

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).<br><br><b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 24pt; font-weight: bold;">2014</div><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                                 |
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u> |                                                                                                                                                                                                                                                                                                                                                 |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) _____ |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).                                                                                                       |
| <b>C</b> If the plan is a collectively-bargained plan, check here. ....                                  | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                        |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                                                                                                                       |

|                                                                                                                   |                                                                         |  |                                                                                                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b>                                                                                                    | <b>Basic Plan Information</b> —enter all requested information          |  |                                                                                                                                                                                               |
| <b>1a</b> Name of plan                                                                                            | <u>BREITBURN MANAGEMENT COMPANY 401(K) PLAN</u>                         |  | <b>1b</b> Three-digit plan number (PN) ▶ <u>001</u><br><b>1c</b> Effective date of plan <u>10/01/1995</u>                                                                                     |
| <b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) | <u>BREITBURN MANAGEMENT COMPANY LLC</u>                                 |  | <b>2b</b> Employer Identification Number (EIN) <u>76-0822858</u><br><b>2c</b> Plan Sponsor's telephone number <u>213-225-5900</u><br><b>2d</b> Business code (see instructions) <u>211110</u> |
|                                                                                                                   | <u>515 SOUTH FLOWER STREET<br/>SUITE 4800<br/>LOS ANGELES, CA 90071</u> |  |                                                                                                                                                                                               |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                                                                                                            |                                                   |            |                                                              |
|------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature. | 10/12/2015 | BRUCE MCFARLAND                                              |
|                                                                                                            | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature. | 10/12/2015 | BRUCE MCFARLAND                                              |
|                                                                                                            | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                           |                                                   |            |                                                              |
|                                                                                                            | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |
| Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional) |                                                   |            | Preparer's telephone number (optional)                       |
|                                                                                                            |                                                   |            |                                                              |

|                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                   | <b>3b</b> Administrator's EIN<br><br><b>3c</b> Administrator's telephone number<br><br><div style="background-color: #cccccc; height: 40px; width: 100%;"></div>                                                                                                                                                                                                                                                                                                                                                      |
| <b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br><b>a</b> Sponsor's name                                                                                                                                                                                                          | <b>4b</b> EIN<br><br><b>4c</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                    | <b>5</b> 609                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                                                                                    | <b>6a(1)</b> 563                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                          | <b>6a(2)</b> 901                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>b</b> Retired or separated participants receiving benefits .....                                                                                                                                                                                                                                                                                                                                                        | <b>6b</b> 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                                                                                                                                                                                                                          | <b>6c</b> 52                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> . .....                                                                                                                                                                                                                                                                                                                                              | <b>6d</b> 953                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                                 | <b>6e</b> 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> . .....                                                                                                                                                                                                                                                                                                                                                                  | <b>6f</b> 953                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                                                            | <b>6g</b> 846                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....                                                                                                                                                                                                                                                                                 | <b>6h</b> 16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                                                                                                                                                        | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2E 2F 2G 2J 2K 2T 3B 3D                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                   | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                              |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input checked="" type="checkbox"/> <u>1</u> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

**Part III****Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           |                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>SCHEDULE A</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br><hr/> Department of Labor<br>Employee Benefits Security Administration<br><hr/> Pension Benefit Guaranty Corporation | <b>Insurance Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b><br><br>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2). | OMB No. 1210-0110                             |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           | <b>2014</b>                                   |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           | <b>This Form is Open to Public Inspection</b> |

For calendar plan year 2014 or fiscal plan year beginning **01/01/2014** and ending **12/31/2014**

|                                                                                                          |                                                                    |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><b>BREITBURN MANAGEMENT COMPANY 401(K) PLAN</b>                                 | <b>B</b> Three-digit plan number (PN) ▶ <b>001</b>                 |
|                                                                                                          |                                                                    |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>BREITBURN MANAGEMENT COMPANY LLC</b> | <b>D</b> Employer Identification Number (EIN)<br><b>76-0822858</b> |

|               |                                                                                                                                                                                                                                                     |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information Concerning Insurance Contract Coverage, Fees, and Commissions</b> Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A. |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**1** Coverage Information:

(a) Name of insurance carrier

**PRUDENTIAL RETIREMENT INSURANCE & ANNUITY CO.**

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|-----------------------------------------------------------------------------|-------------------------|------------|
|            |               |                                       |                                                                             | (f) From                | (g) To     |
| 06-1050034 | 93629         | 074035                                | 953                                                                         | 01/01/2014              | 12/31/2014 |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

|                                      |                               |
|--------------------------------------|-------------------------------|
| (a) Total amount of commissions paid | (b) Total amount of fees paid |
| 0                                    | 0                             |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule A (Form 5500) 2014  
v. 140124

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

|                                                                                                       |          |          |
|-------------------------------------------------------------------------------------------------------|----------|----------|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end..... | <b>4</b> | 11459230 |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end .....  | <b>5</b> | 0        |

**6 Contracts With Allocated Funds:****a** State the basis of premium rates ▶

|                                                                                                                                                                                                                |           |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--|
| <b>b</b> Premiums paid to carrier.....                                                                                                                                                                         | <b>6b</b> |  |
| <b>c</b> Premiums due but unpaid at the end of the year.....                                                                                                                                                   | <b>6c</b> |  |
| <b>d</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. ....<br>Specify nature of costs ▶ | <b>6d</b> |  |

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity  
(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee  
(3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

|                                                       |           |         |
|-------------------------------------------------------|-----------|---------|
| <b>b</b> Balance at the end of the previous year..... | <b>7b</b> | 9150421 |
|-------------------------------------------------------|-----------|---------|

|                                                                      |              |         |  |
|----------------------------------------------------------------------|--------------|---------|--|
| <b>c</b> Additions: (1) Contributions deposited during the year..... | <b>7c(1)</b> | 2521364 |  |
| (2) Dividends and credits .....                                      | <b>7c(2)</b> |         |  |
| (3) Interest credited during the year .....                          | <b>7c(3)</b> | 142946  |  |
| (4) Transferred from separate account.....                           | <b>7c(4)</b> | 0       |  |
| (5) Other (specify below) .....                                      | <b>7c(5)</b> | 1485889 |  |

▶ **LOAN REPAYMENTS, TRANSFERS IN MISCELLANEOUS IN**

|                          |              |         |
|--------------------------|--------------|---------|
| (6) Total additions..... | <b>7c(6)</b> | 4150199 |
|--------------------------|--------------|---------|

|                                                                                       |           |          |
|---------------------------------------------------------------------------------------|-----------|----------|
| <b>d</b> Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) ..... | <b>7d</b> | 13300620 |
|---------------------------------------------------------------------------------------|-----------|----------|

**e Deductions:**

|                                                                           |              |         |  |
|---------------------------------------------------------------------------|--------------|---------|--|
| (1) Disbursed from fund to pay benefits or purchase annuities during year | <b>7e(1)</b> | 479164  |  |
| (2) Administration charge made by carrier .....                           | <b>7e(2)</b> | 1307    |  |
| (3) Transferred to separate account.....                                  | <b>7e(3)</b> |         |  |
| (4) Other (specify below) .....                                           | <b>7e(4)</b> | 1360919 |  |

▶ **LOAN INITIATIONS, TRANSFERS OUT MISCELLANEOUS OUT  
FORFEITURES DEBITS**

|                           |              |         |
|---------------------------|--------------|---------|
| (5) Total deductions..... | <b>7e(5)</b> | 1841390 |
|---------------------------|--------------|---------|

|                                                                                                         |           |          |
|---------------------------------------------------------------------------------------------------------|-----------|----------|
| <b>f</b> Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) ..... | <b>7f</b> | 11459230 |
|---------------------------------------------------------------------------------------------------------|-----------|----------|

**Part III Welfare Benefit Contract Information**

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)     
 **b** ☐ Dental     
 **c** ☐ Vision     
 **d** ☐ Life insurance  
**e** ☐ Temporary disability (accident and sickness)     
 **f** ☐ Long-term disability     
 **g** ☐ Supplemental unemployment     
 **h** ☐ Prescription drug  
**i** ☐ Stop loss (large deductible)     
 **j** ☐ HMO contract     
 **k** ☐ PPO contract     
 **l** ☐ Indemnity contract  
**m** ☐ Other (specify) ▶

**9** Experience-rated contracts:

|                                                                                                                                                   |                 |                 |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|--|
| <b>a</b> Premiums: (1) Amount received.....                                                                                                       | <b>9a(1)</b>    |                 |  |
| (2) Increase (decrease) in amount due but unpaid.....                                                                                             | <b>9a(2)</b>    |                 |  |
| (3) Increase (decrease) in unearned premium reserve .....                                                                                         | <b>9a(3)</b>    |                 |  |
| (4) Earned ((1) + (2) - (3)).....                                                                                                                 |                 | <b>9a(4)</b>    |  |
| <b>b</b> Benefit charges (1) Claims paid.....                                                                                                     | <b>9b(1)</b>    |                 |  |
| (2) Increase (decrease) in claim reserves.....                                                                                                    | <b>9b(2)</b>    |                 |  |
| (3) Incurred claims (add (1) and (2)) .....                                                                                                       |                 | <b>9b(3)</b>    |  |
| (4) Claims charged .....                                                                                                                          |                 | <b>9b(4)</b>    |  |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --                                                                     |                 |                 |  |
| (A) Commissions .....                                                                                                                             | <b>9c(1)(A)</b> |                 |  |
| (B) Administrative service or other fees.....                                                                                                     | <b>9c(1)(B)</b> |                 |  |
| (C) Other specific acquisition costs .....                                                                                                        | <b>9c(1)(C)</b> |                 |  |
| (D) Other expenses.....                                                                                                                           | <b>9c(1)(D)</b> |                 |  |
| (E) Taxes .....                                                                                                                                   | <b>9c(1)(E)</b> |                 |  |
| (F) Charges for risks or other contingencies.....                                                                                                 | <b>9c(1)(F)</b> |                 |  |
| (G) Other retention charges .....                                                                                                                 | <b>9c(1)(G)</b> |                 |  |
| (H) Total retention .....                                                                                                                         |                 | <b>9c(1)(H)</b> |  |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)..... |                 | <b>9c(2)</b>    |  |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....                               |                 | <b>9d(1)</b>    |  |
| (2) Claim reserves .....                                                                                                                          |                 | <b>9d(2)</b>    |  |
| (3) Other reserves.....                                                                                                                           |                 | <b>9d(3)</b>    |  |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).) .....                                          |                 | <b>9e</b>       |  |

**10** Nonexperience-rated contracts:

|                                                                                                                                                                                                                                |            |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Total premiums or subscription charges paid to carrier .....                                                                                                                                                          | <b>10a</b> |  |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount..... | <b>10b</b> |  |

Specify nature of costs ▶

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ..... ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>2014</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b> |

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

|                                                                                                          |                                                                    |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>BREITBURN MANAGEMENT COMPANY 401(K) PLAN</u>                                 | <b>B</b> Three-digit plan number (PN) <u>001</u>                   |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>BREITBURN MANAGEMENT COMPANY LLC</u> | <b>D</b> Employer Identification Number (EIN)<br><u>76-0822858</u> |

**Part I Service Provider Information (see instructions)**

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation  
PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

**(b)** Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

MMSCS BOSTONIAN GROUP DIVISION

06-1685865

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 27                     | NONE                                                                                              | 56539                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**(a)** Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 13 15 37 50<br>64      | NONE                                                                                              | 36491                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

**(a)** Enter name and EIN or address (see instructions)

PRUDENTIAL INVESTMENT MANAGEMENT SE

13-4122960

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 71                     | NONE                                                                                              | 966                                                                    | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

THE PRUDENTIAL INSURANCE COMPANY OF

22-1211670

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 15 37 50 64            | NONE                                                                                              | 0                                                                      | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

(a) Enter name and EIN or address (see instructions)

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                        |                                                                                                   |                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                             | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

(a) Enter name and EIN or address (see instructions)

