



CODE OF BUSINESS ETHICS

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The official Code of Business Ethics is located on the TEPPCO employee portal and TEPPCO’s website. Printed copies may not include the most current information.

INTRODUCTION

A MESSAGE FROM BARRY PEARL

TEPPCO Employees:

TEPPCO's commitment to honest, fair and open business conduct has deep roots, spanning more than a half-century since its inception. We have a variety of stakeholders – customers, investors, employees and the communities that we operate in and serve. Each of these stakeholders depends on TEPPCO to carry out its business with the highest standard of business ethics and values.

Our business has grown dramatically in size and complexity over the years, and we operate in increasingly dynamic markets and under more stringent regulatory scrutiny. As our business environment becomes more challenging and complex, TEPPCO's ethical foundation becomes increasingly important. The values we share as a company and as individuals are the constants we rely upon in the midst of change and shifting markets.

TEPPCO's Code of Business Ethics ("Code") contains the standards and ethical business principles that are intended to guide the decisions we make and the services we deliver wherever we operate. These standards enable us all to make good decisions that will stand the test of time, fulfill the letter and spirit of the law, and support our company's character of integrity.

The decisions and judgment calls we make aren't always easy or clear-cut. Included in the Code is a list of resources to which you can turn when you need help or have questions.

TEPPCO's business values direct us in situations that aren't specifically addressed by the Code of Business Ethics standards. These values represent our company's foundation, as well as our future. They form the basis of our behavior, our business decisions, our image, our reputation, and our success.

Simply put, we will be successful when our investors realize a superior return on their investment; our customers and suppliers benefit from our business relationships; the communities and states in which we operate value our citizenship; and every TEPPCO employee starts each day with a sense of purpose and ends each day with a sense of accomplishment.

Barry R. Pearl

President and Chief Executive Officer

ABOUT THIS CODE

This company-wide Code applies to employees, officers and directors of Texas Eastern Products Pipeline Company, LLC, TEPPCO Partners, L.P. and their subsidiaries (all referred to as TEPPCO or the Company). It also represents the code of ethics for senior financial officers and the principal executive officer of the Company required by the Sarbanes-Oxley Act of 2002. Some sections and topics may be more relevant to certain functions or departments than to others. However, every employee, officer and director should recognize that their business actions affect the reputation and integrity of TEPPCO. Therefore, it is essential that each take the appropriate time to read this Code and develop a working knowledge of its provisions.

TEPPCO employees, officers and directors should be aware that:

- This Code cannot anticipate every possible situation or cover every topic in detail. If a situation is unclear, stop and ask for guidance before taking action.
- Most of the topics covered in this Code are explained in greater detail in existing TEPPCO policies and procedures. This Code does not supersede, change or alter these existing policies and procedures.
- From time to time TEPPCO may establish training programs to address specific areas of risk. Reading this Code is not a substitute for completing these training programs.
- This Code does not necessarily take into account all local legal requirements. Where more restrictive local laws or requirements exist, those take precedence.
- This Code is not intended to create, nor does it create, any contractual rights related to employment.

TEPPCO employees may be asked periodically to certify compliance with this Code.

HOW OUR BUSINESS VALUES RELATE TO THIS CODE AND OUR POLICIES AND PROCEDURES

While our business values represent universal behaviors that can be applied to a wide variety of situations, the standards in this Code focus on what to do when specific business issues arise. When faced with any situation, we can use the values to point us in the right direction. In specific situations, the standards in the Code provide guidance on what to do.

Sometimes, however, the standards contained in this Code may not provide enough information to resolve a specific issue. In cases where a particular standard of behavior isn't detailed enough, TEPPCO's policies and procedures can provide additional information. These policies and procedures can be accessed through the TEPPCO employee portal or by contacting the Law Department at the telephone number on the contact list at the end of this Code.

TEPPCO BUSINESS PURPOSE

Our purpose is to create superior value for our customers, employees, communities and investors through the businesses we conduct and through steadfast adherence to our business values.

TEPPCO BUSINESS VALUES

As TEPPCO employees and representatives, in conducting our business, we value:

STEWARDSHIP – A commitment to health, safety, environmental responsibility and the betterment of our communities.

INTEGRITY – Ethically and honestly doing what we say we will do.

RESPECT FOR THE INDIVIDUAL – Embracing diversity and inclusion, enhanced by openness, sharing, trust, teamwork and involvement.

