a blended state income tax rate of 1.9%. The Fund applied this rate to net investment income (loss) and realized and unrealized gains (losses) on investments before income taxes in computing its total income tax expense (benefit).

During the year, the Fund's combined federal and state income tax rate decreased from 37.20% to 36.90% due to changes in certain state tax jurisdictions. This decrease resulted in the additional income tax benefit and corresponding decrease in the Fund's effective tax rate outlined below.

The provision for income taxes differs from the amount derived from applying the statutory income tax rate to net investment income (loss) and realized and unrealized gains (losses) before income taxes as follows:

Provision at statutory rates	\$ 95,719,410	35.00%
State taxes, net of federal tax benefit	5,196,197	1.90%
Change in blended state tax rate from 2.2% to 1.9%	(215,803)	(0.08)%
	\$ 100,699,804	36.82%

Deferred income taxes reflect (i) taxes on unrealized gains (losses), which are attributable to the difference between fair market value and tax basis, (ii) the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, and (iii) the net tax benefit of net operating losses and tax credit carryforwards.

Components of the Fund's net deferred tax asset (liability) as of November 30, 2013 are as follows:

Deferred Tax Assets

Net Operating Loss Carryforward	\$ 56,736
Minimum Tax Credit Carryforward	1,184,721

Deferred Tax Liabilities

Unrealized gains on investment securities	(116,148,158)
Basis reduction resulting from differences in the book vs. taxable income received from MLPs	(11,221,497)
Total net deferred tax asset (liability)	\$ (126,128,198)

At November 30, 2013 the Fund had state net operating loss carryforwards of \$1,403,827 (deferred tax asset of \$56,736). Realization of the deferred tax asset related to the net operating loss carryforwards is dependent, in part, on generating sufficient taxable income in each respective state prior to expiration of the loss carryforwards. If not utilized, the state net operating loss carryforwards expire in tax years between 2023 and 2031.

At November 30, 2013, the Fund also had a minimum tax credit carryforward of \$1,184,721, which is available to offset against future regular federal tax liabilities. The minimum tax credit does not carry an expiration.

Additionally, the Fund utilized its entire federal net operating loss carryforward of \$4,636,558 and capital loss carryforward of \$2,516,586 during the year ended November 30, 2013. These amounts differed from the amounts disclosed in the prior year financial statements due to differences between the estimated and actual amounts of taxable income received from the MLPs for the prior year.

Although the Fund currently has a net deferred tax liability, it periodically reviews the recoverability of its deferred tax assets based on the weight of available evidence. When assessing the recoverability of its deferred tax assets, significant weight is given to the effects of potential future realized and unrealized gains on investments and the period over which these deferred tax assets can be realized. Based on the Fund's assessment, it has determined that it is more likely than not that its deferred tax assets will be realized through future taxable income of the appropriate character. Accordingly, no valuation allowance has been established on the Fund's deferred tax assets. The Fund will continue to assess the need for a valuation allowance in the future. Significant declines in the fair value of its portfolio of investments may change the Fund's assessment regarding the recoverability of its deferred tax assets and may result in a valuation allowance. If a

Notes to financial statements (cont d)

valuation allowance is required to reduce any deferred tax asset in the future, it could have a material impact on the Fund's net asset value and results of operations in the period it is recorded.

At November 30, 2013, the cost basis of investments for Federal income tax purposes was \$903,629,692. At November 30, 2013, gross unrealized appreciation and depreciation of investments for Federal income tax purposes were as follows:

Gross unrealized appreciation	\$ 346,569,801
Gross unrealized (depreciation)	(1,481,262)
Net unrealized appreciation (depreciation) before tax	\$ 345,088,539
Net unrealized appreciation (depreciation) after tax	\$ 217,750,868

11. Recent accounting pronouncement

The Fund has adopted the disclosure provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update 2011-11 (ASU 2011-11), *Balance Sheet (Topic 210) Disclosures about Offsetting Assets and Liabilities* along with the related scope clarification provisions of FASB Accounting Standards Update 2013-01 (ASU 2013-01) entitled *Balance Sheet (Topic 210) Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities*. ASU 2011-11 is intended to enhance disclosures on the offsetting of financial assets and liabilities by requiring entities to disclose both gross and net information about financial instruments and transactions that are either offset in the statement of assets and liabilities or subject to a master netting agreement or similar arrangement. ASU 2013-01 limits the scope of ASU 2011-11's disclosure requirements on offsetting to financial assets and financial liabilities related to derivatives, repurchase and reverse repurchase agreements, and securities lending and securities borrowing transactions.

Report of independent registered public accounting firm

The Board of Directors and Shareholders

ClearBridge Energy MLP Total Return Fund Inc.:

We have audited the accompanying statement of assets and liabilities of ClearBridge Energy MLP Total Return Fund Inc. (the Fund), including the schedule of investments, as of November 30, 2013, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets and the financial highlights for the year then ended and for the period from June 27, 2012 (commencement of operations) to November 30, 2012. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of November 30, 2013, by correspondence with the custodian or by other appropriate auditing procedures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of ClearBridge Energy MLP Total Return Fund Inc. as of November 30, 2013, the results of its operations and cash flows for the year then ended, the changes in its net assets and the financial highlights for the year then ended and for the period from June 27, 2012 (commencement of operations) to November 30, 2012, in conformity with U.S. generally accepted accounting principles.

New York, New York

January 23, 2014

Board approval of management and subadvisory agreements (unaudited)

Background

The Investment Company Act of 1940, as amended (the "1940 Act"), requires that the Board of Directors (the "Board") of ClearBridge Energy MLP Total Return Fund Inc. (the "Fund"), including a majority of its members that are not considered to be "interested persons" under the 1940 Act (the "Independent Directors") voting separately, approve on an annual basis the continuation of the investment management contract (the "Management Agreement") with the Fund's manager, Legg Mason Partners Fund Advisor, LLC (the "Manager"), and the sub-advisory agreement (the "Sub-Advisory Agreement") with the Manager's affiliate, ClearBridge Investments, LLC (formerly ClearBridge Advisors, LLC) (the "Sub-Adviser"). At a meeting (the "Contract Renewal Meeting") held in-person on November 13 and 14, 2013, the Board, including the Independent Directors, considered and approved the continuation of each of the Management Agreement and the Sub-Advisory Agreement for an additional one-year term. To assist in its consideration of the renewals of the Management Agreement and the Sub-Advisory Agreement, the Board received and considered a variety of information (together with the information provided at the Contract Renewal Meeting, the "Contract Renewal Information") about the Manager and the Sub-Adviser, as well as the management and sub-advisory arrangements for the Fund and the other closed-end funds in the same complex under the Board's supervision (collectively, the "Legg Mason Closed-end Funds"), certain portions of which are discussed below. A presentation made by the Manager and the Sub-Adviser to the Board at the Contract Renewal Meeting in connection with its evaluations of the Management Agreement and the Sub-Advisory Agreement encompassed the Fund and other Legg Mason Closed-end Funds. In addition to the Contract Renewal Information, the Board received performance and other information throughout the year related to the respective services rendered by the Manager and the Sub-Adviser to the Fund. The Board's evaluation took into account the information received throughout the year and also reflected the knowledge and familiarity gained as members of the Board of the Fund and the other Legg Mason Closed-end Funds with respect to the services provided to the Fund by the Manager and the Sub-Adviser.

The Manager provides the Fund with investment advisory and administrative services pursuant to the Management Agreement and the Sub-Adviser provides the Fund with certain investment sub-advisory services pursuant to the Sub-Advisory Agreement. The discussion below covers both the advisory and administrative functions being rendered by the Manager, each such function being encompassed by the Management Agreement, and the investment sub-advisory functions being rendered by the Sub-Adviser.

Board approval of management agreement and sub-advisory agreement

In its deliberations regarding renewal of the Management Agreement and the Sub-Advisory Agreement, the Board, including the Independent Directors, considered the factors below.

Nature, extent and quality of the services under the management agreement and sub-advisory agreement

The Board received and considered Contract Renewal Information regarding the nature, extent and quality of services provided to the Fund by the Manager and the Sub-Adviser

under the Management Agreement and the Sub-Advisory Agreement, respectively, during the past year. The Board also reviewed Contract Renewal Information regarding the Fund's compliance policies and procedures established pursuant to the 1940 Act.