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                        |                                                                                                   |                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                             | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| PRUDENTIAL RETIREMENT INSURANCE AND                     | 15 64                                   | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRUDENTIAL RETIREMENT INSURANCE AND<br><br>06-1050034               | 10.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2014 TO 12/31/2014 GUARANTEED INCOME FUND                                                      |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| THE PRUDENTIAL INSURANCE COMPANY OF                     | 15 60 64                                | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRUDENTIAL INVESTMENTS, LLC<br><br>22-3468527                       | 22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2014 TO 12/31/2014 PRU JENN MD CP GRW A                                                        |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| THE PRUDENTIAL INSURANCE COMPANY OF                     | 15 60 64                                | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRUDENTIAL INVESTMENTS, LLC<br><br>22-3468527                       | 22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2014 TO 12/31/2014 PRU TOTAL RETURN BOND A                                                     |

**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |

**Part III** **Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2014</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                                          |
| <b>A</b> Name of plan<br><u>BREITBURN MANAGEMENT COMPANY 401(K) PLAN</u>                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                              | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span> <u>001</u>                    |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>BREITBURN MANAGEMENT COMPANY LLC</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              | <b>D</b> Employer Identification Number (EIN)<br><u>76-0822858</u>                                       |

| Part I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Asset and Liability Statement |                       |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------|-----------------|
| <b>1</b> Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                               |                       |                 |
| Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                               | (a) Beginning of Year | (b) End of Year |
| a Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1a                            |                       |                 |
| b Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                               |                       |                 |
| (1) Employer contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1b(1)                         |                       |                 |
| (2) Participant contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 1b(2)                         |                       |                 |
| (3) Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 1b(3)                         |                       |                 |
| c General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                               |                       |                 |
| (1) Interest-bearing cash (include money market accounts & certificates of deposit).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1c(1)                         |                       |                 |
| (2) U.S. Government securities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1c(2)                         |                       |                 |
| (3) Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                               |                       |                 |
| (A) Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1c(3)(A)                      |                       |                 |
| (B) All other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1c(3)(B)                      |                       |                 |
| (4) Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                               |                       |                 |
| (A) Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1c(4)(A)                      |                       |                 |
| (B) Common.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1c(4)(B)                      |                       |                 |
| (5) Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1c(5)                         |                       |                 |
| (6) Real estate (other than employer real property).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1c(6)                         |                       |                 |
| (7) Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1c(7)                         |                       |                 |
| (8) Participant loans.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1c(8)                         | 1171335               | 1527405         |
| (9) Value of interest in common/collective trusts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 1c(9)                         |                       |                 |
| (10) Value of interest in pooled separate accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1c(10)                        |                       |                 |
| (11) Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 1c(11)                        |                       |                 |
| (12) Value of interest in 103-12 investment entities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1c(12)                        |                       |                 |
| (13) Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1c(13)                        | 28330325              | 37333299        |
| (14) Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1c(14)                        | 9150421               | 11459230        |
| (15) Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1c(15)                        | 78330                 | 128322          |

**1d** Employer-related investments:

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 38730411              | 50448256        |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |          |          |
|-----------------------------------------------------------|-----------|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 38730411 | 50448256 |
|-----------------------------------------------------------|-----------|----------|----------|

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income****a Contributions:**

|                                                                                                            |                 | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 4076889    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 5492342    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 1501558    |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 11070789  |

**b Earnings on investments:****(1) Interest:**

|                                                                                                      |                 |        |        |
|------------------------------------------------------------------------------------------------------|-----------------|--------|--------|
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | <b>2b(1)(A)</b> |        |        |
| <b>(B)</b> U.S. Government securities .....                                                          | <b>2b(1)(B)</b> |        |        |
| <b>(C)</b> Corporate debt instruments .....                                                          | <b>2b(1)(C)</b> |        |        |
| <b>(D)</b> Loans (other than to participants) .....                                                  | <b>2b(1)(D)</b> |        |        |
| <b>(E)</b> Participant loans .....                                                                   | <b>2b(1)(E)</b> | 55975  |        |
| <b>(F)</b> Other .....                                                                               | <b>2b(1)(F)</b> | 142946 |        |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | <b>2b(1)(G)</b> |        | 198921 |

|                                                                                           |                 |        |        |
|-------------------------------------------------------------------------------------------|-----------------|--------|--------|
| (2) Dividends: <b>(A)</b> Preferred stock .....                                           | <b>2b(2)(A)</b> |        |        |
| <b>(B)</b> Common stock .....                                                             | <b>2b(2)(B)</b> |        |        |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                 | <b>2b(2)(C)</b> | 604858 |        |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> ..... | <b>2b(2)(D)</b> |        | 604858 |

|                 |              |  |  |
|-----------------|--------------|--|--|
| (3) Rents ..... | <b>2b(3)</b> |  |  |
|-----------------|--------------|--|--|

|                                                                                           |                 |  |   |
|-------------------------------------------------------------------------------------------|-----------------|--|---|
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                | <b>2b(4)(A)</b> |  |   |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                             | <b>2b(4)(B)</b> |  |   |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ..... | <b>2b(4)(C)</b> |  | 0 |

|                                                                                                    |                 |  |   |
|----------------------------------------------------------------------------------------------------|-----------------|--|---|
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                 | <b>2b(5)(A)</b> |  |   |
| <b>(B)</b> Other .....                                                                             | <b>2b(5)(B)</b> |  |   |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> ..... | <b>2b(5)(C)</b> |  | 0 |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts.....                              | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts.....                              | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts.....                      | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities.....                            | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            | 1694134   |
| c Other income.....                                                                            | 2c     |            | 45364     |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 13614066  |

**Expenses**

|                                                                                     |       |         |         |
|-------------------------------------------------------------------------------------|-------|---------|---------|
| e Benefit payment and payments to provide benefits:                                 |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers.....      | 2e(1) | 1795505 |         |
| (2) To insurance carriers for the provision of benefits.....                        | 2e(2) |         |         |
| (3) Other.....                                                                      | 2e(3) |         |         |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                        | 2e(4) |         | 1795505 |
| f Corrective distributions (see instructions).....                                  | 2f    |         | 5700    |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |         |         |
| h Interest expense.....                                                             | 2h    |         |         |
| i Administrative expenses: (1) Professional fees.....                               | 2i(1) |         |         |
| (2) Contract administrator fees.....                                                | 2i(2) |         |         |
| (3) Investment advisory and management fees.....                                    | 2i(3) |         |         |
| (4) Other.....                                                                      | 2i(4) | 95016   |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                 | 2i(5) |         | 95016   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 1896221 |

**Net Income and Reconciliation**

|                                                         |       |  |          |
|---------------------------------------------------------|-------|--|----------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k    |  | 11717845 |
| l Transfers of assets:                                  |       |  |          |
| (1) To this plan.....                                   | 2l(1) |  |          |
| (2) From this plan.....                                 | 2l(2) |  |          |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MCGLADREY, LLP.

(2) EIN: 42-0714325

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

- a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....
- b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|                                                                                                                                                                                                                               | Yes | No | Amount |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|--------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                          |     | X  |        |
| <b>4c</b>                                                                                                                                                                                                                     |     |    |        |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) .....                               |     | X  |        |
| <b>4d</b>                                                                                                                                                                                                                     |     |    |        |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | X   |    | 500000 |
| <b>4e</b>                                                                                                                                                                                                                     |     |    |        |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       |     | X  |        |
| <b>4f</b>                                                                                                                                                                                                                     |     |    |        |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                    |     | X  |        |
| <b>4g</b>                                                                                                                                                                                                                     |     |    |        |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                          |     | X  |        |
| <b>4h</b>                                                                                                                                                                                                                     |     |    |        |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                | X   |    |        |
| <b>4i</b>                                                                                                                                                                                                                     |     |    |        |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) ..... |     | X  |        |
| <b>4j</b>                                                                                                                                                                                                                     |     |    |        |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           |     | X  |        |
| <b>4k</b>                                                                                                                                                                                                                     |     |    |        |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                            |     | X  |        |
| <b>4l</b>                                                                                                                                                                                                                     |     |    |        |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  |     | X  |        |
| <b>4m</b>                                                                                                                                                                                                                     |     |    |        |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                      |     |    |        |
| <b>4n</b>                                                                                                                                                                                                                     |     |    |        |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. .... ☐ Yes ☐ No Amount:

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| 5b(1) Name of plan(s) | 5b(2) EIN(s) | 5b(3) PN(s) |
|-----------------------|--------------|-------------|
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

## Part V Trust Information (optional)

**6a** Name of trust

**6b** Trust's EIN

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2014</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

|                                                                                                          |                                                                    |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>BREITBURN MANAGEMENT COMPANY 401(K) PLAN</u>                                 | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>BREITBURN MANAGEMENT COMPANY LLC</u> | <b>D</b> Employer Identification Number (EIN)<br><u>76-0822858</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

All references to distributions relate only to payments of benefits during the plan year.

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): <u>22-1211670</u> |          |          |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                            |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> |          |

|                |                                                                                                                                                                              |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part) |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                             |                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                             |                              |
| <b>5</b> If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....                                                                                                                                                                                                                             | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year.....                                                                                                                                                                                                                                                                                 | <b>6b</b>                    |                             |                              |
| <b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) .....                                                                                                                                                                                                                          | <b>6c</b>                    |                             |                              |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline?.....                                                                                                                                                                                                                                                                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....                                                                                                | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                             |                              |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</b> If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers ..... | <b>16b</b> |  |

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment .... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:  
 Stock: \_\_\_\_\_% Investment-Grade Debt: \_\_\_\_\_% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: \_\_\_\_\_%
- b** Provide the average duration of the combined investment-grade and high-yield debt:  
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?  
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): \_\_\_\_\_

# **Breitburn Management Company 401(k) Plan**

**Financial Statements and Supplemental Schedule  
At December 31, 2014 and 2013 and  
For the Year Ended December 31, 2014  
with Report of Independent Auditors**

**Breitburn Management Company 401(k) Plan**  
**Index**  
**December 31, 2014 and 2013**

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| Statements of Net Assets Available for Benefits<br>December 31, 2014 and 2013 .....                          | 3           |
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| <br><b>Supplemental Schedules*</b>                                                                           |             |
| Form 5500, Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year)<br>December 31, 2014..... | 14          |

- \* All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



## **Independent Auditor's Report**

Plan Administrator  
Breitburn Management Company 401(k) Plan  
Los Angeles, California

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Breitburn Management Company 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for Disclaimer of Opinion**

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3 to the financial statements, which was certified or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust F.S.B. Company, the custodians of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the custodians held the Plan's assets and executed transactions. The Plan Administrator has obtained a certification from the custodians as of December 31, 2014 and 2013, and for the year ended December 31, 2014, that the information provided to the Plan Administrator by the custodians is complete and accurate.

### **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

### **Other Matter**

The supplemental schedule as of December 31, 2014, required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, is presented for the purpose of additional analysis and is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

**Report on Form and Content in Compliance With the DOL's Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "McGladrey LLP". The signature is written in a cursive, flowing style.

Los Angeles, California  
October 8, 2015

**Breitburn Management Company 401(k) Plan**  
**Statements of Net Assets Available for Benefits**  
**December 31, 2014 and 2013**

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| <b>Assets</b>                       | <b>2014</b>         | <b>2013</b>         |
|-------------------------------------|---------------------|---------------------|
| Investments, at fair value (Note 3) | \$48,920,851        | \$37,559,076        |
| <b>Receivables</b>                  |                     |                     |
| Notes receivable from participants  | 1,527,405           | 1,171,335           |
| Total receivables                   | 1,527,405           | 1,171,335           |
| Net assets available for benefits   | <u>\$50,448,256</u> | <u>\$38,730,411</u> |

See accompanying Notes to Financial Statements.