HIGH PERFORMANCE – The excitement and fulfillment of achieving superior business results and stretching our capabilities.

WIN-WIN RELATIONSHIPS – Having relationships which focus on the creation of value for all parties.

INITIATIVE – Having the courage, creativity and discipline to lead change and shape the future.

REPORTING A VIOLATION OF THE CODE

Each employee, officer and director is responsible for promptly reporting any circumstances that such person believes in good faith may constitute a violation of this Code, as well as other policies of TEPPCO.

Suspected policy violations should be reported (including confidential and anonymous reports) either by

(1) Calling, writing or emailing the General Counsel at TEPPCO's executive offices listed on the contact list at the end of this Code; or

(2) Calling the EthicsLine.

The **EthicsLine** is an independently-operated reporting system through which employees can:

- Anonymously report suspected unethical and criminal conduct, or
- Ask questions to resolve ethical dilemmas within the organization without fear of retribution.

Should you choose to identify yourself, your identity will be kept confidential to the extent permissible by law and feasible to permit an investigation to occur.

The toll-free telephone number is **1-800-525-3783**. You may call this number at any time, day or night.

The EthicsLine is staffed by an independent third party that TEPPCO has retained to take employee calls. When you call the EthicsLine, you can give your name or choose to remain anonymous and expect to:

- Have information gathered in response to your questions or concerns.
- Be assigned a unique case number.
- Have an investigation conducted about the suspected violation.
- Have the opportunity to call back to find out the status or outcome of the investigation.

All matters reported to the EthicsLine will be referred to the General Counsel of TEPPCO on a discrete and confidential basis.

REPORTING MATTERS TO THE AUDIT COMMITTEE

In addition, if any employee has a concern regarding any questionable accounting, internal accounting controls, or auditing matters, they may confidentially and anonymously submit any such matters directly to the Corporate Governance Hotline.

The Corporate Governance Hotline is an independently-operated reporting system through which employees can anonymously report complaints regarding accounting, internal accounting controls, or auditing matters, without fear of retaliation.

The toll-free telephone number for the Corporate Governance Hotline is **1-800-799-4607**. You may call this number at any time, day or night.

All calls to the Corporate Governance Hotline are referred to the Chairman of the Audit Committee of TEPPCO's Board of Directors. The Audit Committee will promptly oversee any investigation and response to concerns, independent of Company management.

ADDITIONAL RESOURCES

If you have any questions or need any additional information, you may e-mail the Law Department at jcruth@teppco.com.

Any employee may always contact any officer of the Company, including the Chief Executive Officer, to report any violation or suspected violation of this Code.

FRAUD

Fraud, or the potential of fraud, compromises the integrity of our financial reporting system and the safety of our assets, both physical and intellectual.

If you become aware of fraud in any amount committed by management or any employee with a significant role in internal control over financial reporting, or suspect fraud or become aware of allegations of fraud committed by anyone that could result in a material misstatement in financial statements, it should be promptly reported to the Chief Ethics Officer, Chief Financial Officer or the Corporate Governance Hotline.

RETALIATION IS PROHIBITED

TEPPCO will not retaliate against any employee because he or she reports suspected unethical conduct or violations of laws, regulations or company policies. This means that TEPPCO will not terminate, demote, transfer to an undesirable assignment or otherwise discriminate against an employee because he or she has reported suspected unethical conduct or violations of laws, regulations or company policies. This includes giving information in relation to an investigation. However, the reporting of a violation will not excuse the violation itself. In addition, TEPPCO reserves the right to discipline anyone who knowingly makes a false accusation, provides false information to TEPPCO or others or acts improperly.

CONSEQUENCES OF VIOLATING THE STANDARDS IN THIS CODE

Failure to obey laws and regulations violates this Code and may expose both you and the Company to criminal or civil prosecution. Any violation of this Code or TEPPCO compliance programs may result in corrective action up to and including termination. The Company may also seek civil remedies from you and even refer criminal misconduct to law enforcement agencies.

WAIVERS OF THIS CODE

All employees, officers and directors are expected to follow the applicable standards set forth in this Code. Any waivers of this Code may be made only by the Board of Directors or a Board committee to which such responsibility has been delegated, and any waivers for executive officers or directors must be promptly disclosed as required by applicable or stock exchange regulation. Any circumstance that may potentially require a waiver from any part of this Code shall be forwarded immediately to the General Counsel, who will then submit it to the Board or appropriate Board committee for review.