The Board considered the qualifications, backgrounds and responsibilities of the Fund's senior personnel and the portfolio management team primarily responsible for the day-to-day portfolio management of the Fund. The Board also considered, based on its knowledge of the Manager and its affiliates, the Contract Renewal Information and the Board's discussions with the Manager and the Sub-Adviser at the Contract Renewal Meeting, the general reputation and investment performance records of the Manager and the Sub-Adviser and their affiliates and the financial resources available to the corporate parent of the Manager and the Sub-Adviser, Legg Mason, Inc. (Legg Mason), to support their activities in respect of the Fund and the other Legg Mason Closed-end Funds.

The Board considered the responsibilities of the Manager and the Sub-Adviser under the Management Agreement and the Sub-Advisory Agreement, respectively, including the Manager's coordination and oversight of the services provided to the Fund by the Sub-Adviser and others. The Management Agreement permits the Manager to delegate certain of its responsibilities, including its investment advisory duties thereunder, provided that the Manager, in each case, will supervise the activities of the delegee. Pursuant to this provision of the Management Agreement, the Manager does not provide day-to-day portfolio management services to the Fund. Rather, portfolio management services for the Fund are provided by the Sub-Adviser pursuant to the Sub-Advisory Agreement.

In reaching its determinations regarding continuation of the Management Agreement and the Sub-Advisory Agreement, the Board took into account that Fund shareholders, in pursuing their investment goals and objectives, likely purchased their shares based upon the reputation and the investment style, philosophy and strategy of the Manager and the Sub-Adviser, as well as the resources available to the Manager and the Sub-Adviser.

The Board concluded that, overall, the nature, extent and quality of the management and other services provided to the Fund under the Management Agreement and the Sub-Advisory Agreement have been satisfactory under the circumstances.

Fund performance

The Board received and considered performance information and analyses (the Lipper Performance Information) for the Fund, as well as for a group of funds (the Performance Universe) selected by Lipper, Inc. (Lipper), an independent provider of investment company data. The Board was provided with a description of the methodology Lipper used to determine the similarity of the Fund with the funds included in the Performance Universe. The Performance Universe included the Fund (which commenced operations in June 2012) and all leveraged sector equity closed-end funds, as classified by Lipper, regardless of asset size. The Performance Universe consisted of thirty-one funds, including the Fund. The Board noted that it had received and discussed with the Manager and the Sub-Adviser information

Board approval of management and subadvisory agreements (unaudited) (cont d)

throughout the year at periodic intervals comparing the Fund's performance against its benchmark and its peer funds as selected by Lipper.

The Lipper Performance Information comparing the Fund's performance to that of the Performance Universe showed, among other things, that the Fund's performance for the 1-year period ended June 30, 2013 was ranked thirteenth among the funds in the Performance Universe for that period and was better than the Performance Universe median. In assessing the fund's performance relative to the Performance Universe, the Board recalled and considered past advice from the Manager that Lipper has included varying types of sector equity funds in the Performance Universe, including health/biotechnology funds and natural resources funds, and that performance comparisons with funds investing in other sectors are not meaningful. In addition to the Fund's performance relative to the Performance Universe, the Board considered the Fund's performance in absolute terms and relative to its benchmark on a net asset value basis. The Fund slightly underperformed its benchmark for the 1-year period on a net asset value basis.

Based on the reviews and discussions of the Fund performance with the Manager and Sub-Adviser and considering other relevant factors, including those noted above, the Board concluded that, under the circumstances (including the Fund's limited performance history), continuation of the Management Agreement and the Sub-Advisory Agreement for an additional period not to exceed one year would be in the interests of the Fund and its shareholders.

Management fees and expense ratios

The Board reviewed and considered the management fee (the Management Fee) payable by the Fund to the Manager under the Management Agreement and the sub-advisory fee (the Sub-Advisory Fee) payable to the Sub-Adviser under the Sub-Advisory Agreement in light of the nature, extent and overall quality of the management, investment advisory and other services provided by the Manager and the Sub-Adviser. The Board noted that the Sub-Advisory Fee is paid by the Manager, not the Fund, and, accordingly, that the retention of the Sub-Adviser does not increase the fees or expenses otherwise incurred by the Fund's shareholders.

Additionally, the Board received and considered information and analyses prepared by Lipper (the Lipper Expense Information) comparing the Management Fee and the Fund's overall expenses with those of funds in an expense group (the Expense Group) selected and provided by Lipper. The comparison was based upon the constituent funds' latest fiscal years. The Expense Group consisted of the Fund and six other leveraged master limited partnership sector equity closed-end funds, as classified by Lipper. The Expense Group funds had net common share assets ranging from \$151.3 million to \$2.35 billion. Two of the other funds in the Expense Group were larger than the Fund and four were smaller.

The Lipper Expense Information, comparing the Management Fee as well as the Fund's actual total expenses to the Fund's Expense Group, showed, among other things, that the

Fund's contractual Management Fee and actual Management Fee (i.e., giving effect to any voluntary fee waivers implemented by the Manager with respect to the Fund and by the managers of the other Expense Group funds), whether compared on the basis of common share assets only or on the basis of common share and leveraged assets, each was ranked second lowest among the funds in the Expense Group. The Lipper Expense Information also showed that the Fund's actual total expenses were ranked first (lowest) among the funds in the Expense Group on both a common share assets only and on the basis of common share and leveraged assets. Each Fund expense component was better than the Expense Group median for that expense component. The Board noted, however, that the small number of funds in the Expense Group made meaningful expense comparisons difficult.

The Board also reviewed Contract Renewal Information regarding fees charged by the Manager to other U.S. clients investing primarily in an asset class similar to that of the Fund, including, where applicable, institutional and separate accounts. The Board was advised that the fees paid by such institutional, separate account and other clients (collectively, institutional clients) generally are lower, and may be significantly lower, than the Management Fee. The Contract Renewal Information discussed the significant differences in scope of services provided to the Fund and to institutional clients. Among other things, institutional clients have fewer compliance, administration and other needs than the Fund and the Fund is subject not only to heightened regulatory requirements relative to institutional clients but also to requirements for listing on the New York Stock Exchange. The Contract Renewal Information noted further that the Fund is provided with administrative services, office facilities, Fund officers (including the Fund's chief executive, chief financial and chief compliance officers), and that the Manager coordinates and oversees the provision of services to the Fund by other fund service providers. The Contract Renewal Information included information regarding management fees paid by open-end mutual funds in the same complex (the Legg Mason Open-end Funds) and such information indicated that the management fees paid by the Legg Mason Closed-end Funds generally were higher than those paid by the Legg Mason Open-end Funds. The Manager, in response to an inquiry by the Board as to the reasons for the fee differential, provided information as to differences between the services provided to the Fund and the other Legg Mason Closed-end Funds and the services provided to the Legg Mason Open-end Funds. The Board considered the fee comparisons in light of the different services provided in managing these other types of clients and funds.

Taking all of the above into consideration, the Board determined that the Management Fee and the Sub-Advisory Fee were reasonable in light of the nature, extent and overall quality of the management, investment advisory and other services provided to the Fund under the Management Agreement and the Sub-Advisory Agreement.

Manager profitability

The Board, as part of the Contract Renewal Information, received an analysis of the profitability to the Manager and its affiliates in providing services to the Fund for the Manager's

Board approval of management and subadvisory agreements (unaudited) (cont d)

fiscal years ended March 31, 2013 and March 31, 2012. The Board also received profitability information with respect to the Legg Mason fund complex as a whole. In addition, the Board received Contract Renewal Information with respect to the Manager's revenue and cost allocation methodologies used in preparing such profitability data. The Board received a report from an outside consultant engaged by the Manager that had reviewed the Manager's revenue and cost allocation methodologies. The profitability to the Sub-Adviser was not considered to be a material factor in the Board's considerations since the Sub-Advisory Fee is paid by the Manager, not the Fund. The profitability analysis presented to the Board as part of the Contract Renewal reported that the Fund relationship is not yet profitable to the Manager.