**Breitburn Management Company 401(k) Plan**  
**Statement of Changes in Net Assets Available for Benefits**  
**Year Ended December 31, 2014**

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|                                                                | <b>Year Ended<br/>December 31,<br/>2014</b> |
|----------------------------------------------------------------|---------------------------------------------|
| <b>Additions to net assets:</b>                                |                                             |
| Investment income (Note 3):                                    |                                             |
| Net appreciation in fair value of investments                  | \$ 2,286,788                                |
| Interest income                                                | 142,946                                     |
| Total investment income                                        | <u>2,429,734</u>                            |
| Interest income on notes receivable from participants (Note 3) | 55,975                                      |
| Contributions:                                                 |                                             |
| Employer                                                       | 4,076,859                                   |
| Participants (excluding rollovers)                             | 5,492,342                                   |
| Participant rollovers                                          | 1,501,558                                   |
| Total contributions                                            | <u>11,070,759</u>                           |
| Total additions                                                | <u>13,556,468</u>                           |
| <b>Deductions from net assets:</b>                             |                                             |
| Benefits paid                                                  | 1,801,204                                   |
| Administrative expenses                                        | 37,419                                      |
| Total deductions                                               | <u>1,838,623</u>                            |
| Net increase in net assets                                     | <u>11,717,845</u>                           |
| <b>Net assets available for benefits:</b>                      |                                             |
| Beginning of year                                              | <u>38,730,411</u>                           |
| End of year                                                    | <u><u>\$ 50,448,256</u></u>                 |

See accompanying Notes to Financial Statements.

# **Breitburn Management Company 401(k) Plan**

## **Notes to Financial Statements**

### **December 31, 2014 and 2013**

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#### **1. Description of Plan**

The following description of the Breitburn Management Company 401(k) Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan Document for a more complete description of the Plan provisions.

##### **General**

The Plan is a participant-directed defined contribution plan covering all employees not leased or temporary of Breitburn Management Company, LLC (the "Company" or "Breitburn Management").

During 2014 and 2013, all employees except part-time, temporary, or seasonal employees (employees whose regularly scheduled service is less than 1,000 hours of service per computation period) were eligible to participate in the Plan at the date of hire. However, if a part-time employee completes 1,000 hours of service during an eligibility computation period, the employee will enter the plan on the next regular entry date.

The Plan is sponsored and administered by Breitburn Management. Prudential Retirement Services ("Prudential") handled the day-to-day record keeping, accounting, and administrative functions of the Plan from May 1, 2013 to December 31, 2014 (see Note 3). The Plan's assets are held by Prudential Bank & Trust FSB Company ("PBT") and Prudential Retirement Insurance and Annuity Company ("PRI") (collectively the "Custodians") (see Note 3). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

##### **Contributions**

In 2014 and 2013, participants could contribute up to \$17,500. Participants age 50 and over could contribute an additional \$5,500 in each year. The Company contributes at its discretion a matching amount equal to the lesser of 8 percent of a participant's gross eligible earnings or 100 percent of the participant's elective deferral, on a per pay period basis. For the period January 1, 2014 through December 31, 2014, the Company made discretionary matching contributions of \$4,295,566, of which \$218,707 was applied from forfeitures and \$4,076,859 was contributed from the Company.

In addition, the Company, at its discretion, may elect to contribute an employer profit sharing contribution. For the year ended December 31, 2014, no such election was made.

Participants may change their contribution percentages or stop making contributions at any time during the Plan year. Company contributions follow the participant's fund election.

##### **Vesting**

Participants are immediately vested in their own contributions and related investment earnings. Vesting in Company contributions is based on hours worked in a calendar year. A participant is 20 percent vested after 1,000 hours worked in a calendar year, and vests an additional 20 percent for each additional calendar year thereafter provided they have worked a minimum of 1,000 hours in that year. A participant is 100 percent vested after working a minimum of 1,000 hours per year for five calendar years.

The Plan recognizes service with another business or organization for employees hired in conjunction with the acquisition of that business or organization.

##### **Participant Accounts**

Each participant's account is credited with his or her contributions, any Company discretionary matching contribution and an allocation of Plan net earnings based on participant account balances, and is charged with any withdrawals. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

# **Breitburn Management Company 401(k) Plan**

## **Notes to Financial Statements**

### **December 31, 2014 and 2013**

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#### **Forfeitures**

Forfeitures are used to pay any administrative expenses and reduce any Company-matching contributions. During the year ended December 31, 2014, forfeitures of \$218,707 were used to reduce employer contributions. As of December 31, 2014 and 2013, forfeitures of \$11,236 and \$129,926, respectively, were available for future use.

#### **Participant Loans**

Each participant may obtain loans against his or her vested account balance, subject to certain restrictions and limitations. Any loans made to a participant are secured by the participant's vested interest in his or her investment fund subaccounts. No loan may exceed the lesser of 50 percent of the participant's vested account balance or \$50,000. The minimum loan amount is \$1,000. A participant can have one conventional loan and one residential loan outstanding at a time. The minimum term for repayment of any loan is six months and the maximum term is five years for a conventional loan and 30 years for a residential loan. Loans bear a fixed rate of interest equal to the prime lending rate published in The Wall Street Journal on the last business day of the month preceding the date the loan is made plus one percent. For each of 2014 and 2013, the loan interest rate averaged 4.25. Upon termination of employment, including death, any outstanding loan balance becomes due and payable and the participant may elect to repay it or treat it as a partial distribution.

#### **Benefits**

Upon termination of service, a participant's vested account balance will be distributed in a single lump-sum payment in cash, given that the participant's account balance does not exceed \$5,000. However, the participant may elect whether to receive the distribution or to roll over the distribution to another retirement plan such as an individual retirement account ("IRA"). If the amount of the distribution is more than \$1,000 (including any rollover contribution) and the participant does not elect either to receive or to rollover the distribution, the Plan automatically will roll over the distribution to an IRA. The IRA provider will invest the rollover funds in a type of investment designed to preserve principal and to provide a reasonable rate of return and liquidity (e.g., an interest-bearing account, a certificate of deposit or a money market fund). If less than \$1,000 remains in their vested account, the participant will receive the value of his or her account balance. Any unvested amounts are forfeited upon termination of service.

#### **Expenses of the Plan**

Certain administrative expenses are paid by the Plan and certain other expenses are paid by the Company. Certain expenses related to individual participant loans are paid by the participant.

## **2. Summary of Significant Accounting Policies**

#### **Basis of Accounting**

The financial statements of the Plan are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Financial Accounting Standards Board ("FASB") accounting standards require investment contracts held by a defined-contribution plan to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as adjustments from fair value to contract value for fully benefit-responsive investment contracts (Guaranteed Income Fund – PRI). The statement of changes in net assets available for benefits reflects the investment contracts on a contract value basis. There were no significant adjustments from fair value to contract value as of December 31, 2014 and 2013.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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#### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts of assets, liabilities, and changes therein, the fair value of investments, and disclosure of contingent assets and liabilities reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

#### **Subsequent Events**

Subsequent events have been evaluated for potential recognition and disclosure through October 8, 2015, the date the financial statements were available to be issued.

#### **Investments Valuation and Income Recognition**

Mutual funds are valued by multiplying the mutual fund unit value, or price, on the last day of the year by the number of mutual fund shares at year end. The Guaranteed Income Fund is valued at contract value, which is equal to fair value.

Purchases and sales of securities are reflected on a trade date basis. The basis for all securities sold is determined by average cost. Interest income is recorded on the accrual basis. The Plan presents in the statement of changes in net assets available for benefits the net appreciation in the fair value of its investments, which consists of the realized gains or losses on the sale of investments during the period and unrealized appreciation or depreciation of investments held at year-end.

#### **Fair Value Measurements**

FASB accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

*Level 2* – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at December 31, 2014 and 2013.

*Mutual Funds* – Mutual Funds are funds that are available to the clients of PBT. The fair values of these mutual funds are determined by the mutual funds' Net Asset Value ("NAV"). The NAV is calculated by dividing the fund's total net assets by the total number of shares outstanding. The fund's total net assets are determined by obtaining pricing for the individual securities within the fund, and minus any liabilities. The calculated NAV or price for the mutual fund is a publicly-quoted price in an active market and updated at the end of each business day.

# Breitburn Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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*Guaranteed Income Fund* – Valued at contract value which is equal to fair value. Fair value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees (See Note 3).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future net values. Furthermore, while the Plan believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### **Benefit Payments**

Benefits are recorded when paid. Net assets available for benefits at December 31, 2014 and 2013 did not include any amounts payable to participants who have withdrawn from the Plan, but have not yet been paid vested benefits.

#### **Accounting Standards**

In May 2015, the FASB issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*. This ASU removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. However, sufficient information must be provided to permit reconciliation of the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of financial position. This ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. This ASU is effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. Upon adoption, the ASU shall be applied retrospectively to all periods presented. The Company's management is currently evaluating the impact this update will have on the Plan's financial statements.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient (Consensus of the FASB Emerging Issues Task Force)*. The purpose of this ASU is to simplify plan accounting and reporting.

The amendments in Part I of this ASU designate contract value as the only required measure for direct investments in fully benefit-responsive investment contracts. Fully benefit-responsive investment contracts will be presented at the contract value; accordingly, there will no longer be an adjustment from fair value to contract value on the face of the financial statements. The amendments in Part II of this ASU will eliminate the requirements for plans to disclose (1) individual investments that represent 5 percent or more of net assets available for benefits and (2) the net appreciation or depreciation for investments by general type for both participant-directed investments and nonparticipant-directed investments. The net appreciation or depreciation in investments for the period will still be required to be presented in the aggregate. The amendments in Part III of this ASU reduce complexity in employee benefit plan accounting by providing a practical expedient that permits plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end. This ASU may be adopted in whole or by part (I, II and III), as applicable. This ASU is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. Upon adoption, the amendments in Parts I and II shall be applied retrospectively to all periods presented; the amendments in Part III shall be applied prospectively. The Company's management is currently evaluating the impact this ASU will have on the Plan's financial statements.

### **3. Assets Certified or Provided by the Custodians**

The following is a summary of the Plan's asset information as of December 31, 2014 and 2013, and for the year ended December 31, 2014.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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*Prudential Bank & Trust FSB* – The Plan’s mutual fund asset information included throughout the Plan’s financial statements and supplemental schedule was prepared or derived from information provided and certified by PBT and furnished to the Plan Administrator. The Plan Administrator has obtained certifications for the mutual funds from PBT that information provided to the Plan Administrator by PBT related to the following mutual fund assets is complete and accurate. PBT, asset Custodian, certified the information as of December 31, 2014 and 2013 and for the year ended December 31, 2014. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL’s Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan’s independent auditors not to perform any auditing procedures with respect to information in Note 3 and the supplemental schedule related to the following investments.

The Plan’s investments that were administered by PBT were invested in mutual fund accounts.

*Prudential Retirement Insurance and Annuity Company* – The Plan’s asset information (excluding mutual fund assets) included throughout the Plan’s financial statements and supplemental schedule was prepared or derived from information provided and certified by PRI and furnished to the Plan Administrator. The Plan Administrator has obtained certifications for the self-directed brokerage account and the Guaranteed Income Fund from PRI that information provided to the Plan Administrator by PRI related to the following self-directed brokerage account and the Guaranteed Income Fund assets is complete and accurate. PRI, asset Custodian, certified the information as of December 31, 2014 and 2013 and for the year ended December 31, 2014. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL’s Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan’s independent auditors not to perform any auditing procedures with respect to information in Note 3 and the supplemental schedule related to the following investments.

The Plan’s investments that were administered by PRI were invested in self-directed brokerage accounts and a guaranteed income fund.

The Plan’s investments that individually represent five percent or more of the Plan’s net assets available for plan benefits at December 31, 2014 and 2013 are separately identified:

|                                                                                     | <u>2014</u>          | <u>2013</u>          |
|-------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Investment Contract with Prudential Retirement Insurance and Annuity Company</b> |                      |                      |
| Guaranteed Income Fund                                                              | \$ 11,459,230        | \$ 9,150,421         |
| Other (Self-Directed Brokerage Account)                                             | 128,322              | 78,330               |
| <b>Investment Contract with Prudential Bank &amp; Trust FSB Company</b>             |                      |                      |
| Mutual Funds                                                                        |                      |                      |
| Principal Overseas Instl                                                            | 6,954,985            | 5,526,195            |
| Vanguard Value Index Adm                                                            | 5,860,924            | 4,286,423            |
| Vanguard Growth Index Adm                                                           | 5,814,119            | 4,130,740            |
| Prudential Total Return Bond A                                                      | 4,611,188            | 3,188,443            |
| Oppenheimer Discovery A                                                             | 2,283,251            | 1,969,523            |
| Other                                                                               | <u>11,808,832</u>    | <u>9,229,001</u>     |
| Mutual Funds Total                                                                  | <u>37,333,299</u>    | <u>28,330,325</u>    |
| Total                                                                               | <u>\$ 48,920,851</u> | <u>\$ 37,559,076</u> |

# Breitburn Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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During 2014 the Plan's investments in mutual funds and the self-directed brokerage account (including gains and losses on investments bought and sold, as well as held during the year) appreciated \$2,286,788 in fair value. Interest income on the Guaranteed Income Fund totaled \$142,946.