THE STANDARDS

ACCOUNTING AND FINANCIAL REPORTING PRACTICES

It is the policy of TEPPCO to fully and fairly disclose its financial performance and condition in compliance with the applicable accounting principles, laws, rules and regulations and to make full, fair, accurate, timely and understandable disclosure in its periodic reports filed with the Securities and Exchange Commission and in other communications to securities analysts, rating agencies and investors. Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions. TEPPCO's accounting records are relied upon to produce reports for TEPPCO's management, rating agencies, investors, creditors, governmental agencies and others. Our financial statements and the books and records on which they are based must accurately reflect all corporate transactions and conform to all legal and accounting requirements and our system of internal controls.

TEPPCO's internal controls and procedures for financial reporting help protect our financial accountability by:

- Assuring management's authorization of financial transactions;
- Ensuring that financial transactions are properly recorded and posted;
- Satisfying government and other regulatory requirements; and
- Providing reasonable assurance that we are in compliance with GAAP and applicable tax laws.

Responsibilities in Reporting

All employees and, in particular, the chief financial officer, comptroller or principal accounting officer, and principal executive officer of the Company, have a responsibility to ensure that TEPPCO's accounting records do not contain any false or intentionally misleading entries. TEPPCO employees must not manipulate financial accounts, records or reports, maintain off-the-book accounts to facilitate questionable or illegal payments, or take any action or cause anyone else to take any action to influence, coerce, manipulate or mislead auditors for the purpose of rendering financial statements misleading, and in particular:

- All Company accounting records, as well as reports produced from those records, must be kept and presented in accordance with the laws of each applicable jurisdiction;
- All records must fairly and accurately reflect the transactions or occurrences to which they relate;

- All records must fairly and accurately reflect in reasonable detail TEPPCO's assets, liabilities, revenues and expenses;
- TEPPCO's accounting records must not contain any intentionally false or misleading entries;
- Transactions must not be misclassified as to accounts, departments or accounting periods;
- All transactions must be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period;
- All Company accounting records must comply with generally accepted accounting principles; and
- TEPPCO's system of internal accounting controls, including compensation controls, must be followed at all times.

It is critical to the reputation of TEPPCO, and to employees personally, that information provided to TEPPCO's management and the public is accurate, fair, complete, objective, understandable, timely and relevant. This applies to both financial and non-financial data, and includes information in public communications, as well as in documents filed with regulators. Misstating financial results carries serious criminal and civil fines and penalties for TEPPCO and personal criminal liability for employees.

TEPPCO applies the highest ethical standards in its financial and non-financial reporting and follows all applicable Securities and Exchange Commission, New York Stock Exchange and other standards and rules regarding financial reporting.

Employees should immediately contact the General Counsel or the Chairman of the Audit Committee of the Board of Directors if they believe financial statements have been misstated or manipulated or if they are subject to pressure or threats to:

- Use questionable accounting techniques.
- Manage earnings.
- Manipulate results to meet financial or performance targets.

Our Responsibilities

TEPPCO employees are expected to be truthful and accurate in their accounting and time reporting practices. TEPPCO financial professionals are expected to

stay up to date with all regulations regarding financial reporting necessary for them to perform their job functions, and to report income in a manner consistent with applicable laws and GAAP. All TEPPCO employees involved in public reporting or communications are expected to produce disclosures that are full, fair, accurate, timely and understandable.

As TEPPCO employees, we must:

- Maintain books, accounts and records according to GAAP, using enough detail to reflect TEPPCO transactions accurately and fairly.
- Record transactions in a timely manner.
- Talk with our supervisors if we believe financial statements have been misstated or manipulated.

We must not:

- Manipulate financial accounts, records or reports.
- Maintain off the book accounts to facilitate questionable or illegal payments.
- Take any action or cause anyone else to take any action to influence, coerce, manipulate or mislead auditors for the purpose of rendering financial statements misleading.

AFFILIATE RULES

TEPPCO is subject to economic regulation by the Federal Energy Regulatory Commission (FERC), and certain state commissions. These commissions have specific codes and standards of conduct (Affiliate Rules) that address matters such as undue discrimination and preferential treatment between regulated companies and their affiliates, as well as their customers.

The purpose of these Affiliate Rules is to prevent regulated businesses from subsidizing the activities of their affiliates and to prevent the affiliates from gaining an unfair advantage because of their relationship with the regulated business.