Economies of scale

The Board received and discussed Contract Renewal Information concerning whether the Manager realizes economies of scale if the Fund's assets grow. The Board noted that because the Fund is a closed-end fund with no current plans to seek additional assets beyond maintaining its dividend reinvestment plan, any significant growth in its assets generally will occur through appreciation in the value of the Fund's investment portfolio, rather than sales of additional shares in the Fund. The Board determined that the Management Fee structure, which incorporates no breakpoints reducing the Management Fee at specified increased asset levels, was appropriate under present circumstances.

Other benefits to the manager and the sub-adviser

The Board considered other benefits received by the Manager, the Sub-Adviser and their affiliates as a result of their relationship with the Fund and did not regard such benefits as excessive.

* * * * *

In light of all of the foregoing and other relevant factors, the Board determined that, under the circumstances, continuation of the Management Agreement and the Sub-Advisory Agreement would be consistent with the interests of the Fund and its shareholders and unanimously voted to continue each Agreement for a period of one additional year.

No single factor reviewed by the Board was identified by the Board as the principal factor in determining whether to approve continuation of the Management Agreement and the Sub-Advisory Agreement, and each Board member attributed different weights to the various factors. The Independent Directors were advised by separate independent legal counsel throughout the process. Prior to the Contract Renewal Meeting, the Board received a memorandum prepared by the Manager discussing its responsibilities in connection with the proposed continuation of the Management Agreement and the Sub-Advisory Agreement as part of the Contract Renewal Information and the Independent Directors separately received a memorandum discussing such responsibilities from their independent counsel. Prior to voting, the Independent Directors also discussed the proposed continuation of the Management Agreement and the Sub-Advisory Agreement in private sessions with their independent legal counsel at which no representatives of the Manager or Sub-Adviser were present.

Additional information (unaudited)

Information about Directors and Officers

The business and affairs of ClearBridge Energy MLP Total Return Fund Inc. (the Fund) are conducted by management under the supervision and subject to the direction of its Board of Directors. The business address of each Director is c/o Kenneth D. Fuller, Legg Mason, 100 International Drive, 11th Floor, Baltimore, Maryland 21202. Information pertaining to the Directors and officers of the Fund is set forth below.

Independent Directors:

Carol L. Colman

Year of birth	1946
Position(s) held with Fund ¹	Director and Member of the Nominating and Audit Committees, Class I
Term of office ¹ and length of time served	Since 2012
Principal occupation(s) during past five years	President, Colman Consulting Company (consulting)
Number of portfolios in fund complex overseen by Director (including the Fund)	31
Other board memberships held by Director during past five years	None

Daniel P. Cronin

Year of birth	1946
Position(s) held with Fund ¹	Director and Member of the Nominating and Audit Committees, Class I
Term of office ¹ and length of time served	Since 2012
Principal occupation(s) during past five years	Retired; formerly, Associate General Counsel, Pfizer Inc. (prior to and including 2004)
Number of portfolios in fund complex overseen by Director (including the Fund)	31
Other board memberships held by Director during past five years	None

Paolo M. Cucchi

Year of birth	1941
Position(s) held with Fund ¹	Director and Member of the Nominating and Audit Committees, Class I
Term of office ¹ and length of time served	Since 2012
Principal occupation(s) during past five years	Professor of French and Italian at Drew University; formerly, Vice President and Dean of College of Liberal Arts at Drew University (1984 to 2009)
Number of portfolios in fund complex overseen by Director (including the Fund)	31
Other board memberships held by Director during past five years	None

Additional information (unaudited) (continued)

Information about Directors and Officers

Independent Directors continued

Leslie H. Gelb

Year of birth

Position(s) held with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

Number of portfolios in fund complex overseen by Director (including the Fund)

Other board memberships held by Director during past five years

William R. Hutchinson

Year of birth

Position(s) held with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

Number of portfolios in fund complex overseen by Director (including the Fund)

Other board memberships held by Director during past five years

Eileen A. Kamerick²

Year of birth

Position(s) held with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

Number of portfolios in fund complex overseen by Director (including the Fund)

Other board memberships held by Director during past five years

1937

Director and Member of the Nominating and Audit Committees, Class II Since 2012

President Emeritus and Senior Board Fellow (since 2003), The Council on Foreign Relations; formerly, President, (prior to 2003), the Council on Foreign Relations; formerly, Columnist, Deputy Editorial Page Editor and Editor,

Op-Ed Page, The New York Times

31

Director of two registered investment companies advised by Aberdeen Asset Management Asia Limited (since 1994)

1942

Director and Member of the Nominating and Audit Committees, Class II Since 2012

President, W.R. Hutchinson & Associates Inc. (consulting) (since 2001)

31

Director (Non-Executive Chairman of the Board (since December 1, 2009)), Associated Banc Corp. (banking) (since 1994)

1958

Director and Member of Nominating and Audit Committees, Class III Since 2013

CFO, Press Ganey Associates (health care informatics company) (since 2012); formerly Managing Director and CFO, Houlihan Lokey

(international investment bank) (2010 to 2012); Senior Vice President, CFO & CLO, Tecta America Corp. (commercial roofing company) (2008 to 2010); Executive Vice President and CFO, Bearing Point Inc. (management and technology consulting firm) (2008); Executive Vice President, CFO and CAO Heidrick & Struggles (international executive search and leadership consulting firm) (2004 to 2008)

31

Director of Associated Banc-Corp (financial services company) (since 2007); Westell Technologies, Inc. (technology company) (since 2003)

Independent Directors cont d

Riordan Roett

Year of birth	1938
Position(s) held with Fund ¹	Director and Member of the Nominating and Audit Committees, Class III
Term of office ¹ and length of time served	Since 2012
Principal occupation(s) during past five years	The Sarita and Don Johnston Professor of Political Science and Director of Western Hemisphere Studies, Paul H. Nitze School of Advanced International Studies, The John Hopkins University (since 1973)
Number of portfolios in fund complex overseen by Director (including the Fund)	31
Other board memberships held by Director during past five years	None

Jeswald W. Salacuse

Year of birth	1938
Position(s) held with Fund ¹	Director and Member of the Nominating and Audit Committees, Class III
Term of office ¹ and length of time served	Since 2012
Principal occupation(s) during past five years	Henry J. Braker Professor of Commercial Law, The Fletcher School of Law and Diplomacy, Tufts University (since 1986); President and Member, Arbitration Tribunal, World Bank/ICSID (since 2004)
Number of portfolios in fund complex overseen by Director (including the Fund)	31
Other board memberships held by Director during past five years	Director of two registered investment companies advised by Aberdeen Asset Management Asia Limited (since 1993)

Additional information (unaudited) (cont d)

Information about Directors and Officers

Interested Director and Officer:

Kenneth D. Fuller³

Year of birth	1958
Position(s) held with Fund ¹	Director, Chairman, President and Chief Executive Officer, Class II
Term of office ¹ and length of time served	Since 2013
Principal occupation(s) during past five years	Managing Director of Legg Mason & Co., LLC (Legg Mason & Co.) (since 2013); Officer and/or Trustee/Director of 168 funds associated with Legg Mason Partners Fund Advisor, LLC (LMPFA) or its affiliates (since 2013); President and Chief Executive Officer of LM Asset Services, LLC (LMAS) and Legg Mason Fund Asset Management, Inc. (LMFAM) (formerly registered investment advisers) (since 2013); formerly, Senior Vice President of LMPFA (2012 to 2013); formerly, Director of Legg Mason & Co. (2012 to 2013); formerly, Vice President of Legg Mason & Co. (2009 to 2012); formerly, Vice President Equity Division of T. Rowe Price Associates (1993 to 2009), as well as Investment Analyst and Portfolio Manager for certain asset allocation accounts (2004 to 2009).
Number of portfolios in fund complex overseen by Director (including the Fund)	156
Other board memberships held by Director during past five years	None

Additional Officers:

Ted P. Becker

Legg Mason

620 Eighth Avenue, 49th Floor, New York, NY 10018

Year of birth	1951
Position(s) held with Fund ¹	Chief Compliance Officer
Term of office ¹ and length of time served	Since 2012
Principal occupation(s) during past five years	Director of Global Compliance at Legg Mason (since 2006); Chief Compliance Officer of LMPFA (since 2006); Managing Director of Compliance of Legg Mason & Co. (since 2005); Chief Compliance Officer of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2006) and Legg Mason & Co. predecessors (prior to 2006)