The Plan Administrator has obtained certifications from the Custodians that information provided to the Plan Administrator by the Custodians related to notes receivable of \$1,527,405 and \$1,171,335 as of December 31, 2014 and 2013, respectively, and associated interest income of \$55,975 for the year ended December 31, 2014, is complete and accurate.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the termination of the contract, the termination of the Plan, the failure to meet certain tax qualifications, and amendments or changes of the Plan that requires modification of the contract as determined by the issuer. The Plan administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

There are not any events that allow the issuer to terminate the contract and which require the Plan sponsor to settle at an amount different than Contract Value paid either within 90 days or over time.

The average yields of the benefit-responsive guaranteed investment contracts with the respective custodians are as follows:

|                                            | <u>2014</u> | <u>2013</u> |
|--------------------------------------------|-------------|-------------|
| Based on actual earnings                   | 1.39%       | 1.37%       |
| Based on interest credited to participants | 1.40%       | 1.40%       |

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

#### Fair Value Information

The following table sets forth, by level within the fair value hierarchy, investments at estimated fair value as of December 31, 2014 and 2013:

#### Investments at estimated fair value as of December 31, 2014:

|                                                                   | Level 1              | Level 2           | Level 3              | Total                |
|-------------------------------------------------------------------|----------------------|-------------------|----------------------|----------------------|
| <b><u>Prudential Bank &amp; Trust FSB Company</u></b>             |                      |                   |                      |                      |
| Fixed Income                                                      | \$ 4,611,188         | \$ -              | \$ -                 | \$ 4,611,188         |
| Global Stock                                                      | 174,648              | -                 | -                    | 174,648              |
| International Stock Funds                                         | 7,233,526            | -                 | -                    | 7,233,526            |
| Cap Stock Funds                                                   | 23,807,542           | -                 | -                    | 23,807,542           |
| Real Estate Fund                                                  | 1,506,395            | -                 | -                    | 1,506,395            |
| Mutual Fund Accounts                                              | 37,333,299           | -                 | -                    | 37,333,299           |
| <b><u>Prudential Retirement Insurance and Annuity Company</u></b> |                      |                   |                      |                      |
| Guaranteed Income Fund                                            | -                    | -                 | 11,459,230           | 11,459,230           |
| Self-Directed Brokerage Account                                   | -                    | 128,322           | -                    | 128,322              |
|                                                                   | <u>\$ 37,333,299</u> | <u>\$ 128,322</u> | <u>\$ 11,459,230</u> | <u>\$ 48,920,851</u> |

#### Investments at estimated fair value as of December 31, 2013:

|                                                                   | Level 1              | Level 2          | Level 3             | Total                |
|-------------------------------------------------------------------|----------------------|------------------|---------------------|----------------------|
| <b><u>Prudential Bank &amp; Trust FSB Company</u></b>             |                      |                  |                     |                      |
| Fixed Income                                                      | \$ 3,188,443         | \$ -             | \$ -                | \$ 3,188,443         |
| Global Stock                                                      | 103,403              | -                | -                   | 103,403              |
| International Stock Funds                                         | 5,729,465            | -                | -                   | 5,729,465            |
| Cap Stock Funds                                                   | 18,132,181           | -                | -                   | 18,132,181           |
| Real Estate Fund                                                  | 1,176,833            | -                | -                   | 1,176,833            |
| Mutual Fund Accounts                                              | 28,330,325           | -                | -                   | 28,330,325           |
| <b><u>Prudential Retirement Insurance and Annuity Company</u></b> |                      |                  |                     |                      |
| Guaranteed Income Fund                                            | -                    | -                | 9,150,421           | 9,150,421            |
| Self-Directed Brokerage Account                                   | -                    | 78,330           | -                   | 78,330               |
|                                                                   | <u>\$ 28,330,325</u> | <u>\$ 78,330</u> | <u>\$ 9,150,421</u> | <u>\$ 37,559,076</u> |

The mutual funds are considered level 1 assets and the self-directed brokerage account is considered a level 2 asset. The guaranteed investment contracts are classified as level 3. There were no transfers in or out of Levels 1, 2 or 3 during the year ended December 31, 2014.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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The following table sets forth a summary of changes in the fair value of the Plan's Level 3 investments for the year ended December 31, 2014:

| <u>Prudential Retirement Insurance and Annuity Company</u> | <u>Guaranteed<br/>Income Fund</u> |
|------------------------------------------------------------|-----------------------------------|
| <b>Year ended December 31, 2014:</b>                       |                                   |
| Balance, beginning of year, January 1, 2014                | \$ 9,150,421                      |
| Purchases                                                  | 2,097,399                         |
| Interest income                                            | 142,946                           |
| Sales                                                      | 136,808                           |
| Other                                                      | (68,344)                          |
| Balance, end of year, December 31, 2014                    | <u>\$ 11,459,230</u>              |

The input to the Plan's Level 3 investments is interest on the Guaranteed Income Fund, which was 1.40% in 2014 and from May 1, 2013 to December 31, 2013.

The Plan's Level 3 investments whose fair value was estimated using the net asset value per share had no unfunded commitments, the redemption frequency was daily and there were no redemption notice periods.

#### 4. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades.

As of December 31, 2014 and 2013, the Guaranteed Income Fund, which is invested in the General Assets of PRI, represented 23 percent and 24 percent, respectively, of our investments at fair value.

#### 5. Tax Status of the Plan

The Internal Revenue Service ("IRS") has not issued a determination letter stating that the Plan qualifies, in form, under Sections 401(a) and 401(k) of the Internal Revenue Code of 1986, as amended (the "Code"). However, the Plan utilized a non-standardized prototype plan format. These formats have been approved by the IRS and it pre-qualifies the Plan, and the underlying trust is, therefore, exempt from federal income taxes under Section 501(a) of the Code. The Plan is required to operate in accordance with the Code to maintain its tax qualification. The Plan administrator is not aware of any course of actions or series of events that have occurred which might adversely affect the Plan's qualified status. The Plan administrator believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

#### 6. Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions set forth in ERISA. Should the Plan terminate, or should contributions be discontinued, at some future time, the rights of each affected participant to the entire amount credited to his or her account on the date of such termination or discontinuance shall be non-forfeitable and fully vested. Payment of such amounts to each participant or beneficiary, upon the termination of the Plan or upon the

**Breitburn Management Company 401(k) Plan**  
**Notes to Financial Statements**  
**December 31, 2014 and 2013**

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complete discontinuance of contributions under the Plan, shall be made by the Plan administrator at such time and in such manner as the Plan administrator shall state, provided, however, that all participants and beneficiaries similarly situated shall be treated in a nondiscriminatory manner.

**Breitbart Management Company 401(k) Plan**

(formerly known as Breitbart Energy Company 401(k) Plan)

EIN: 76-0822858 Plan: 001

Form 5500, Schedule H, Part IV, Line 4i

**Schedule of Assets (Held at End of Year) December 31, 2014**

| (a) | (b) Identity of Issue, Borrower,<br>Lessor or Similar Party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value | (d)<br>Cost          | (e) Current<br>Value |
|-----|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|     | Prudential Mutual Funds                                     | Principal Overseas Instl                                                                                       | \$ 7,547,825         | \$ 6,954,985         |
|     | Prudential Mutual Funds                                     | Vanguard Value Index Adm                                                                                       | 5,609,908            | 5,860,924            |
|     | Prudential Mutual Funds                                     | Vanguard Growth Index Adm                                                                                      | 5,579,317            | 5,814,119            |
|     | Prudential Mutual Funds                                     | Prudential Total Return Bond A                                                                                 | 4,637,472            | 4,611,188            |
|     | Prudential Mutual Funds                                     | Oppenheimer Discovery A                                                                                        | 2,210,360            | 2,283,251            |
|     | Prudential Mutual Funds                                     | Victory Small Company Opportunity I                                                                            | 1,830,256            | 1,935,513            |
|     | Prudential Mutual Funds                                     | Prudential Jennison Mid Cap Growth Class A                                                                     | 1,469,222            | 1,534,053            |
|     | Prudential Mutual Funds                                     | Voya Real Estate FD CL I                                                                                       | 1,381,255            | 1,506,395            |
|     | Prudential Mutual Funds                                     | JHancock3 Disciplined Value Mid Cap I                                                                          | 1,228,337            | 1,440,884            |
|     | Prudential Mutual Funds                                     | Invesco Diversified Dividend Y                                                                                 | 995,731              | 1,139,199            |
|     | Prudential Mutual Funds                                     | Prudential Stock Index A                                                                                       | 937,263              | 1,096,329            |
|     | Prudential Mutual Funds                                     | Fidelity Advisor Diversified Stock A                                                                           | 678,089              | 757,956              |
|     | Prudential Mutual Funds                                     | JP Morgan Large Cap Growth A                                                                                   | 505,652              | 634,915              |
|     | Prudential Mutual Funds                                     | DFA US Small Cap I                                                                                             | 506,117              | 569,365              |
|     | Prudential Mutual Funds                                     | Columbia Small Cap Index Z                                                                                     | 452,048              | 489,952              |
|     | Prudential Mutual Funds                                     | Oppenheimer Developing Markets Y                                                                               | 292,111              | 278,541              |
|     | Prudential Mutual Funds                                     | Nuveen Mid Cap Index I                                                                                         | 239,014              | 251,082              |
|     | Prudential Mutual Funds                                     | MFS Global Equity R4                                                                                           | 163,434              | 174,648              |
|     | Prudential Mutual Funds                                     | Self Directed Brokerage Account                                                                                | 128,322              | 128,322              |
| *   | Prudential Retirement Insurance<br>and Annuity Company      | Guaranteed Income Fund                                                                                         | 11,459,230           | 11,459,230           |
|     | Notes receivable from participants                          | Interest rates of 4.25% and maturity dates between 2/26/2015<br>and 9/25/2037                                  | -                    | 1,527,405            |
|     |                                                             |                                                                                                                | <u>\$ 50,448,256</u> |                      |

\* Investment held by a permitted party-in-interest.

This schedule was prepared using unaudited financial data certified by the Custodians as complete and accurate in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

See Report of Independent Auditors.

# **Breitburn Management Company 401(k) Plan**

**Financial Statements and Supplemental Schedule  
At December 31, 2014 and 2013 and  
For the Year Ended December 31, 2014  
with Report of Independent Auditors**

**Breitburn Management Company 401(k) Plan**  
**Index**  
**December 31, 2014 and 2013**

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- \* All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



## **Independent Auditor's Report**

Plan Administrator  
Breitburn Management Company 401(k) Plan  
Los Angeles, California

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Breitburn Management Company 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for Disclaimer of Opinion**

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3 to the financial statements, which was certified or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust F.S.B. Company, the custodians of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the custodians held the Plan's assets and executed transactions. The Plan Administrator has obtained a certification from the custodians as of December 31, 2014 and 2013, and for the year ended December 31, 2014, that the information provided to the Plan Administrator by the custodians is complete and accurate.

### **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

### **Other Matter**

The supplemental schedule as of December 31, 2014, required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, is presented for the purpose of additional analysis and is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

**Report on Form and Content in Compliance With the DOL's Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "McGladrey LLP". The signature is written in a cursive, flowing style.

Los Angeles, California  
October 8, 2015

**Breitburn Management Company 401(k) Plan**  
**Statements of Net Assets Available for Benefits**  
**December 31, 2014 and 2013**

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| <b>Assets</b>                       | <b>2014</b>         | <b>2013</b>         |
|-------------------------------------|---------------------|---------------------|
| Investments, at fair value (Note 3) | \$48,920,851        | \$37,559,076        |
| <b>Receivables</b>                  |                     |                     |
| Notes receivable from participants  | 1,527,405           | 1,171,335           |
| Total receivables                   | 1,527,405           | 1,171,335           |
| Net assets available for benefits   | <u>\$50,448,256</u> | <u>\$38,730,411</u> |

See accompanying Notes to Financial Statements.