We demonstrate the values of teamwork, integrity and initiative by ensuring compliance with both the letter and spirit of applicable Affiliate Rules.

Our Responsibilities

TEPPCO employees who work for or do business with any business unit that gathers, transmits, distributes or markets energy are expected to understand and follow the Affiliate Rules. TEPPCO employees must ensure that the Affiliate Rules are adhered to when doing business for or with a regulated business unit, especially when such business involves:

- The transfer of goods or services.
- The sharing of customer information, market information or transportation information.
- Providing regulated/tariffed based services to an affiliate on terms that are different than are made available to non-affiliates.
- Marketing activities involving the regulated businesses and affiliates, including referrals.

BRAND MANAGEMENT AND INTELLECTUAL PROPERTY

TEPPCO's brand identity and intellectual property are among its most valuable assets. The loss of such assets could have a serious financial impact on the Company. Violation of others' intellectual property rights breaches our value of integrity, and may subject both the employee and TEPPCO to substantial liability, including criminal penalties.

TEPPCO employees must demonstrate accountability by protecting the intellectual property of TEPPCO and honoring those of third parties. We are responsible for using basic intellectual property protections (such as copyrights, trademarks, service marks and patents) consistently and appropriately.

TEPPCO employees must also be accurate and truthful in our communication of information about TEPPCO services. This protects the TEPPCO brand and shows respect for our customers and unitholders.

Our Responsibilities

TEPPCO employees are expected to protect the intellectual property rights of TEPPCO and respect those of all third parties. This includes TEPPCO's name, logo, taglines, inventions, processes and innovations.

Accordingly, TEPPCO employees must:

- Submit requests for the use of the TEPPCO name, or its service marks or trademarks, to TEPPCO's Policy Committee.

- Understand that any intellectual property created by us in the performance of our job responsibilities belongs to TEPPCO and that innovations must be shared with our supervisor to ensure adequate protection.
- Report any unauthorized use of TEPPCO's copyrights, patents, service marks and trademarks to our supervisor.
- Respect all intellectual property that TEPPCO has received from third parties under confidentiality or license agreements.
- Get permission to use a third party's trademark, service mark or other intellectual property.
- Use inventions patented by third parties only within the terms of a license agreement.
- Be accurate and truthful in communication of information about TEPPCO's services.

We must not:

- Make copies of copyright-protected materials until TEPPCO has obtained permission from the copyright holder or determined that some limited copying is legally permitted.
- Copy or distribute software or related documentation without first ensuring that the licensing agreement permits such copying or distribution.

BRIBERY, KICKBACKS AND OTHER IMPROPER PAYMENTS

TEPPCO maintains the highest level of integrity when dealing with government officials and members of the private sector. Giving anything of value to such entities may raise questions about the integrity of TEPPCO. We must demonstrate accountability by refusing to give gifts or make payments that are intended to influence, or could appear to influence, business decisions.

Bribery laws prohibit companies from directly or indirectly promising, offering or making payment of money or anything of value to anyone (including a government official, an agent or employee of a political party, labor organization or business entity, or a political candidate) with the intent to induce favorable business treatment or to improperly affect business or government decisions.

We recognize that the giving of improper gifts or payments can undermine customer relationships, damage our reputation and put the Company in legal jeopardy. TEPPCO strictly prohibits giving anything of value, directly or

indirectly, to a governmental official, agent or employee anywhere in the world in consideration for such official's, agent's or employee's assistance or influence (including the failure by such individual to perform his/her official duty), the purpose of which is to obtain favored treatment with respect to any aspect of TEPPCO's business. Under no circumstance is it acceptable for any employee, officer or director to offer, give, solicit or receive any form of bribe, kickback, payoff, or inducement.

Our Responsibilities

TEPPCO employees are expected to be extremely careful when giving cash or anything else of value to third parties. We must avoid giving the impression that we are trying to influence another person's business decision. Any question as to whether a gift or payment would be considered improper under TEPPCO's guidelines or national or foreign laws must be discussed with the Law Department.

Accordingly, TEPPCO employees must:

- Ensure business entertainment provided to third parties is reasonable and customary.
- Avoid giving any gifts, and give only those that are considered customary, reasonable and legal in the local market.
- Obtain prior approval of the Law Department before making a decision about whether or not to offer a gift that is more than nominal value in the local market.
- Comply with local laws and regulations that govern gifts and meals given to public officials and employees of governmental agencies.