Additional Officers continued

Vanessa A. Williams

Legg Mason

100 First Stamford Place, 6th Floor, Stamford, CT 06902

Year of birth

Position(s) with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

1979

Identity Theft Prevention Officer

Since 2012

Vice President of Legg Mason & Co. (since 2012); Identity Theft Prevention Officer of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2011); formerly, Chief Anti-Money Laundering Compliance Officer of certain mutual funds associated with Legg Mason & Co. or its affiliates (2011 to 2013); formerly, Senior Compliance Officer of Legg Mason & Co. (2008 to 2011); formerly, Compliance Analyst of Legg Mason & Co. (2006 to 2008) and Legg Mason & Co. predecessors (prior to 2006)

Robert I. Frenkel

Legg Mason

100 First Stamford Place, 6th Floor, Stamford, CT 06902

Year of birth

Position(s) held with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

1954

Secretary and Chief Legal Officer

Since 2012

Vice President and Deputy General Counsel of Legg Mason (since 2006); Managing Director and General Counsel of Global Mutual Funds for Legg Mason & Co. (since 2006) and Legg Mason & Co. predecessors (since 1994); Secretary and Chief Legal Officer of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2006) and Legg Mason & Co. predecessors (prior to 2006)

Thomas C. Mandia

Legg Mason

100 First Stamford Place, 6th Floor, Stamford, CT 06902

Year of birth

Position(s) held with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

1962

Assistant Secretary

Since 2012

Managing Director and Deputy General Counsel of Legg Mason & Co. (since 2005) and Legg Mason & Co. predecessors (prior to 2005); Secretary of LMPFA (since 2006); Assistant Secretary of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2006) and Legg Mason & Co. predecessors (prior to 2006); Secretary of LMAS (since 2002) and LMFAM (since 2013)

Additional information (unaudited) (cont d)

Information about Directors and Officers

Additional Officers cont d

Richard F. Sennett

Legg Mason

100 International Drive, 7th Floor, Baltimore, MD 21202

Year of birth

Position(s) held with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

1970

Principal Financial Officer

Since 2012

Principal Financial Officer and Treasurer of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2011 and since 2013); Managing Director of Legg Mason & Co. and Senior Manager of the Treasury Policy group for Legg Mason & Co.'s Global Fiduciary Platform (since 2011); formerly, Chief Accountant within the SEC's Division of Investment Management (2007 to 2011); formerly, Assistant Chief Accountant within the SEC's Division of Investment Management (2002 to 2007)

Steven Frank

Legg Mason

620 Eighth Avenue, 49th Floor, New York, NY 10018

Year of birth

Position(s) held with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

1967

Treasurer

Since 2012

Vice President of Legg Mason & Co. and Legg Mason & Co. predecessors (since 2002); Treasurer of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2010); formerly, Controller of certain mutual funds associated with Legg Mason & Co. or its affiliates (prior to 2010)

Jeanne M. Kelly

Legg Mason

620 Eighth Avenue, 49th Floor, New York, NY 10018

Year of birth

Position(s) held with Fund¹

Term of office¹ and length of time served

Principal occupation(s) during past five years

1951

Senior Vice President

Since 2012

Senior Vice President of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2007); Senior Vice President of LMPFA (since 2006) and LMFAM (since 2013); Managing Director of Legg Mason & Co. (since 2005) and Legg Mason & Co. predecessors (prior to 2005)

Directors who are not interested persons of the Fund within the meaning of Section (a)(19) of the 1940 Act.

¹ The Fund's Board of Directors is divided into three classes: Class I, Class II and Class III. The terms of office of the Class I, II and III Directors expire at the Annual Meetings of Stockholders in the year 2016, year 2014 and year 2015, respectively, or thereafter in each case when their respective successors are duly elected and qualified. The Fund's executive officers are chosen each year at the first meeting of the Fund's Board of Directors following the Annual Meeting of Stockholders, to hold office until the meeting of the Board following the next Annual Meeting of Stockholders and until their successors are duly elected and qualified.

² Effective February 1, 2013, Ms. Kamerick became a Director.

³ Effective June 1, 2013, Mr. Fuller was appointed to the position of Chairman, President and Chief Executive Officer. Prior to this date, R. Jay Gerken served as Chairman, President and Chief Executive Officer. Mr. Gerken retired effective May 31, 2013, Mr. Fuller is an interested person of the Fund as defined in the 1940 Act because Mr. Fuller is an officer of LMPFA and certain of its affiliates.

ClearBridge Energy MLP Total Return Fund Inc.

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Annual chief executive officer and principal financial officer certifications (unaudited)

The Fund's Chief Executive Officer (CEO) has submitted to the NYSE the required annual certification and the Fund also has included the certifications of the Fund's CEO and Principal Financial Officer required by Section 302 of the Sarbanes-Oxley Act in the Fund's Form N-CSR filed with the SEC for the period of this report.

Other shareholder communications regarding accounting

matters (unaudited)

The Fund's Audit Committee has established guidelines and procedures regarding the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters (collectively, "Accounting Matters"). Persons with complaints or concerns regarding Accounting Matters may submit their complaints to the Chief Compliance Officer ("CCO"). Persons who are uncomfortable submitting complaints to the CCO, including complaints involving the CCO, may submit complaints directly to the Fund's Audit Committee Chair. Complaints may be submitted on an anonymous basis.

The CCO may be contacted at:

Legg Mason & Co., LLC

Compliance Department

620 Eighth Avenue, 49th Floor

New York, New York 10018

Complaints may also be submitted by telephone at 1-800-742-5274. Complaints submitted through this number will be received by the CCO.

Dividend reinvestment plan (unaudited)

Unless you elect to receive distributions in cash (i.e., opt-out), all dividends, including any capital gain dividends, on your Common Stock will be automatically reinvested by American Stock Transfer & Trust Company LLC, as agent for the stockholders (the Plan Agent), in additional shares of Common Stock under the Fund's Dividend Reinvestment Plan (the Plan). You may elect not to participate in the Plan by contacting the Plan Agent. If you do not participate, you will receive all cash distributions paid by check mailed directly to you by American Stock Transfer & Trust Company LLC, as dividend paying agent.

If you participate in the Plan, the number of shares of Common Stock you will receive will be determined as follows:

(1) If the market price of the Common Stock on the record date (or, if the record date is not a NYSE trading day, the immediately preceding trading day) for determining stockholders eligible to receive the relevant dividend or distribution (the determination date) is equal to or exceeds 98% of the net asset value per share of the Common Stock, the Fund will issue new Common Stock at a price equal to the greater of (a) 98% of the net asset value per share at the close of trading on the NYSE on the determination date or (b) 95% of the market price per share of the Common Stock on the determination date.

(2) If 98% of the net asset value per share of the Common Stock exceeds the market price of the Common Stock on the determination date, the Plan Agent will receive the dividend or distribution in cash and will buy Common Stock in the open market, on the NYSE or elsewhere, for your account as soon as practicable commencing on the trading day following the determination date and terminating no later than the earlier of (a) 30 days after the dividend or distribution payment date, or (b) the record date for the next succeeding dividend or distribution to be made to the stockholders; except when necessary to comply with applicable provisions of the federal securities laws. If during this period: (i) the market price rises so that it equals or exceeds 98% of the net asset value per share of the Common Stock at the close of trading on the NYSE on the determination date before the Plan Agent has completed the open market purchases or (ii) if the Plan Agent is unable to invest the full amount eligible to be reinvested in open market purchases, the Plan Agent will cease purchasing Common Stock in the open market and the Fund shall issue the remaining Common Stock at a price per share equal to the greater of (a) 98% of the net asset value per share at the close of trading on the NYSE on the determination date or (b) 95% of the then current market price per share.

Common Stock in your account will be held by the Plan Agent in non-certificated form. Any proxy you receive will include all shares of Common Stock you have received under the Plan.