**Breitburn Management Company 401(k) Plan**  
**Statement of Changes in Net Assets Available for Benefits**  
**Year Ended December 31, 2014**

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|                                                                | <b>Year Ended<br/>December 31,<br/>2014</b> |
|----------------------------------------------------------------|---------------------------------------------|
| <b>Additions to net assets:</b>                                |                                             |
| Investment income (Note 3):                                    |                                             |
| Net appreciation in fair value of investments                  | \$ 2,286,788                                |
| Interest income                                                | 142,946                                     |
| Total investment income                                        | <u>2,429,734</u>                            |
| Interest income on notes receivable from participants (Note 3) | 55,975                                      |
| Contributions:                                                 |                                             |
| Employer                                                       | 4,076,859                                   |
| Participants (excluding rollovers)                             | 5,492,342                                   |
| Participant rollovers                                          | 1,501,558                                   |
| Total contributions                                            | <u>11,070,759</u>                           |
| Total additions                                                | <u>13,556,468</u>                           |
| <b>Deductions from net assets:</b>                             |                                             |
| Benefits paid                                                  | 1,801,204                                   |
| Administrative expenses                                        | 37,419                                      |
| Total deductions                                               | <u>1,838,623</u>                            |
| Net increase in net assets                                     | <u>11,717,845</u>                           |
| <b>Net assets available for benefits:</b>                      |                                             |
| Beginning of year                                              | <u>38,730,411</u>                           |
| End of year                                                    | <u><u>\$ 50,448,256</u></u>                 |

See accompanying Notes to Financial Statements.

# **Breitburn Management Company 401(k) Plan**

## **Notes to Financial Statements**

### **December 31, 2014 and 2013**

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#### **1. Description of Plan**

The following description of the Breitburn Management Company 401(k) Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan Document for a more complete description of the Plan provisions.

##### **General**

The Plan is a participant-directed defined contribution plan covering all employees not leased or temporary of Breitburn Management Company, LLC (the "Company" or "Breitburn Management").

During 2014 and 2013, all employees except part-time, temporary, or seasonal employees (employees whose regularly scheduled service is less than 1,000 hours of service per computation period) were eligible to participate in the Plan at the date of hire. However, if a part-time employee completes 1,000 hours of service during an eligibility computation period, the employee will enter the plan on the next regular entry date.

The Plan is sponsored and administered by Breitburn Management. Prudential Retirement Services ("Prudential") handled the day-to-day record keeping, accounting, and administrative functions of the Plan from May 1, 2013 to December 31, 2014 (see Note 3). The Plan's assets are held by Prudential Bank & Trust FSB Company ("PBT") and Prudential Retirement Insurance and Annuity Company ("PRI") (collectively the "Custodians") (see Note 3). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

##### **Contributions**

In 2014 and 2013, participants could contribute up to \$17,500. Participants age 50 and over could contribute an additional \$5,500 in each year. The Company contributes at its discretion a matching amount equal to the lesser of 8 percent of a participant's gross eligible earnings or 100 percent of the participant's elective deferral, on a per pay period basis. For the period January 1, 2014 through December 31, 2014, the Company made discretionary matching contributions of \$4,295,566, of which \$218,707 was applied from forfeitures and \$4,076,859 was contributed from the Company.

In addition, the Company, at its discretion, may elect to contribute an employer profit sharing contribution. For the year ended December 31, 2014, no such election was made.

Participants may change their contribution percentages or stop making contributions at any time during the Plan year. Company contributions follow the participant's fund election.

##### **Vesting**

Participants are immediately vested in their own contributions and related investment earnings. Vesting in Company contributions is based on hours worked in a calendar year. A participant is 20 percent vested after 1,000 hours worked in a calendar year, and vests an additional 20 percent for each additional calendar year thereafter provided they have worked a minimum of 1,000 hours in that year. A participant is 100 percent vested after working a minimum of 1,000 hours per year for five calendar years.

The Plan recognizes service with another business or organization for employees hired in conjunction with the acquisition of that business or organization.

##### **Participant Accounts**

Each participant's account is credited with his or her contributions, any Company discretionary matching contribution and an allocation of Plan net earnings based on participant account balances, and is charged with any withdrawals. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

# **Breitburn Management Company 401(k) Plan**

## **Notes to Financial Statements**

### **December 31, 2014 and 2013**

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#### **Forfeitures**

Forfeitures are used to pay any administrative expenses and reduce any Company-matching contributions. During the year ended December 31, 2014, forfeitures of \$218,707 were used to reduce employer contributions. As of December 31, 2014 and 2013, forfeitures of \$11,236 and \$129,926, respectively, were available for future use.

#### **Participant Loans**

Each participant may obtain loans against his or her vested account balance, subject to certain restrictions and limitations. Any loans made to a participant are secured by the participant's vested interest in his or her investment fund subaccounts. No loan may exceed the lesser of 50 percent of the participant's vested account balance or \$50,000. The minimum loan amount is \$1,000. A participant can have one conventional loan and one residential loan outstanding at a time. The minimum term for repayment of any loan is six months and the maximum term is five years for a conventional loan and 30 years for a residential loan. Loans bear a fixed rate of interest equal to the prime lending rate published in The Wall Street Journal on the last business day of the month preceding the date the loan is made plus one percent. For each of 2014 and 2013, the loan interest rate averaged 4.25. Upon termination of employment, including death, any outstanding loan balance becomes due and payable and the participant may elect to repay it or treat it as a partial distribution.

#### **Benefits**

Upon termination of service, a participant's vested account balance will be distributed in a single lump-sum payment in cash, given that the participant's account balance does not exceed \$5,000. However, the participant may elect whether to receive the distribution or to roll over the distribution to another retirement plan such as an individual retirement account ("IRA"). If the amount of the distribution is more than \$1,000 (including any rollover contribution) and the participant does not elect either to receive or to rollover the distribution, the Plan automatically will roll over the distribution to an IRA. The IRA provider will invest the rollover funds in a type of investment designed to preserve principal and to provide a reasonable rate of return and liquidity (e.g., an interest-bearing account, a certificate of deposit or a money market fund). If less than \$1,000 remains in their vested account, the participant will receive the value of his or her account balance. Any unvested amounts are forfeited upon termination of service.

#### **Expenses of the Plan**

Certain administrative expenses are paid by the Plan and certain other expenses are paid by the Company. Certain expenses related to individual participant loans are paid by the participant.

## **2. Summary of Significant Accounting Policies**

#### **Basis of Accounting**

The financial statements of the Plan are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Financial Accounting Standards Board ("FASB") accounting standards require investment contracts held by a defined-contribution plan to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as adjustments from fair value to contract value for fully benefit-responsive investment contracts (Guaranteed Income Fund – PRI). The statement of changes in net assets available for benefits reflects the investment contracts on a contract value basis. There were no significant adjustments from fair value to contract value as of December 31, 2014 and 2013.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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#### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts of assets, liabilities, and changes therein, the fair value of investments, and disclosure of contingent assets and liabilities reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

#### **Subsequent Events**

Subsequent events have been evaluated for potential recognition and disclosure through October 8, 2015, the date the financial statements were available to be issued.

#### **Investments Valuation and Income Recognition**

Mutual funds are valued by multiplying the mutual fund unit value, or price, on the last day of the year by the number of mutual fund shares at year end. The Guaranteed Income Fund is valued at contract value, which is equal to fair value.

Purchases and sales of securities are reflected on a trade date basis. The basis for all securities sold is determined by average cost. Interest income is recorded on the accrual basis. The Plan presents in the statement of changes in net assets available for benefits the net appreciation in the fair value of its investments, which consists of the realized gains or losses on the sale of investments during the period and unrealized appreciation or depreciation of investments held at year-end.

#### **Fair Value Measurements**

FASB accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

*Level 2* – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at December 31, 2014 and 2013.

*Mutual Funds* – Mutual Funds are funds that are available to the clients of PBT. The fair values of these mutual funds are determined by the mutual funds' Net Asset Value ("NAV"). The NAV is calculated by dividing the fund's total net assets by the total number of shares outstanding. The fund's total net assets are determined by obtaining pricing for the individual securities within the fund, and minus any liabilities. The calculated NAV or price for the mutual fund is a publicly-quoted price in an active market and updated at the end of each business day.

# Breitburn Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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*Guaranteed Income Fund* – Valued at contract value which is equal to fair value. Fair value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees (See Note 3).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future net values. Furthermore, while the Plan believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### **Benefit Payments**

Benefits are recorded when paid. Net assets available for benefits at December 31, 2014 and 2013 did not include any amounts payable to participants who have withdrawn from the Plan, but have not yet been paid vested benefits.

#### **Accounting Standards**

In May 2015, the FASB issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*. This ASU removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. However, sufficient information must be provided to permit reconciliation of the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of financial position. This ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. This ASU is effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. Upon adoption, the ASU shall be applied retrospectively to all periods presented. The Company's management is currently evaluating the impact this update will have on the Plan's financial statements.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient (Consensus of the FASB Emerging Issues Task Force)*. The purpose of this ASU is to simplify plan accounting and reporting.

The amendments in Part I of this ASU designate contract value as the only required measure for direct investments in fully benefit-responsive investment contracts. Fully benefit-responsive investment contracts will be presented at the contract value; accordingly, there will no longer be an adjustment from fair value to contract value on the face of the financial statements. The amendments in Part II of this ASU will eliminate the requirements for plans to disclose (1) individual investments that represent 5 percent or more of net assets available for benefits and (2) the net appreciation or depreciation for investments by general type for both participant-directed investments and nonparticipant-directed investments. The net appreciation or depreciation in investments for the period will still be required to be presented in the aggregate. The amendments in Part III of this ASU reduce complexity in employee benefit plan accounting by providing a practical expedient that permits plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end. This ASU may be adopted in whole or by part (I, II and III), as applicable. This ASU is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. Upon adoption, the amendments in Parts I and II shall be applied retrospectively to all periods presented; the amendments in Part III shall be applied prospectively. The Company's management is currently evaluating the impact this ASU will have on the Plan's financial statements.

### **3. Assets Certified or Provided by the Custodians**

The following is a summary of the Plan's asset information as of December 31, 2014 and 2013, and for the year ended December 31, 2014.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

---

*Prudential Bank & Trust FSB* – The Plan’s mutual fund asset information included throughout the Plan’s financial statements and supplemental schedule was prepared or derived from information provided and certified by PBT and furnished to the Plan Administrator. The Plan Administrator has obtained certifications for the mutual funds from PBT that information provided to the Plan Administrator by PBT related to the following mutual fund assets is complete and accurate. PBT, asset Custodian, certified the information as of December 31, 2014 and 2013 and for the year ended December 31, 2014. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL’s Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan’s independent auditors not to perform any auditing procedures with respect to information in Note 3 and the supplemental schedule related to the following investments.

The Plan’s investments that were administered by PBT were invested in mutual fund accounts.

*Prudential Retirement Insurance and Annuity Company* – The Plan’s asset information (excluding mutual fund assets) included throughout the Plan’s financial statements and supplemental schedule was prepared or derived from information provided and certified by PRI and furnished to the Plan Administrator. The Plan Administrator has obtained certifications for the self-directed brokerage account and the Guaranteed Income Fund from PRI that information provided to the Plan Administrator by PRI related to the following self-directed brokerage account and the Guaranteed Income Fund assets is complete and accurate. PRI, asset Custodian, certified the information as of December 31, 2014 and 2013 and for the year ended December 31, 2014. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL’s Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan’s independent auditors not to perform any auditing procedures with respect to information in Note 3 and the supplemental schedule related to the following investments.

The Plan’s investments that were administered by PRI were invested in self-directed brokerage accounts and a guaranteed income fund.

