

ITEM 4(c), 4(d)

Verne, B. Michael

From: [REDACTED]
Sent: Monday, June 11, 2012 5:09 PM
To: Verne, B. Michael
Subject: Question re Items 4(c) and (d)

Mike, we would appreciate your advice on the following:

Company A controls the general partner of Company B, a master limited partnership, but Company A does not control Company B for HSR purposes. Company A is going to carry out a "drop down" transaction where Company B will purchase interests in an LLC from Company A and Company B will file as the acquiring person and Company A will file as the acquired person.

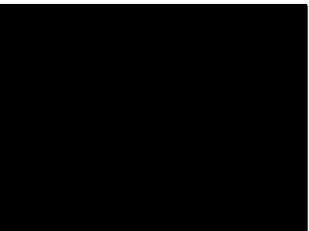
A. The only assets of the LLC relate to interests in another LLC which holds a controlling interest in a newly built refined product pipeline. Company B has had certain studies done by third parties of the market into which the pipeline will deliver product and those will be turned in as 4(c) or (d) documents

B. However, Company B and/or its Conflicts Committee of independent directors (and investment bankers retained by the latter) has prepared numerous models relating to the transaction, all designed to assist in determining what would be an appropriate price to pay for the pipeline assets, whether the transaction would be accretive or not for Company B's unit holders, the likely amount of payouts under an earn out provision for Company A, the cost of carry and similar such matters. These make certain forecasts as to volumes of product to be carried on the pipeline in the future, tariff levels, spot prices, etc. and include base levels, upside level, downside level and other variations. Company A has prepared similar such models to assist it in evaluating the appropriate selling price.

My understanding is that none of the documents described in paragraph B above would be viewed as responsive to items 4(c) and (d) of the HSR form. Could you please advise if you agree with this conclusion?

Thank you for your help.

AGREE
K. WALSH CONCURS
BM
6/12/12



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