You may withdraw from the Plan (i.e., opt-out) by notifying the Plan Agent in writing at P.O. Box 922, Wall Street Station, New York, NY 10269-0560 or by calling the Plan Agent at 1-888-888-0151. Such withdrawal will be effective immediately if notice is received by the

Plan Agent not less than ten business days prior to any dividend or distribution record date; otherwise such withdrawal will be effective as soon as practicable after the Plan Agent's investment of the most recently declared dividend or distribution on the Common Stock. The Plan may be terminated, amended or supplemented by the Fund upon notice in writing mailed to stockholders at least 30 days prior to the record date for the payment of any dividend or distribution by the Fund for which the termination or amendment is to be effective.

Upon any termination, you will be sent cash for any fractional share of Common Stock in your account. You may elect to notify the Plan Agent in advance of such termination to have the Plan Agent sell part or all of your Common Stock on your behalf. You will be charged a service charge and the Plan Agent is authorized to deduct brokerage charges actually incurred for this transaction from the proceeds.

There is no service charge for reinvestment of your dividends or distributions in Common Stock. However, all participants will pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open market purchases. Because all dividends and distributions will be automatically reinvested in additional shares of Common Stock, this allows you to add to your investment through dollar cost averaging, which may lower the average cost of your Common Stock over time. Dollar cost averaging is a technique for lowering the average cost per share over time if the Fund's net asset value declines. While dollar cost averaging has definite advantages, it cannot assure profit or protect against loss in declining markets.

Automatically reinvesting dividends and distributions does not mean that you do not have to pay income taxes due upon receiving dividends and distributions. Investors will be subject to income tax on amounts reinvested under the Plan.

The Fund reserves the right to amend or terminate the Plan if, in the judgment of the Board of Directors, the change is warranted. There is no direct service charge to participants in the Plan; however, the Fund reserves the right to amend the Plan to include a service charge payable by the participants. Additional information about the Plan and your account may be obtained from the Plan Agent at 6201 15th Avenue, Brooklyn, New York 11219 or by calling the Plan Agent at 1-877-366-6441.

ClearBridge

Energy MLP Total Return Fund Inc.

Directors

Carol L. Colman

Daniel P. Cronin

Paolo M. Cucchi

Kenneth D. Fuller*

Chairman

Leslie H. Gelb

William R. Hutchinson

Eileen A. Kamerick**

Riordan Roett

Jeswald W. Salacuse

Officers

Kenneth D. Fuller*

President and

Chief Executive Officer

Richard F. Sennett

Principal Financial Officer

Ted P. Becker

Chief Compliance Officer

Vanessa A. Williams

Identity Theft Prevention

Officer

Robert I. Frenkel

Secretary and Chief Legal

Officer

Thomas C. Mandia

Assistant Secretary

Steven Frank

Treasurer

Jeanne M. Kelly

Senior Vice President

ClearBridge Energy MLP

Total Return Fund Inc.

620 Eighth Avenue

49th Floor

New York, NY 10018

Investment manager

Legg Mason Partners Fund

Advisor, LLC

Subadviser

ClearBridge Investments, LLC

Custodian

State Street Bank and Trust Company

1 Lincoln Street

Boston, MA 02111

Transfer agent

American Stock Transfer & Trust Company

6201 15th Avenue

Brooklyn, NY 11219

Independent

registered public

accounting firm

KPMG LLP

345 Park Avenue

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New York, NY 10154

Legal counsel

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, NY 10017-3909

New York Stock

Exchange Symbol

CTR

* Effective June 1, 2013, Mr. Fuller became Chairman, President and Chief Executive Officer.

** Effective February 1, 2013, Ms. Kamerick became a Director.

Legg Mason Funds Privacy and Security Notice

Your Privacy and the Security of Your Personal Information is Very Important to the Legg Mason Funds

This Privacy and Security Notice (the "Privacy Notice") addresses the Legg Mason Funds' privacy and data protection practices with respect to nonpublic personal information the Funds receive. The Legg Mason Funds include any funds sold by the Funds' distributor, Legg Mason Investor Services, LLC, as well as Legg Mason-sponsored closed-end funds and certain closed-end funds managed or sub-advised by Legg Mason or its affiliates. The provisions of this Privacy Notice apply to your information both while you are a shareholder and after you are no longer invested with the Funds.

The Type of Nonpublic Personal Information the Funds Collect About You

The Funds collect and maintain nonpublic personal information about you in connection with your shareholder account. Such information may include, but is not limited to:

Personal information included on applications or other forms;

Account balances, transactions, and mutual fund holdings and positions;

Online account access user IDs, passwords, security challenge question responses; and

Information received from consumer reporting agencies regarding credit history and creditworthiness (such as the amount of an individual's total debt, payment history, etc.).

How the Funds Use Nonpublic Personal Information About You

The Funds do not sell or share your nonpublic personal information with third parties or with affiliates for their marketing purposes, or with other financial institutions or affiliates for joint marketing purposes, unless you have authorized the Funds to do so. The Funds do not disclose any nonpublic personal information about you except as may be required to perform transactions or services you have authorized or as permitted or required by law. The Funds may disclose information about you to:

Employees, agents, and affiliates on a "need to know" basis to enable the Funds to conduct ordinary business or comply with obligations to government regulators;

Service providers, including the Funds' affiliates, who assist the Funds as part of the ordinary course of business (such as printing, mailing services, or processing or servicing your account with us) or otherwise perform services on the Funds' behalf, including companies that may perform marketing services solely for the Funds;

The Funds' representatives such as legal counsel, accountants and auditors; and

Fiduciaries or representatives acting on your behalf, such as an IRA custodian or trustee of a grantor trust.

NOT PART OF THE ANNUAL REPORT

Legg Mason Funds Privacy and Security Notice (cont d)

Except as otherwise permitted by applicable law, companies acting on the Funds' behalf are contractually obligated to keep nonpublic personal information the Funds provide to them confidential and to use the information the Funds share only to provide the services the Funds ask them to perform.

The Funds may disclose nonpublic personal information about you when necessary to enforce their rights or protect against fraud, or as permitted or required by applicable law, such as in connection with a law enforcement or regulatory request, subpoena, or similar legal process. In the event of a corporate action or in the event a Fund service provider changes, the Funds may be required to disclose your nonpublic personal information to third parties. While it is the Funds' practice to obtain protections for disclosed information in these types of transactions, the Funds cannot guarantee their privacy policy will remain unchanged.

Keeping You Informed of the Funds' Privacy and Security Practices

The Funds will notify you annually of their privacy policy as required by federal law. While the Funds reserve the right to modify this policy at any time they will notify you promptly if this privacy policy changes.

The Funds' Security Practices

The Funds maintain appropriate physical, electronic and procedural safeguards designed to guard your nonpublic personal information. The Funds' internal data security policies restrict access to your nonpublic personal information to authorized employees, who may use your nonpublic personal information for Fund business purposes only.

Although the Funds strive to protect your nonpublic personal information, they cannot ensure or warrant the security of any information you provide or transmit to them, and you do so at your own risk. In the event of a breach of the confidentiality or security of your nonpublic personal information, the Funds will attempt to notify you as necessary so you can take appropriate protective steps. If you have consented to the Funds using electronic communications or electronic delivery of statements, they may notify you under such circumstances using the most current email address you have on record with them.

In order for the Funds to provide effective service to you, keeping your account information accurate is very important. If you believe that your account information is incomplete, not accurate or not current, or if you have questions about the Funds' privacy practices, write the Funds using the contact information on your account statements, email the Funds by clicking on the Contact Us section of the Funds' website at www.leggmason.com, or contact the Fund at 1-888-777-0102.

Revised April 2011

NOT PART OF THE ANNUAL REPORT

ClearBridge Energy MLP Total Return Fund Inc.

ClearBridge Energy MLP Total Return Fund Inc.

620 Eighth Avenue

49th Floor

New York, NY 10018

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

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C., and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. To obtain information on Form N-Q from the Fund, shareholders can call 1-888-777-0102.

Information on how the Fund voted proxies relating to portfolio securities during the prior 12-month period ended June 30th of each year and a description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities are available (1) without charge, upon request, by calling 1-888-777-0102, (2) on the Fund's website at www.lmcef.com and (3) on the SEC's website at www.sec.gov.

This report is transmitted to the shareholders of the ClearBridge Energy MLP Total Return Fund Inc. for their information. This is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in this report.