The Plan’s investments that individually represent five percent or more of the Plan’s net assets available for plan benefits at December 31, 2014 and 2013 are separately identified:

|                                                                                     | <u>2014</u>          | <u>2013</u>          |
|-------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Investment Contract with Prudential Retirement Insurance and Annuity Company</b> |                      |                      |
| Guaranteed Income Fund                                                              | \$ 11,459,230        | \$ 9,150,421         |
| Other (Self-Directed Brokerage Account)                                             | 128,322              | 78,330               |
| <b>Investment Contract with Prudential Bank &amp; Trust FSB Company</b>             |                      |                      |
| Mutual Funds                                                                        |                      |                      |
| Principal Overseas Instl                                                            | 6,954,985            | 5,526,195            |
| Vanguard Value Index Adm                                                            | 5,860,924            | 4,286,423            |
| Vanguard Growth Index Adm                                                           | 5,814,119            | 4,130,740            |
| Prudential Total Return Bond A                                                      | 4,611,188            | 3,188,443            |
| Oppenheimer Discovery A                                                             | 2,283,251            | 1,969,523            |
| Other                                                                               | <u>11,808,832</u>    | <u>9,229,001</u>     |
| Mutual Funds Total                                                                  | <u>37,333,299</u>    | <u>28,330,325</u>    |
| Total                                                                               | <u>\$ 48,920,851</u> | <u>\$ 37,559,076</u> |

# Breitburn Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

---

During 2014 the Plan's investments in mutual funds and the self-directed brokerage account (including gains and losses on investments bought and sold, as well as held during the year) appreciated \$2,286,788 in fair value. Interest income on the Guaranteed Income Fund totaled \$142,946.

The Plan Administrator has obtained certifications from the Custodians that information provided to the Plan Administrator by the Custodians related to notes receivable of \$1,527,405 and \$1,171,335 as of December 31, 2014 and 2013, respectively, and associated interest income of \$55,975 for the year ended December 31, 2014, is complete and accurate.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the termination of the contract, the termination of the Plan, the failure to meet certain tax qualifications, and amendments or changes of the Plan that requires modification of the contract as determined by the issuer. The Plan administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

There are not any events that allow the issuer to terminate the contract and which require the Plan sponsor to settle at an amount different than Contract Value paid either within 90 days or over time.

The average yields of the benefit-responsive guaranteed investment contracts with the respective custodians are as follows:

|                                            | <u>2014</u> | <u>2013</u> |
|--------------------------------------------|-------------|-------------|
| Based on actual earnings                   | 1.39%       | 1.37%       |
| Based on interest credited to participants | 1.40%       | 1.40%       |

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

#### Fair Value Information

The following table sets forth, by level within the fair value hierarchy, investments at estimated fair value as of December 31, 2014 and 2013:

#### Investments at estimated fair value as of December 31, 2014:

|                                                                   | Level 1              | Level 2           | Level 3              | Total                |
|-------------------------------------------------------------------|----------------------|-------------------|----------------------|----------------------|
| <b><u>Prudential Bank &amp; Trust FSB Company</u></b>             |                      |                   |                      |                      |
| Fixed Income                                                      | \$ 4,611,188         | \$ -              | \$ -                 | \$ 4,611,188         |
| Global Stock                                                      | 174,648              | -                 | -                    | 174,648              |
| International Stock Funds                                         | 7,233,526            | -                 | -                    | 7,233,526            |
| Cap Stock Funds                                                   | 23,807,542           | -                 | -                    | 23,807,542           |
| Real Estate Fund                                                  | 1,506,395            | -                 | -                    | 1,506,395            |
| Mutual Fund Accounts                                              | 37,333,299           | -                 | -                    | 37,333,299           |
| <b><u>Prudential Retirement Insurance and Annuity Company</u></b> |                      |                   |                      |                      |
| Guaranteed Income Fund                                            | -                    | -                 | 11,459,230           | 11,459,230           |
| Self-Directed Brokerage Account                                   | -                    | 128,322           | -                    | 128,322              |
|                                                                   | <u>\$ 37,333,299</u> | <u>\$ 128,322</u> | <u>\$ 11,459,230</u> | <u>\$ 48,920,851</u> |

#### Investments at estimated fair value as of December 31, 2013:

|                                                                   | Level 1              | Level 2          | Level 3             | Total                |
|-------------------------------------------------------------------|----------------------|------------------|---------------------|----------------------|
| <b><u>Prudential Bank &amp; Trust FSB Company</u></b>             |                      |                  |                     |                      |
| Fixed Income                                                      | \$ 3,188,443         | \$ -             | \$ -                | \$ 3,188,443         |
| Global Stock                                                      | 103,403              | -                | -                   | 103,403              |
| International Stock Funds                                         | 5,729,465            | -                | -                   | 5,729,465            |
| Cap Stock Funds                                                   | 18,132,181           | -                | -                   | 18,132,181           |
| Real Estate Fund                                                  | 1,176,833            | -                | -                   | 1,176,833            |
| Mutual Fund Accounts                                              | 28,330,325           | -                | -                   | 28,330,325           |
| <b><u>Prudential Retirement Insurance and Annuity Company</u></b> |                      |                  |                     |                      |
| Guaranteed Income Fund                                            | -                    | -                | 9,150,421           | 9,150,421            |
| Self-Directed Brokerage Account                                   | -                    | 78,330           | -                   | 78,330               |
|                                                                   | <u>\$ 28,330,325</u> | <u>\$ 78,330</u> | <u>\$ 9,150,421</u> | <u>\$ 37,559,076</u> |

The mutual funds are considered level 1 assets and the self-directed brokerage account is considered a level 2 asset. The guaranteed investment contracts are classified as level 3. There were no transfers in or out of Levels 1, 2 or 3 during the year ended December 31, 2014.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

---

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 investments for the year ended December 31, 2014:

| <u>Prudential Retirement Insurance and Annuity Company</u> | <u>Guaranteed<br/>Income Fund</u> |
|------------------------------------------------------------|-----------------------------------|
| <b>Year ended December 31, 2014:</b>                       |                                   |
| Balance, beginning of year, January 1, 2014                | \$ 9,150,421                      |
| Purchases                                                  | 2,097,399                         |
| Interest income                                            | 142,946                           |
| Sales                                                      | 136,808                           |
| Other                                                      | (68,344)                          |
| Balance, end of year, December 31, 2014                    | <u>\$ 11,459,230</u>              |

The input to the Plan's Level 3 investments is interest on the Guaranteed Income Fund, which was 1.40% in 2014 and from May 1, 2013 to December 31, 2013.

The Plan's Level 3 investments whose fair value was estimated using the net asset value per share had no unfunded commitments, the redemption frequency was daily and there were no redemption notice periods.

#### 4. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades.

As of December 31, 2014 and 2013, the Guaranteed Income Fund, which is invested in the General Assets of PRI, represented 23 percent and 24 percent, respectively, of our investments at fair value.

#### 5. Tax Status of the Plan

The Internal Revenue Service ("IRS") has not issued a determination letter stating that the Plan qualifies, in form, under Sections 401(a) and 401(k) of the Internal Revenue Code of 1986, as amended (the "Code"). However, the Plan utilized a non-standardized prototype plan format. These formats have been approved by the IRS and it pre-qualifies the Plan, and the underlying trust is, therefore, exempt from federal income taxes under Section 501(a) of the Code. The Plan is required to operate in accordance with the Code to maintain its tax qualification. The Plan administrator is not aware of any course of actions or series of events that have occurred which might adversely affect the Plan's qualified status. The Plan administrator believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

#### 6. Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions set forth in ERISA. Should the Plan terminate, or should contributions be discontinued, at some future time, the rights of each affected participant to the entire amount credited to his or her account on the date of such termination or discontinuance shall be non-forfeitable and fully vested. Payment of such amounts to each participant or beneficiary, upon the termination of the Plan or upon the

**Breitburn Management Company 401(k) Plan**  
**Notes to Financial Statements**  
**December 31, 2014 and 2013**

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complete discontinuance of contributions under the Plan, shall be made by the Plan administrator at such time and in such manner as the Plan administrator shall state, provided, however, that all participants and beneficiaries similarly situated shall be treated in a nondiscriminatory manner.

**Breitbart Management Company 401(k) Plan**

(formerly known as Breitbart Energy Company 401(k) Plan)

EIN: 76-0822858 Plan: 001

Form 5500, Schedule H, Part IV, Line 4i

**Schedule of Assets (Held at End of Year) December 31, 2014**

| (a) | (b) Identity of Issue, Borrower,<br>Lessor or Similar Party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value | (d)<br>Cost  | (e) Current<br>Value |
|-----|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|--------------|----------------------|
|     | Prudential Mutual Funds                                     | Principal Overseas Instl                                                                                       | \$ 7,547,825 | \$ 6,954,985         |
|     | Prudential Mutual Funds                                     | Vanguard Value Index Adm                                                                                       | 5,609,908    | 5,860,924            |
|     | Prudential Mutual Funds                                     | Vanguard Growth Index Adm                                                                                      | 5,579,317    | 5,814,119            |
|     | Prudential Mutual Funds                                     | Prudential Total Return Bond A                                                                                 | 4,637,472    | 4,611,188            |
|     | Prudential Mutual Funds                                     | Oppenheimer Discovery A                                                                                        | 2,210,360    | 2,283,251            |
|     | Prudential Mutual Funds                                     | Victory Small Company Opportunity I                                                                            | 1,830,256    | 1,935,513            |
|     | Prudential Mutual Funds                                     | Prudential Jennison Mid Cap Growth Class A                                                                     | 1,469,222    | 1,534,053            |
|     | Prudential Mutual Funds                                     | Voya Real Estate FD CL I                                                                                       | 1,381,255    | 1,506,395            |
|     | Prudential Mutual Funds                                     | JHancock3 Disciplined Value Mid Cap I                                                                          | 1,228,337    | 1,440,884            |
|     | Prudential Mutual Funds                                     | Invesco Diversified Dividend Y                                                                                 | 995,731      | 1,139,199            |
|     | Prudential Mutual Funds                                     | Prudential Stock Index A                                                                                       | 937,263      | 1,096,329            |
|     | Prudential Mutual Funds                                     | Fidelity Advisor Diversified Stock A                                                                           | 678,089      | 757,956              |
|     | Prudential Mutual Funds                                     | JP Morgan Large Cap Growth A                                                                                   | 505,652      | 634,915              |
|     | Prudential Mutual Funds                                     | DFA US Small Cap I                                                                                             | 506,117      | 569,365              |
|     | Prudential Mutual Funds                                     | Columbia Small Cap Index Z                                                                                     | 452,048      | 489,952              |
|     | Prudential Mutual Funds                                     | Oppenheimer Developing Markets Y                                                                               | 292,111      | 278,541              |
|     | Prudential Mutual Funds                                     | Nuveen Mid Cap Index I                                                                                         | 239,014      | 251,082              |
|     | Prudential Mutual Funds                                     | MFS Global Equity R4                                                                                           | 163,434      | 174,648              |
|     | Prudential Mutual Funds                                     | Self Directed Brokerage Account                                                                                | 128,322      | 128,322              |
| *   | Prudential Retirement Insurance<br>and Annuity Company      | Guaranteed Income Fund                                                                                         | 11,459,230   | 11,459,230           |
|     | Notes receivable from participants                          | Interest rates of 4.25% and maturity dates between 2/26/2015<br>and 9/25/2037                                  | -            | 1,527,405            |
|     |                                                             |                                                                                                                |              | <u>\$ 50,448,256</u> |

\* Investment held by a permitted party-in-interest.

This schedule was prepared using unaudited financial data certified by the Custodians as complete and accurate in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

See Report of Independent Auditors.

# **Breitburn Management Company 401(k) Plan**

**Financial Statements and Supplemental Schedule  
At December 31, 2014 and 2013 and  
For the Year Ended December 31, 2014  
with Report of Independent Auditors**

**Breitburn Management Company 401(k) Plan**  
**Index**  
**December 31, 2014 and 2013**

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- \* All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



## **Independent Auditor's Report**

Plan Administrator  
Breitburn Management Company 401(k) Plan  
Los Angeles, California

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Breitburn Management Company 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for Disclaimer of Opinion**

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3 to the financial statements, which was certified or provided by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust F.S.B. Company, the custodians of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the custodians held the Plan's assets and executed transactions. The Plan Administrator has obtained a certification from the custodians as of December 31, 2014 and 2013, and for the year ended December 31, 2014, that the information provided to the Plan Administrator by the custodians is complete and accurate.

