

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name <u>Touchstone Premium Yield Equity Fund</u>		2 Issuer's employer identification number (EIN) <u>XX-XXXXXXX</u>	
3 Name of contact for additional information <u>Touchstone Investments</u>	4 Telephone No. of contact <u>1-800-543-0407</u>	5 Email address of contact <u>TI-CONTACT@TOUCHSTONEINVESTMENTS.COM</u>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <u>P.O. BOX 9878</u>		7 City, town, or post office, state, and Zip code of contact <u>Providence, RI 02940-8078</u>	
8 Date of action <u>12/31/12</u>		9 Classification and description <u>Return of Capital</u>	
10 CUSIP number <u>See Attached</u>	11 Serial number(s) <u>N/A</u>	12 Ticker symbol <u>See Attached</u>	13 Account number(s) <u>N/A</u>

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ During the year ended December 31, 2012, the issuer distributed amounts to its shareholders, a portion of which constituted a non-taxable return of capital. See attachment for a list of distribution dates and return of capital amounts per share.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The attachment provides the total distribution per share, as well as the non-taxable return of capital per share, on a distribution by distribution basis. The return of capital per share should reduce the taxpayer's adjusted basis of each share held on the date of each listed distribution by 3.030% of the original distribution amount.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ An analysis of the issuer's current and accumulated earnings and profits was performed as of 12/31/12, in order to determine the portion of the distribution that constituted a dividend and the portion that constituted a non-taxable return of capital.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____
§301(c) and §316(a)

18 Can any resulting loss be recognized? ▶ The return of capital per share should reduce the taxpayer's adjusted basis of each share held on the date of distribution. Upon disposition of all or a portion of the shares, the taxpayer should recognize greater gain/less loss.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ _____
The reportable tax year of the distributions is 2012. Actual return of capital per share will be reflected on the taxpayer's 2012 Form 1099.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ _____ Date ▶ _____

Print your name ▶ A signed copy is maintained by the issuer Title ▶ _____

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

Touchstone Premium Yield Equity Fund Class A (TPYAX)**Form 8937 Attachment 1****12/31/2012****Cusip: 89155H579**

Ex-Date	Record Date	Payable Date	Distribution Per Share			ROC as a percent of Original
			Original Income Declaration	Revised Ordinary Income	Revised Return of Capital ("ROC")	
1/30/2012	1/27/2012	1/31/2012	\$ 0.013842000	\$ 0.013422519	\$ 0.000419481	3.03%
2/28/2012	2/27/2012	2/29/2012	\$ 0.018799000	\$ 0.018229297	\$ 0.000569703	3.03%
3/29/2012	3/28/2012	3/30/2012	\$ 0.015529000	\$ 0.015058395	\$ 0.000470605	3.03%
4/27/2012	4/26/2012	4/30/2012	\$ 0.019066000	\$ 0.018488206	\$ 0.000577794	3.03%
5/30/2012	5/29/2012	5/31/2012	\$ 0.040662000	\$ 0.039429740	\$ 0.001232260	3.03%
6/28/2012	6/27/2012	6/29/2012	\$ 0.019435000	\$ 0.018846023	\$ 0.000588977	3.03%
7/30/2012	7/27/2012	7/31/2012	\$ 0.014009000	\$ 0.013584458	\$ 0.000424542	3.03%
8/30/2012	8/29/2012	8/31/2012	\$ 0.018703000	\$ 0.018136207	\$ 0.000566793	3.03%
9/27/2012	9/26/2012	9/28/2012	\$ 0.014021000	\$ 0.013596094	\$ 0.000424906	3.03%

Touchstone Premium Yield Equity Fund Class C (TPYCX)**Form 8937 Attachment 2****12/31/2012****Cusip: 89155H561**

Ex-Date	Record Date	Payable Date	Distribution Per Share			ROC as a percent of Original
			Original Income Declaration	Revised Ordinary Income	Revised Return of Capital ("ROC")	
1/30/2012	1/27/2012	1/31/2012	\$ 0.009306000	\$ 0.009023982	\$ 0.000282018	3.03%
2/28/2012	2/27/2012	2/29/2012	\$ 0.014561000	\$ 0.014119730	\$ 0.000441270	3.03%
3/29/2012	3/28/2012	3/30/2012	\$ 0.010659000	\$ 0.010335980	\$ 0.000323020	3.03%
4/27/2012	4/26/2012	4/30/2012	\$ 0.014420000	\$ 0.013983003	\$ 0.000436997	3.03%
5/30/2012	5/29/2012	5/31/2012	\$ 0.035946000	\$ 0.034856658	\$ 0.001089342	3.03%
6/28/2012	6/27/2012	6/29/2012	\$ 0.014955000	\$ 0.014501790	\$ 0.000453210	3.03%
7/30/2012	7/27/2012	7/31/2012	\$ 0.008876000	\$ 0.008607013	\$ 0.000268987	3.03%
8/30/2012	8/29/2012	8/31/2012	\$ 0.013686000	\$ 0.013271247	\$ 0.000414753	3.03%
9/27/2012	9/26/2012	9/28/2012	\$ 0.008867000	\$ 0.008598286	\$ 0.000268714	3.03%

Touchstone Premium Yield Equity Fund Class Y (TPYYX)**Form 8937 Attachment 3****12/31/2012****Cusip: 89155H553**

Ex-Date	Record Date	Payable Date	Distribution Per Share			ROC as a percent of Original
			Original Income Declaration	Revised Ordinary Income	Revised Return of Capital ("ROC")	
1/30/2012	1/27/2012	1/31/2012	\$ 0.015532000	\$ 0.015061304	\$ 0.000470696	3.03%
2/28/2012	2/27/2012	2/29/2012	\$ 0.020301000	\$ 0.019685779	\$ 0.000615221	3.03%
3/29/2012	3/28/2012	3/30/2012	\$ 0.017186000	\$ 0.016665179	\$ 0.000520821	3.03%
4/27/2012	4/26/2012	4/30/2012	\$ 0.020660000	\$ 0.020033900	\$ 0.000626100	3.03%
5/30/2012	5/29/2012	5/31/2012	\$ 0.042272000	\$ 0.040990949	\$ 0.001281051	3.03%
6/28/2012	6/27/2012	6/29/2012	\$ 0.021100000	\$ 0.020460566	\$ 0.000639434	3.03%
7/30/2012	7/27/2012	7/31/2012	\$ 0.015635000	\$ 0.015161182	\$ 0.000473818	3.03%
8/30/2012	8/29/2012	8/31/2012	\$ 0.020372000	\$ 0.019754628	\$ 0.000617372	3.03%
9/27/2012	9/26/2012	9/28/2012	\$ 0.015389000	\$ 0.014922637	\$ 0.000466363	3.03%