American Stock

Transfer & Trust Company

6201 15th Avenue

Brooklyn, NY 11219

CBAX015220 1/14 SR13-2106

ITEM 2. CODE OF ETHICS.

The registrant has adopted a code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The Board of Directors of the registrant has determined that William R. Hutchinson, a member of the Board's Audit Committee, possesses the technical attributes identified in Instruction 2(b) of Item 3 to Form N-CSR to qualify as an audit committee financial expert, and has designated Mr. Hutchinson as the Audit Committee's financial expert. Mr. Hutchinson is an independent Director pursuant to paragraph (a)(2) of Item 3 to Form N-CSR.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

a) Audit Fees. The aggregate fees billed in the last fiscal year ending November 30, 2012 and November 30, 2013 (the Reporting Period) for professional services rendered by the Registrant's principal accountant (the Auditor) for the audit of the Registrant's annual financial statements, or services that are normally provided by the Auditor in connection with the statutory and regulatory filings or engagements for the Reporting Period, was \$0 in 2012 and \$52,900 in 2013.

b) Audit-Related Fees. The aggregate fees billed in the Reporting Period for assurance and related services by the Auditor that are reasonably related to the performance of the Registrant's financial statements were \$0 in 2012 and \$0 in 2013.

In addition, there were no Audit-Related Fees billed in the Reporting Period for assurance and related services by the Auditor to the Registrant's investment adviser (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser), and any entity controlling, controlled by or under common control with the investment adviser that provides ongoing services to the ClearBridge Energy MLP Total Return Fund Inc. service affiliates), that were reasonably related to the performance of the annual audit of the service affiliates. Accordingly, there were no such fees that required pre-approval by the Audit Committee for the Reporting Periods.

(c) Tax Fees. The aggregate fees billed in the Reporting Periods for professional services rendered by the Auditor for tax compliance, tax advice and tax planning (Tax Services) were \$0 in 2012 and \$7,100 in 2013. These services consisted of (i) review or preparation of U.S. federal, state, local and excise tax returns; (ii) U.S. federal, state and local tax planning, advice and assistance regarding statutory, regulatory or administrative developments, and (iii) tax advice regarding tax qualification matters and/or treatment of various financial instruments held or proposed to be acquired or held.

There were no fees billed for tax services by the Auditors to service affiliates during the Reporting Periods that required pre-approval by the Audit Committee.

d) All Other Fees. There were no other fees billed in the Reporting Periods for products and services provided by the Auditor, other than the services reported in paragraphs (a) through (c) of this Item 4 for the ClearBridge Energy MLP Total Return Fund Inc.

All Other Fees. There were no other non-audit services rendered by the Auditor to Legg Mason Partners Fund Advisors, LLC (LMPFA), and any entity controlling, controlled by or under common control with LMPFA that provided ongoing services to ClearBridge Energy MLP Total Return Fund Inc. requiring pre-approval by the Audit Committee in the Reporting Period.

(e) Audit Committee's pre-approval policies and procedures described in paragraph (c) (7) of Rule 2-01 of Regulation S-X.

(1) The Charter for the Audit Committee (the Committee) of the Board of each registered investment company (the Fund) advised by LMPFA or one of their affiliates (each, an Adviser) requires that the Committee shall approve (a) all audit and permissible non-audit services to be provided to the Fund and (b) all permissible non-audit services to be provided by the Fund's independent auditors to the Adviser and any Covered Service Providers if the engagement relates directly to the operations and financial reporting of the Fund. The Committee may implement policies and procedures by which such services are approved other than by the full Committee.

The Committee shall not approve non-audit services that the Committee believes may impair the independence of the auditors. As of the date of the approval of this Audit Committee Charter, permissible non-audit services include any professional services (including tax services), that are not prohibited services as described below, provided to the Fund by the independent auditors, other than those provided to the Fund in connection with an audit or a review of the financial statements of the Fund. Permissible non-audit services may not include: (i) bookkeeping or other services related to the accounting records or financial statements of the Fund; (ii) financial information systems design and implementation; (iii) appraisal or valuation services, fairness opinions or contribution-in-kind reports; (iv) actuarial services; (v) internal audit outsourcing services; (vi) management functions or human resources; (vii) broker or dealer, investment adviser or investment banking services; (viii) legal services and expert services unrelated to the audit; and (ix) any other service the Public Company Accounting Oversight Board determines, by regulation, is impermissible.

Pre-approval by the Committee of any permissible non-audit services is not required so long as: (i) the aggregate amount of all such permissible non-audit services provided to the Fund, the Adviser and any service providers controlling, controlled by or under common control with the Adviser that provide ongoing services to the Fund (Covered Service Providers) constitutes not more than 5% of the total amount of revenues paid to the independent auditors during the fiscal year in which the permissible non-audit services are provided to (a) the Fund, (b) the Adviser and (c) any entity controlling, controlled by or under common control with the Adviser that provides ongoing services to the Fund during the fiscal year in which the services are provided that would have to be approved by the Committee; (ii) the permissible non-audit services were not recognized by the Fund at the time of the engagement to be non-audit services; and (iii) such services are promptly brought to the attention of the Committee and approved by the Committee (or its delegate(s)) prior to the completion of the audit.

(2) For the ClearBridge Energy MLP Total Return Fund Inc., the percentage of fees that were approved by the audit committee, with respect to: Audit-Related Fees were 100% for 2012 and 100% for 2013; Tax Fees were 100% for 2012 and 100% for 2013; and Other Fees were 100% for 2012 and 100% for 2013.

(f) N/A

(g) Non-audit fees billed by the Auditor for services rendered to ClearBridge Energy MLP Total Return Fund Inc., LMPFA and any entity controlling, controlled by, or under common control with LMPFA that provides ongoing services to ClearBridge Energy MLP Total Return Fund Inc. during the reporting period were \$0 in 2013.

(h) Yes. ClearBridge Energy MLP Total Return Fund Inc. Audit Committee has considered whether the provision of non-audit services that were rendered to Service Affiliates, which were not pre-approved (not requiring pre-approval), is compatible with maintaining the Accountant's independence. All services provided by the Auditor to the ClearBridge Energy MLP Total Return Fund Inc. or to Service Affiliates, which were required to be pre-approved, were pre-approved as required.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

a) Registrant has a separately-designated standing Audit Committee established in accordance with *Section 3(a)58(A) of the Exchange Act*. The Audit Committee consists of the following Board members:

William R. Hutchinson
Paolo M. Cucchi
Daniel P. Cronin
Carol L. Colman
Leslie H. Gelb
Eileen A. Kamerick (Effective February 14, 2013)
Dr. Riordan Roett
Jeswald W. Salacuse

b) Not applicable

ITEM 6. SCHEDULE OF INVESTMENTS.

Included herein under Item 1.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Proxy Voting Guidelines and Procedures

Legg Mason Partners Fund Advisor, LLC (LMPFA) delegates the responsibility for voting proxies for the fund to the subadviser through its contracts with the subadviser. The subadviser will use its own proxy voting policies and procedures to vote proxies. Accordingly, LMPFA does not expect to have proxy-voting responsibility for the fund. Should LMPFA become responsible for voting proxies for any reason, such as the inability of the subadviser to provide investment advisory services, LMPFA shall utilize the proxy voting guidelines established by the most recent subadviser to vote proxies until a new subadviser is retained.

The subadviser's Proxy Voting Policies and Procedures govern in determining how proxies relating to the fund's portfolio securities are voted and are provided below. Information regarding how each fund voted proxies (if any) relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge (1) by calling 888-777-0102, (2) on the fund's website at <http://www.lmcef.com> and (3) on the SEC's website at <http://www.sec.gov>.

PROXY VOTING GUIDELINES & PROCEDURES SUMMARY

Concerning ClearBridge Investments LLC

(f/ka ClearBridge Advisors LLC)

(ClearBridge)

Proxy Voting Policies and Procedures

ClearBridge is subject to the Proxy Voting Policies and Procedures that it has adopted to seek to ensure that it votes proxies relating to equity securities in the best interest of client accounts. The following is a brief overview of the policies.