### **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

### **Other Matter**

The supplemental schedule as of December 31, 2014, required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, is presented for the purpose of additional analysis and is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

**Report on Form and Content in Compliance With the DOL's Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "McGladrey LLP". The signature is written in a cursive, flowing style.

Los Angeles, California  
October 8, 2015

**Breitburn Management Company 401(k) Plan**  
**Statements of Net Assets Available for Benefits**  
**December 31, 2014 and 2013**

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| <b>Assets</b>                       | <b>2014</b>         | <b>2013</b>         |
|-------------------------------------|---------------------|---------------------|
| Investments, at fair value (Note 3) | \$48,920,851        | \$37,559,076        |
| <b>Receivables</b>                  |                     |                     |
| Notes receivable from participants  | 1,527,405           | 1,171,335           |
| Total receivables                   | 1,527,405           | 1,171,335           |
| Net assets available for benefits   | <u>\$50,448,256</u> | <u>\$38,730,411</u> |

See accompanying Notes to Financial Statements.

**Breitburn Management Company 401(k) Plan**  
**Statement of Changes in Net Assets Available for Benefits**  
**Year Ended December 31, 2014**

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|                                                                | <b>Year Ended<br/>December 31,<br/>2014</b> |
|----------------------------------------------------------------|---------------------------------------------|
| <b>Additions to net assets:</b>                                |                                             |
| Investment income (Note 3):                                    |                                             |
| Net appreciation in fair value of investments                  | \$ 2,286,788                                |
| Interest income                                                | 142,946                                     |
| Total investment income                                        | <u>2,429,734</u>                            |
| Interest income on notes receivable from participants (Note 3) | 55,975                                      |
| Contributions:                                                 |                                             |
| Employer                                                       | 4,076,859                                   |
| Participants (excluding rollovers)                             | 5,492,342                                   |
| Participant rollovers                                          | 1,501,558                                   |
| Total contributions                                            | <u>11,070,759</u>                           |
| Total additions                                                | <u>13,556,468</u>                           |
| <b>Deductions from net assets:</b>                             |                                             |
| Benefits paid                                                  | 1,801,204                                   |
| Administrative expenses                                        | 37,419                                      |
| Total deductions                                               | <u>1,838,623</u>                            |
| Net increase in net assets                                     | <u>11,717,845</u>                           |
| <b>Net assets available for benefits:</b>                      |                                             |
| Beginning of year                                              | <u>38,730,411</u>                           |
| End of year                                                    | <u><u>\$ 50,448,256</u></u>                 |

See accompanying Notes to Financial Statements.

# **Breitburn Management Company 401(k) Plan**

## **Notes to Financial Statements**

### **December 31, 2014 and 2013**

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#### **1. Description of Plan**

The following description of the Breitburn Management Company 401(k) Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan Document for a more complete description of the Plan provisions.

##### **General**

The Plan is a participant-directed defined contribution plan covering all employees not leased or temporary of Breitburn Management Company, LLC (the "Company" or "Breitburn Management").

During 2014 and 2013, all employees except part-time, temporary, or seasonal employees (employees whose regularly scheduled service is less than 1,000 hours of service per computation period) were eligible to participate in the Plan at the date of hire. However, if a part-time employee completes 1,000 hours of service during an eligibility computation period, the employee will enter the plan on the next regular entry date.

The Plan is sponsored and administered by Breitburn Management. Prudential Retirement Services ("Prudential") handled the day-to-day record keeping, accounting, and administrative functions of the Plan from May 1, 2013 to December 31, 2014 (see Note 3). The Plan's assets are held by Prudential Bank & Trust FSB Company ("PBT") and Prudential Retirement Insurance and Annuity Company ("PRI") (collectively the "Custodians") (see Note 3). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

##### **Contributions**

In 2014 and 2013, participants could contribute up to \$17,500. Participants age 50 and over could contribute an additional \$5,500 in each year. The Company contributes at its discretion a matching amount equal to the lesser of 8 percent of a participant's gross eligible earnings or 100 percent of the participant's elective deferral, on a per pay period basis. For the period January 1, 2014 through December 31, 2014, the Company made discretionary matching contributions of \$4,295,566, of which \$218,707 was applied from forfeitures and \$4,076,859 was contributed from the Company.

In addition, the Company, at its discretion, may elect to contribute an employer profit sharing contribution. For the year ended December 31, 2014, no such election was made.

Participants may change their contribution percentages or stop making contributions at any time during the Plan year. Company contributions follow the participant's fund election.

##### **Vesting**

Participants are immediately vested in their own contributions and related investment earnings. Vesting in Company contributions is based on hours worked in a calendar year. A participant is 20 percent vested after 1,000 hours worked in a calendar year, and vests an additional 20 percent for each additional calendar year thereafter provided they have worked a minimum of 1,000 hours in that year. A participant is 100 percent vested after working a minimum of 1,000 hours per year for five calendar years.

The Plan recognizes service with another business or organization for employees hired in conjunction with the acquisition of that business or organization.

##### **Participant Accounts**

Each participant's account is credited with his or her contributions, any Company discretionary matching contribution and an allocation of Plan net earnings based on participant account balances, and is charged with any withdrawals. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

# **Breitburn Management Company 401(k) Plan**

## **Notes to Financial Statements**

### **December 31, 2014 and 2013**

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#### **Forfeitures**

Forfeitures are used to pay any administrative expenses and reduce any Company-matching contributions. During the year ended December 31, 2014, forfeitures of \$218,707 were used to reduce employer contributions. As of December 31, 2014 and 2013, forfeitures of \$11,236 and \$129,926, respectively, were available for future use.

#### **Participant Loans**

Each participant may obtain loans against his or her vested account balance, subject to certain restrictions and limitations. Any loans made to a participant are secured by the participant's vested interest in his or her investment fund subaccounts. No loan may exceed the lesser of 50 percent of the participant's vested account balance or \$50,000. The minimum loan amount is \$1,000. A participant can have one conventional loan and one residential loan outstanding at a time. The minimum term for repayment of any loan is six months and the maximum term is five years for a conventional loan and 30 years for a residential loan. Loans bear a fixed rate of interest equal to the prime lending rate published in The Wall Street Journal on the last business day of the month preceding the date the loan is made plus one percent. For each of 2014 and 2013, the loan interest rate averaged 4.25. Upon termination of employment, including death, any outstanding loan balance becomes due and payable and the participant may elect to repay it or treat it as a partial distribution.

#### **Benefits**

Upon termination of service, a participant's vested account balance will be distributed in a single lump-sum payment in cash, given that the participant's account balance does not exceed \$5,000. However, the participant may elect whether to receive the distribution or to roll over the distribution to another retirement plan such as an individual retirement account ("IRA"). If the amount of the distribution is more than \$1,000 (including any rollover contribution) and the participant does not elect either to receive or to rollover the distribution, the Plan automatically will roll over the distribution to an IRA. The IRA provider will invest the rollover funds in a type of investment designed to preserve principal and to provide a reasonable rate of return and liquidity (e.g., an interest-bearing account, a certificate of deposit or a money market fund). If less than \$1,000 remains in their vested account, the participant will receive the value of his or her account balance. Any unvested amounts are forfeited upon termination of service.

#### **Expenses of the Plan**

Certain administrative expenses are paid by the Plan and certain other expenses are paid by the Company. Certain expenses related to individual participant loans are paid by the participant.

## **2. Summary of Significant Accounting Policies**

#### **Basis of Accounting**

The financial statements of the Plan are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Financial Accounting Standards Board ("FASB") accounting standards require investment contracts held by a defined-contribution plan to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as adjustments from fair value to contract value for fully benefit-responsive investment contracts (Guaranteed Income Fund – PRI). The statement of changes in net assets available for benefits reflects the investment contracts on a contract value basis. There were no significant adjustments from fair value to contract value as of December 31, 2014 and 2013.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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#### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts of assets, liabilities, and changes therein, the fair value of investments, and disclosure of contingent assets and liabilities reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

#### **Subsequent Events**

Subsequent events have been evaluated for potential recognition and disclosure through October 8, 2015, the date the financial statements were available to be issued.

#### **Investments Valuation and Income Recognition**

Mutual funds are valued by multiplying the mutual fund unit value, or price, on the last day of the year by the number of mutual fund shares at year end. The Guaranteed Income Fund is valued at contract value, which is equal to fair value.

Purchases and sales of securities are reflected on a trade date basis. The basis for all securities sold is determined by average cost. Interest income is recorded on the accrual basis. The Plan presents in the statement of changes in net assets available for benefits the net appreciation in the fair value of its investments, which consists of the realized gains or losses on the sale of investments during the period and unrealized appreciation or depreciation of investments held at year-end.

#### **Fair Value Measurements**

FASB accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

*Level 2* – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at December 31, 2014 and 2013.

*Mutual Funds* – Mutual Funds are funds that are available to the clients of PBT. The fair values of these mutual funds are determined by the mutual funds' Net Asset Value ("NAV"). The NAV is calculated by dividing the fund's total net assets by the total number of shares outstanding. The fund's total net assets are determined by obtaining pricing for the individual securities within the fund, and minus any liabilities. The calculated NAV or price for the mutual fund is a publicly-quoted price in an active market and updated at the end of each business day.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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*Guaranteed Income Fund* – Valued at contract value which is equal to fair value. Fair value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees (See Note 3).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future net values. Furthermore, while the Plan believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### **Benefit Payments**

Benefits are recorded when paid. Net assets available for benefits at December 31, 2014 and 2013 did not include any amounts payable to participants who have withdrawn from the Plan, but have not yet been paid vested benefits.

#### **Accounting Standards**

In May 2015, the FASB issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*. This ASU removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. However, sufficient information must be provided to permit reconciliation of the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of financial position. This ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. This ASU is effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. Upon adoption, the ASU shall be applied retrospectively to all periods presented. The Company's management is currently evaluating the impact this update will have on the Plan's financial statements.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient (Consensus of the FASB Emerging Issues Task Force)*. The purpose of this ASU is to simplify plan accounting and reporting.

The amendments in Part I of this ASU designate contract value as the only required measure for direct investments in fully benefit-responsive investment contracts. Fully benefit-responsive investment contracts will be presented at the contract value; accordingly, there will no longer be an adjustment from fair value to contract value on the face of the financial statements. The amendments in Part II of this ASU will eliminate the requirements for plans to disclose (1) individual investments that represent 5 percent or more of net assets available for benefits and (2) the net appreciation or depreciation for investments by general type for both participant-directed investments and nonparticipant-directed investments. The net appreciation or depreciation in investments for the period will still be required to be presented in the aggregate. The amendments in Part III of this ASU reduce complexity in employee benefit plan accounting by providing a practical expedient that permits plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end. This ASU may be adopted in whole or by part (I, II and III), as applicable. This ASU is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. Upon adoption, the amendments in Parts I and II shall be applied retrospectively to all periods presented; the amendments in Part III shall be applied prospectively. The Company's management is currently evaluating the impact this ASU will have on the Plan's financial statements.

### **3. Assets Certified or Provided by the Custodians**

The following is a summary of the Plan's asset information as of December 31, 2014 and 2013, and for the year ended December 31, 2014.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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*Prudential Bank & Trust FSB* – The Plan’s mutual fund asset information included throughout the Plan’s financial statements and supplemental schedule was prepared or derived from information provided and certified by PBT and furnished to the Plan Administrator. The Plan Administrator has obtained certifications for the mutual funds from PBT that information provided to the Plan Administrator by PBT related to the following mutual fund assets is complete and accurate. PBT, asset Custodian, certified the information as of December 31, 2014 and 2013 and for the year ended December 31, 2014. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL’s Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan’s independent auditors not to perform any auditing procedures with respect to information in Note 3 and the supplemental schedule related to the following investments.

The Plan’s investments that were administered by PBT were invested in mutual fund accounts.

*Prudential Retirement Insurance and Annuity Company* – The Plan’s asset information (excluding mutual fund assets) included throughout the Plan’s financial statements and supplemental schedule was prepared or derived from information provided and certified by PRI and furnished to the Plan Administrator. The Plan Administrator has obtained certifications for the self-directed brokerage account and the Guaranteed Income Fund from PRI that information provided to the Plan Administrator by PRI related to the following self-directed brokerage account and the Guaranteed Income Fund assets is complete and accurate. PRI, asset Custodian, certified the information as of December 31, 2014 and 2013 and for the year ended December 31, 2014. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL’s Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan’s independent auditors not to perform any auditing procedures with respect to information in Note 3 and the supplemental schedule related to the following investments.