ClearBridge votes proxies for each client account with respect to which it has been authorized or is required by law to vote proxies. In voting proxies, ClearBridge is guided by general fiduciary principles and seeks to act prudently and solely in the best interest of the beneficial owners of the accounts it manages. ClearBridge attempts to consider all factors that could affect the value of the investment and will vote proxies in the manner that it believes will be consistent with efforts to maximize shareholder values. ClearBridge may utilize an external service provider to provide it with information and/or a recommendation with regard to proxy votes. However, such recommendations do not relieve ClearBridge of its responsibility for the proxy vote.

In the case of a proxy issue for which there is a stated position in the policies, ClearBridge generally votes in accordance with such stated position. In the case of a proxy issue for which there is a list of factors set forth in the policies that ClearBridge considers in voting on such issue, ClearBridge considers those factors and votes on a case-by-case basis in accordance with the general principles set forth above. In the case of a proxy issue for which there is no stated position or list of factors that ClearBridge considers in voting on such issue, ClearBridge votes on a case-by-case basis in accordance with the general principles set forth above. Issues for which there is a stated position set forth in the policies or for which there is a list of factors set forth in the policies that ClearBridge considers in voting on such issues fall into a variety of categories, including election of directors, ratification of auditors, proxy and tender offer defenses, capital structure issues, executive and director compensation, mergers and corporate restructuring, and social and environmental issues. The stated position on an issue set forth in the policies can always be superseded, subject to the duty to act solely in the best interest of the beneficial owners of accounts, by the investment management professionals responsible for the account whose shares are being voted. There may be occasions when different investment teams vote differently on the same issue. An investment team (e.g., ClearBridge SAI investment team) may adopt proxy voting policies that supplement ClearBridge's Proxy Voting Policies and Procedures. In addition, in the case of Taft-Hartley clients, ClearBridge will comply with a client direction to vote proxies in accordance with Institutional Shareholder Services (ISS) PVS Voting guidelines, which ISS represents to be fully consistent with AFL-CIO guidelines.

In furtherance of ClearBridge's goal to vote proxies in the best interest of clients, ClearBridge follows procedures designed to identify and address material conflicts that may arise between ClearBridge's interests and those of its clients before voting proxies on behalf of such clients. To seek to identify conflicts of interest, ClearBridge periodically notifies ClearBridge employees in writing that they are under an obligation (i) to be aware of the potential for conflicts of interest on the part of ClearBridge with respect to voting proxies on behalf of client accounts both as a result of their personal relationships and due to special circumstances that may arise during the conduct of ClearBridge's business, and (ii) to bring conflicts of interest of which they become aware to the attention of ClearBridge's compliance personnel. ClearBridge also maintains and considers a list of significant ClearBridge relationships that could present a conflict of interest for ClearBridge in voting proxies. ClearBridge is also sensitive to the fact that a significant, publicized relationship between an issuer and a non-ClearBridge Legg Mason affiliate might appear to the public to influence the manner in which ClearBridge decides to vote a proxy with respect to such issuer.

Absent special circumstances or a significant, publicized non-ClearBridge Legg Mason affiliate relationship that ClearBridge for prudential reasons treats as a potential conflict of interest because such relationship might appear to the public to influence the manner in which ClearBridge decides to vote a proxy, ClearBridge generally takes the position that non-ClearBridge relationships between a Legg Mason affiliate and an issuer do not present a conflict of interest for ClearBridge in voting proxies with respect to such issuer. Such position is based on the fact that ClearBridge is operated as an independent business unit from other Legg Mason business units as well as on the existence of information barriers between ClearBridge and certain other Legg Mason business units.

ClearBridge maintains a Proxy Committee to review and address conflicts of interest brought to its attention by ClearBridge compliance personnel. A proxy issue that will be voted in accordance with a stated ClearBridge position on such issue or in accordance with the recommendation of an independent third party is not brought to the attention of the Proxy Committee for a conflict of interest review because ClearBridge's position is that to the extent a conflict of interest issue exists, it is resolved by voting in accordance with a pre-determined policy or in accordance with the recommendation of an independent third party. With respect to a conflict of interest brought to its attention, the Proxy Committee first determines whether such conflict of interest is material. A conflict of interest is considered material to the extent that it is determined that such conflict is likely to influence, or appear to influence, ClearBridge's decision-making in voting proxies. If it is determined by the Proxy Committee that a conflict of interest is not material, ClearBridge may vote proxies notwithstanding the existence of the conflict.

If it is determined by the Proxy Committee that a conflict of interest is material, the Proxy Committee is responsible for determining an appropriate method to resolve such conflict of interest before the proxy affected by the conflict of interest is voted. Such determination is based on the particular facts and circumstances, including the importance of the proxy issue and the nature of the conflict of interest.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.
(a)(1):

NAME AND ADDRESS	LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
Richard Freeman Clearbridge 620 Eighth Avenue New York, NY 10018	Since 2012	Co-portfolio manager of the fund; Mr. Freeman is a Senior Portfolio Manager and Managing Director of ClearBridge and has 35 years of industry experience. Mr. Freeman joined the subadviser or its predecessor in 1983.
Chris Eades Clearbridge 620 Eighth Avenue New York, NY 10018	Since 2012	Co-portfolio manager of the fund; Managing Director, Co-Director of Research, Senior Research Analyst for Energy joined ClearBridge in 2006 as a senior research analyst for energy and was named co-director of research in 2009. Prior to joining ClearBridge, Mr. Eades served as an energy analyst and portfolio manager at Saranac Capital from 2002 to 2006.
Peter Vanderlee, CFA Clearbridge	Since 2012	Co-portfolio manager of the fund; Managing Director and Portfolio Manager with ClearBridge Advisors. Mr. Vanderlee has twelve years of investment management experience and thirteen years of related investment experience.

620 Eighth Avenue

New York, NY

10018

Michael Clarfeld,	Since 2012	Co-portfolio manager of the fund; Managing Director and Portfolio Manager of ClearBridge; he has been with ClearBridge since 2006. Prior to joining ClearBridge, Mr. Clarfeld was an equity analyst with Hygrove Partners, LLC and a financial analyst with Goldman Sachs.
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CFA

Clearbridge

620 Eighth Avenue

New York, NY

10018

(a)(2): DATA TO BE PROVIDED BY FINANCIAL CONTROL

The following tables set forth certain additional information with respect to the fund's portfolio managers for the fund. Unless noted otherwise, all information is provided as of November 30, 2013.

Other Accounts Managed by Portfolio Managers

The table below identifies the number of accounts (other than the fund) for which the fund's portfolio managers have day-to-day management responsibilities and the total assets in such accounts, within each of the following categories: registered investment companies, other pooled investment vehicles, and other accounts. For each category, the number of accounts and total assets in the accounts where fees are based on performance is also indicated.

Name of PM	Type of Account	Number of Accounts Managed	Total Assets Managed	Number of Accounts Managed for which Advisory Fee is Performance-Based	Assets Managed for which Advisory Fee is Performance-Based
Richard Freeman	Other Registered Investment Companies	8	\$18.1 billion	None	None
	Other Pooled Vehicles	3	\$2.2 billion	None	None
	Other Accounts	36,529	\$11.8 billion	None	None
Chris Eades	Other Registered Investment Companies	4	\$ 4.7 billion	None	None
	Other Pooled Vehicles	1	\$820 million	None	None
	Other Accounts	3	\$5.1 million	None	None
Michael Clarfeld	Other Registered Investment Companies	7	\$11.7 billion	None	None
	Other Pooled Vehicles	3	\$910 million	None	None
	Other Accounts	30,215	\$4.7 billion	None	None
Peter Vanderlee	Other Registered Investment Companies	8	\$12.9 billion	None	None
	Other Pooled Vehicles	7	\$2.0 billion	None	None
	Other Accounts	30,216	\$4.7 billion	None	None

(a)(3):

Portfolio Manager Compensation Structure (ClearBridge)

ClearBridge's portfolio managers participate in a competitive compensation program that is designed to attract and retain outstanding investment professionals and closely align the interests of its investment professionals with those of its clients and overall firm results. The total compensation program includes a significant incentive component that rewards high performance standards, integrity, and collaboration consistent with the firm's values. Portfolio manager compensation is reviewed and modified each year as appropriate to reflect changes in the market and to ensure the continued alignment with the goals stated above. ClearBridge's portfolio managers and other investment professionals receive a combination of base compensation and discretionary compensation, comprising a cash incentive award and deferred incentive plans described below.