The Plan’s investments that were administered by PRI were invested in self-directed brokerage accounts and a guaranteed income fund.

The Plan’s investments that individually represent five percent or more of the Plan’s net assets available for plan benefits at December 31, 2014 and 2013 are separately identified:

|                                                                                     | <u>2014</u>          | <u>2013</u>          |
|-------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Investment Contract with Prudential Retirement Insurance and Annuity Company</b> |                      |                      |
| Guaranteed Income Fund                                                              | \$ 11,459,230        | \$ 9,150,421         |
| Other (Self-Directed Brokerage Account)                                             | 128,322              | 78,330               |
| <b>Investment Contract with Prudential Bank &amp; Trust FSB Company</b>             |                      |                      |
| Mutual Funds                                                                        |                      |                      |
| Principal Overseas Instl                                                            | 6,954,985            | 5,526,195            |
| Vanguard Value Index Adm                                                            | 5,860,924            | 4,286,423            |
| Vanguard Growth Index Adm                                                           | 5,814,119            | 4,130,740            |
| Prudential Total Return Bond A                                                      | 4,611,188            | 3,188,443            |
| Oppenheimer Discovery A                                                             | 2,283,251            | 1,969,523            |
| Other                                                                               | <u>11,808,832</u>    | <u>9,229,001</u>     |
| Mutual Funds Total                                                                  | <u>37,333,299</u>    | <u>28,330,325</u>    |
| Total                                                                               | <u>\$ 48,920,851</u> | <u>\$ 37,559,076</u> |

# Breitburn Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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During 2014 the Plan's investments in mutual funds and the self-directed brokerage account (including gains and losses on investments bought and sold, as well as held during the year) appreciated \$2,286,788 in fair value. Interest income on the Guaranteed Income Fund totaled \$142,946.

The Plan Administrator has obtained certifications from the Custodians that information provided to the Plan Administrator by the Custodians related to notes receivable of \$1,527,405 and \$1,171,335 as of December 31, 2014 and 2013, respectively, and associated interest income of \$55,975 for the year ended December 31, 2014, is complete and accurate.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the termination of the contract, the termination of the Plan, the failure to meet certain tax qualifications, and amendments or changes of the Plan that requires modification of the contract as determined by the issuer. The Plan administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

There are not any events that allow the issuer to terminate the contract and which require the Plan sponsor to settle at an amount different than Contract Value paid either within 90 days or over time.

The average yields of the benefit-responsive guaranteed investment contracts with the respective custodians are as follows:

|                                            | <u>2014</u> | <u>2013</u> |
|--------------------------------------------|-------------|-------------|
| Based on actual earnings                   | 1.39%       | 1.37%       |
| Based on interest credited to participants | 1.40%       | 1.40%       |

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

#### Fair Value Information

The following table sets forth, by level within the fair value hierarchy, investments at estimated fair value as of December 31, 2014 and 2013:

#### Investments at estimated fair value as of December 31, 2014:

|                                                                   | Level 1              | Level 2           | Level 3              | Total                |
|-------------------------------------------------------------------|----------------------|-------------------|----------------------|----------------------|
| <b><u>Prudential Bank &amp; Trust FSB Company</u></b>             |                      |                   |                      |                      |
| Fixed Income                                                      | \$ 4,611,188         | \$ -              | \$ -                 | \$ 4,611,188         |
| Global Stock                                                      | 174,648              | -                 | -                    | 174,648              |
| International Stock Funds                                         | 7,233,526            | -                 | -                    | 7,233,526            |
| Cap Stock Funds                                                   | 23,807,542           | -                 | -                    | 23,807,542           |
| Real Estate Fund                                                  | 1,506,395            | -                 | -                    | 1,506,395            |
| Mutual Fund Accounts                                              | 37,333,299           | -                 | -                    | 37,333,299           |
| <b><u>Prudential Retirement Insurance and Annuity Company</u></b> |                      |                   |                      |                      |
| Guaranteed Income Fund                                            | -                    | -                 | 11,459,230           | 11,459,230           |
| Self-Directed Brokerage Account                                   | -                    | 128,322           | -                    | 128,322              |
|                                                                   | <u>\$ 37,333,299</u> | <u>\$ 128,322</u> | <u>\$ 11,459,230</u> | <u>\$ 48,920,851</u> |

#### Investments at estimated fair value as of December 31, 2013:

|                                                                   | Level 1              | Level 2          | Level 3             | Total                |
|-------------------------------------------------------------------|----------------------|------------------|---------------------|----------------------|
| <b><u>Prudential Bank &amp; Trust FSB Company</u></b>             |                      |                  |                     |                      |
| Fixed Income                                                      | \$ 3,188,443         | \$ -             | \$ -                | \$ 3,188,443         |
| Global Stock                                                      | 103,403              | -                | -                   | 103,403              |
| International Stock Funds                                         | 5,729,465            | -                | -                   | 5,729,465            |
| Cap Stock Funds                                                   | 18,132,181           | -                | -                   | 18,132,181           |
| Real Estate Fund                                                  | 1,176,833            | -                | -                   | 1,176,833            |
| Mutual Fund Accounts                                              | 28,330,325           | -                | -                   | 28,330,325           |
| <b><u>Prudential Retirement Insurance and Annuity Company</u></b> |                      |                  |                     |                      |
| Guaranteed Income Fund                                            | -                    | -                | 9,150,421           | 9,150,421            |
| Self-Directed Brokerage Account                                   | -                    | 78,330           | -                   | 78,330               |
|                                                                   | <u>\$ 28,330,325</u> | <u>\$ 78,330</u> | <u>\$ 9,150,421</u> | <u>\$ 37,559,076</u> |

The mutual funds are considered level 1 assets and the self-directed brokerage account is considered a level 2 asset. The guaranteed investment contracts are classified as level 3. There were no transfers in or out of Levels 1, 2 or 3 during the year ended December 31, 2014.

# Breitbart Management Company 401(k) Plan

## Notes to Financial Statements

### December 31, 2014 and 2013

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The following table sets forth a summary of changes in the fair value of the Plan's Level 3 investments for the year ended December 31, 2014:

| <u>Prudential Retirement Insurance and Annuity Company</u> | <u>Guaranteed<br/>Income Fund</u> |
|------------------------------------------------------------|-----------------------------------|
| <b>Year ended December 31, 2014:</b>                       |                                   |
| Balance, beginning of year, January 1, 2014                | \$ 9,150,421                      |
| Purchases                                                  | 2,097,399                         |
| Interest income                                            | 142,946                           |
| Sales                                                      | 136,808                           |
| Other                                                      | (68,344)                          |
| Balance, end of year, December 31, 2014                    | <u>\$ 11,459,230</u>              |

The input to the Plan's Level 3 investments is interest on the Guaranteed Income Fund, which was 1.40% in 2014 and from May 1, 2013 to December 31, 2013.

The Plan's Level 3 investments whose fair value was estimated using the net asset value per share had no unfunded commitments, the redemption frequency was daily and there were no redemption notice periods.

#### 4. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades.

As of December 31, 2014 and 2013, the Guaranteed Income Fund, which is invested in the General Assets of PRI, represented 23 percent and 24 percent, respectively, of our investments at fair value.

#### 5. Tax Status of the Plan

The Internal Revenue Service ("IRS") has not issued a determination letter stating that the Plan qualifies, in form, under Sections 401(a) and 401(k) of the Internal Revenue Code of 1986, as amended (the "Code"). However, the Plan utilized a non-standardized prototype plan format. These formats have been approved by the IRS and it pre-qualifies the Plan, and the underlying trust is, therefore, exempt from federal income taxes under Section 501(a) of the Code. The Plan is required to operate in accordance with the Code to maintain its tax qualification. The Plan administrator is not aware of any course of actions or series of events that have occurred which might adversely affect the Plan's qualified status. The Plan administrator believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

#### 6. Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions set forth in ERISA. Should the Plan terminate, or should contributions be discontinued, at some future time, the rights of each affected participant to the entire amount credited to his or her account on the date of such termination or discontinuance shall be non-forfeitable and fully vested. Payment of such amounts to each participant or beneficiary, upon the termination of the Plan or upon the

**Breitburn Management Company 401(k) Plan**  
**Notes to Financial Statements**  
**December 31, 2014 and 2013**

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complete discontinuance of contributions under the Plan, shall be made by the Plan administrator at such time and in such manner as the Plan administrator shall state, provided, however, that all participants and beneficiaries similarly situated shall be treated in a nondiscriminatory manner.

**Breitbart Management Company 401(k) Plan**

(formerly known as Breitbart Energy Company 401(k) Plan)

**EIN: 76-0822858 Plan: 001****Form 5500, Schedule H, Part IV, Line 4i****Schedule of Assets (Held at End of Year) December 31, 2014**

| (a) | (b) Identity of Issue, Borrower,<br>Lessor or Similar Party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value | (d)<br>Cost  | (e) Current<br>Value |
|-----|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|--------------|----------------------|
|     | Prudential Mutual Funds                                     | Principal Overseas Instl                                                                                       | \$ 7,547,825 | \$ 6,954,985         |
|     | Prudential Mutual Funds                                     | Vanguard Value Index Adm                                                                                       | 5,609,908    | 5,860,924            |
|     | Prudential Mutual Funds                                     | Vanguard Growth Index Adm                                                                                      | 5,579,317    | 5,814,119            |
|     | Prudential Mutual Funds                                     | Prudential Total Return Bond A                                                                                 | 4,637,472    | 4,611,188            |
|     | Prudential Mutual Funds                                     | Oppenheimer Discovery A                                                                                        | 2,210,360    | 2,283,251            |
|     | Prudential Mutual Funds                                     | Victory Small Company Opportunity I                                                                            | 1,830,256    | 1,935,513            |
|     | Prudential Mutual Funds                                     | Prudential Jennison Mid Cap Growth Class A                                                                     | 1,469,222    | 1,534,053            |
|     | Prudential Mutual Funds                                     | Voya Real Estate FD CL I                                                                                       | 1,381,255    | 1,506,395            |
|     | Prudential Mutual Funds                                     | JHancock3 Disciplined Value Mid Cap I                                                                          | 1,228,337    | 1,440,884            |
|     | Prudential Mutual Funds                                     | Invesco Diversified Dividend Y                                                                                 | 995,731      | 1,139,199            |
|     | Prudential Mutual Funds                                     | Prudential Stock Index A                                                                                       | 937,263      | 1,096,329            |
|     | Prudential Mutual Funds                                     | Fidelity Advisor Diversified Stock A                                                                           | 678,089      | 757,956              |
|     | Prudential Mutual Funds                                     | JP Morgan Large Cap Growth A                                                                                   | 505,652      | 634,915              |
|     | Prudential Mutual Funds                                     | DFA US Small Cap I                                                                                             | 506,117      | 569,365              |
|     | Prudential Mutual Funds                                     | Columbia Small Cap Index Z                                                                                     | 452,048      | 489,952              |
|     | Prudential Mutual Funds                                     | Oppenheimer Developing Markets Y                                                                               | 292,111      | 278,541              |
|     | Prudential Mutual Funds                                     | Nuveen Mid Cap Index I                                                                                         | 239,014      | 251,082              |
|     | Prudential Mutual Funds                                     | MFS Global Equity R4                                                                                           | 163,434      | 174,648              |
|     | Prudential Mutual Funds                                     | Self Directed Brokerage Account                                                                                | 128,322      | 128,322              |
| *   | Prudential Retirement Insurance<br>and Annuity Company      | Guaranteed Income Fund                                                                                         | 11,459,230   | 11,459,230           |
|     | Notes receivable from participants                          | Interest rates of 4.25% and maturity dates between 2/26/2015<br>and 9/25/2037                                  | -            | 1,527,405            |
|     |                                                             |                                                                                                                |              | <u>\$ 50,448,256</u> |

\* Investment held by a permitted party-in-interest.

This schedule was prepared using unaudited financial data certified by the Custodians as complete and accurate in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

See Report of Independent Auditors.