Base salary compensation. Base salary is fixed and primarily determined based on market factors and the experience and responsibilities of the investment professional within the firm.

Discretionary compensation. In addition to base compensation managers may receive discretionary compensation.

Discretionary compensation can include:

Cash Incentive Award

ClearBridge's Deferred Incentive Plan (CDIP) a mandatory program that typically defers 15% of discretionary year-end compensation into ClearBridge managed products. For portfolio managers, one-third of this deferral tracks the performance of their primary managed product, one-third tracks the performance of a composite portfolio of the firm's new products and one-third can be elected to track the performance of one or more of ClearBridge managed funds. Consequently, portfolio managers can have two-thirds of their CDIP award tracking the performance of their primary managed product.

For centralized research analysts, two-thirds of their deferral is elected to track the performance of one of more of ClearBridge managed funds, while one-third tracks the performance of the new product composite.

ClearBridge then makes a company investment in the proprietary managed funds equal to the deferral amounts by fund. This investment is a company asset held on the balance sheet and paid out to the employees in shares subject to vesting requirements.

Legg Mason Restricted Stock Deferral a mandatory program that typically defers 5% of discretionary year-end compensation into Legg Mason restricted stock. The award is paid out to employees in shares subject to vesting requirements.

Legg Mason Restricted Stock and Stock Option Grants a discretionary program that may be utilized as part of the total compensation program. These special grants reward and recognize significant contributions to our clients, shareholders and the firm and aid in retaining key talent.

Several factors are considered by ClearBridge Senior Management when determining discretionary compensation for portfolio managers. These include but are not limited to:

Investment performance. A portfolio manager's compensation is linked to the pre-tax investment performance of the fund/accounts managed by the portfolio manager. Investment performance is calculated for 1-, 3-, and 5-year periods measured against the applicable product benchmark (*e.g.*, a securities index and, with respect to a fund, the benchmark set forth in the fund's Prospectus) and relative to applicable industry peer groups. The greatest weight is generally placed on 3- and 5-year performance.

Appropriate risk positioning that is consistent with ClearBridge's investment philosophy and the Investment Committee/CIO approach to generation of alpha;

Overall firm profitability and performance;

Amount and nature of assets managed by the portfolio manager;

Contributions for asset retention, gathering and client satisfaction;

Contribution to mentoring, coaching and/or supervising;

Contribution and communication of investment ideas in ClearBridge's Investment Committee meetings and on a day to day basis;

Market compensation survey research by independent third parties

Potential Conflicts of Interest

Potential conflicts of interest may arise when the fund's portfolio managers also have day-to-day management responsibilities with respect to one or more other funds or other accounts, as is the case for the fund's portfolio managers.

The subadviser and the fund have adopted compliance policies and procedures that are designed to address various conflicts of interest that may arise for the subadviser and the individuals that each employs. For example, the manager and the subadviser each seek to minimize the effects of competing interests for the time and attention of portfolio managers by assigning portfolio managers to manage funds and accounts that share a similar investment style. The subadviser has also adopted trade allocation procedures that are designed to facilitate the fair allocation of limited investment opportunities among multiple funds and accounts. There is no guarantee, however, that the policies and procedures adopted by the subadviser and the fund will be able to detect and/or prevent every situation in which an actual or potential conflict may appear. These potential conflicts include:

Allocation of Limited Time and Attention. A portfolio manager who is responsible for managing multiple funds and/or accounts may devote unequal time and attention to the management of those funds and/or accounts. As a result, the portfolio manager may not be able to formulate as complete a strategy or identify equally attractive investment opportunities for each of those accounts as might be the case if he or she were to devote substantially more attention to the management of a single fund. The effects of this potential conflict may be more pronounced where funds and/or accounts overseen by a particular portfolio manager have different investment strategies.

Allocation of Limited Investment Opportunities. If a portfolio manager identifies a limited investment opportunity that may be suitable for multiple funds and/or accounts, the opportunity may be allocated among these several funds or accounts, which may limit a fund's ability to take full advantage of the investment opportunity.

Pursuit of Differing Strategies. At times, a portfolio manager may determine that an investment opportunity may be appropriate for only some of the funds and/or accounts for which he or she exercises investment responsibility, or may decide that certain of the funds and/or accounts should take differing positions with respect to a particular security. In these cases, the portfolio manager may place separate transactions for one or more funds or accounts which may affect the market price of the security or the execution of the transaction, or both, to the detriment or benefit of one or more other funds and/or accounts.

Selection of Broker/Dealers. Portfolio managers may be able to select or influence the selection of the brokers and dealers that are used to execute securities transactions for the funds and/or accounts that they supervise. In addition to executing trades, some brokers and dealers provide brokerage and research services (as those terms are defined in Section 28(e) of the 1934 Act), which may result in the payment of higher brokerage fees than might have otherwise been available. These services may be more beneficial to certain funds or accounts than to others. Although the payment of brokerage commissions is subject to the requirement that the manager and/or subadviser determine in good faith that the commissions are reasonable in relation to the value of the brokerage and research services provided to the fund, a decision as to the selection of brokers and dealers could yield disproportionate costs and benefits among the funds and/or accounts managed. For this reason, the subadviser has formed a brokerage committee that reviews, among other things, the allocation of brokerage to broker/dealers, best execution and soft dollar usage.

Variation in Compensation. A conflict of interest may arise where the financial or other benefits available to the portfolio manager differ among the funds and/or accounts that he or she manages. If the structure of the manager's management fee (and the percentage paid to the subadviser) and/or the portfolio manager's compensation differs among funds and/or accounts (such as where certain funds or accounts pay higher management fees or performance-based management fees), the portfolio manager might be motivated to help certain funds and/or accounts over others. The portfolio manager might be motivated to favor funds and/or accounts in which he or she has an interest or in which the manager and/or its affiliates have interests. Similarly, the desire to maintain assets under management or to enhance the portfolio manager's performance record or to derive other rewards, financial or otherwise, could influence the portfolio manager in affording preferential treatment to those funds and/or accounts that could most significantly benefit the portfolio manager.

Related Business Opportunities. The manager or its affiliates may provide more services (such as distribution or recordkeeping) for some types of funds or accounts than for others. In such cases, a portfolio manager may benefit, either directly or indirectly, by devoting disproportionate attention to the management of funds and/or accounts that provide greater overall returns to the manager and its affiliates.

(a)(4): Portfolio Manager Securities Ownership

The table below identifies the dollar range of securities beneficially owned by each portfolio managers as of November 30, 2013.

Portfolio Manager(s)	Dollar Range of Portfolio Securities Beneficially Owned
Richard Freeman	E
Chris Eades	C
Michael Clarfeld	C
Peter Vanderlee	C

Dollar Range ownership is as follows:

A: none

B: \$1 - \$10,000

C: 10,001 - \$50,000

D: \$50,001 - \$100,000

E: \$100,001 - \$500,000

F: \$500,001 - \$1 million

G: over \$1 million

ITEM 9.

PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not Applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not Applicable.

ITEM 11. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing

date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are likely to materially affect the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

(a) (1) Code of Ethics attached hereto.

Exhibit 99.CODE ETH

(a) (2) Certifications pursuant to section 302 of the Sarbanes-Oxley Act of 2002 attached hereto.

Exhibit 99.CERT

(b) Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 attached hereto.

Exhibit 99.906CERT

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this Report to be signed on its behalf by the undersigned, there unto duly authorized.

ClearBridge Energy MLP Total Return Fund Inc.

By: /s/ Kenneth D. Fuller
Kenneth D. Fuller
Chief Executive Officer
ClearBridge Energy MLP Total Return Fund Inc.

Date: January 28, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Kenneth D. Fuller
Kenneth D. Fuller
Chief Executive Officer
ClearBridge Energy MLP Total Return Fund Inc.

Date: January 28, 2014

By: /s/ Richard F. Sennett
Richard F. Sennett
Principal Financial Officer
ClearBridge Energy MLP Total Return Fund Inc.

Date: January 28, 2014