We must not:

- Give gifts that are intended to influence, or appear to influence, business decisions.

Please note: These laws and regulations are complex and can vary from state to state as well as at the federal level. Our Code does not necessarily take into account all local legal requirements. More restrictive local laws take precedence.

CONFIDENTIAL, PROPRIETARY AND PERSONALLY IDENTIFIABLE INFORMATION

No employee, officer or director who is entrusted with information of a confidential or proprietary nature shall disclose that information outside TEPPCO,

either during or after service with TEPPCO, except with written authorization of the Law Department or as may be otherwise required by law. Confidential information includes all non-public information that might be of use to competitors, or harmful to TEPPCO or its customers, if disclosed. Such information may include information about TEPPCO's financial condition, prospects or plans, its marketing and sales programs and research and development information, as well as information relating to mergers and acquisitions, unit splits, divestitures and distribution levels. Confidential information also includes information concerning possible transactions with other companies or information about TEPPCO's customers, suppliers or joint venture partners, which TEPPCO is under an obligation to maintain as confidential. Employees, officers and directors may not use confidential information for their own personal benefit or the benefit of persons or entities outside TEPPCO.

Our Responsibilities

TEPPCO employees, officers and directors are expected to protect TEPPCO and third-party confidential information from unlawful disclosure, and to ensure that such information is handled properly throughout the organization.

Accordingly, we must:

- Use confidential information for business purposes only.
- Use the procedures in our business unit for labeling and handling confidential information.
- Share confidential information only with appropriate parties both within and outside TEPPCO.
- Make sure that our use of confidential information is consistent with our policies, Affiliate Rules, contractual obligations and applicable laws.

We must not:

- Disclose confidential information to individuals (including other employees) who do not have a business need to know the information.
- Help anyone gain access to confidential information without authorization.

CONFLICTS OF INTEREST

TEPPCO expects all employees, officers and directors to exercise good judgment and the highest ethical standards in their private activities outside TEPPCO that in any way can affect TEPPCO. At all times they shall exercise particular care that no detriment to TEPPCO's interests (or appearance of such

detriment) may result from a conflict between those interests and any personal or business interests which the individual may have. The words “appearance of” should be noted particularly since the appearance of an action might tend to impair confidence even if the individual may not actually do anything wrong. Therefore, employees, officers and directors are accountable for acting in TEPPCO’s best interests and carefully avoiding even the appearance of acting inappropriately.

While it is not possible to describe, or even anticipate, all the circumstances and situations that might involve a conflict of interest, they may arise where an employee, officer or director, or member of his or her family:

- Has a financial interest in TEPPCO’s competitors, customers, suppliers or others dealing with TEPPCO (excluding interests that are less than 1% of the outstanding securities of a corporation or equivalent percentage of ownership interests if an unincorporated business).
- Solicits or accepts, directly or indirectly, from customers, suppliers or others dealing with TEPPCO any kind of gift or other personal, unearned benefits as a result of his or her position at TEPPCO (other than non-monetary items of nominal intrinsic value).
- Has a consulting, managerial or employment relationship in any capacity with another organization that interferes with his or her ability to act in the best interests of TEPPCO, requires the disclosure of confidential information about TEPPCO, or creates the appearance of impropriety.
- Receives a loan or other extension of credit or credit support (such as a guaranty) from TEPPCO. TEPPCO is prohibited by law from extending or arranging for the extension of personal loans to executive officers.
- Acquires, directly or indirectly, real property, leaseholds, patents or other property or rights in which TEPPCO has, or the employee, officer or directors knows or has reason to believe at the time of acquisition that TEPPCO is likely to have, an interest.

TEPPCO’s employees are expected to devote their full time and attention to TEPPCO’s work during regular business hours and for whatever additional time may be required (or, in the case of part-time employees, whatever hours they have been employed to work). Outside business activities can easily create conflicts of interest or diminish productivity and effectiveness. For these reasons, employees should avoid outside business activities that divert their time and talents from TEPPCO’s business. Though TEPPCO encourages professional activities and community involvement, if compensation is received for such efforts, special care must be taken not to compromise duties owed to TEPPCO. Employees are expected to disclose to management the nature of any such gainful activity.

No employee may use his/her TEPPCO position or title, or any TEPPCO equipment, supplies or facilities, in connection with outside activities, nor may any employee do anything that might infer sponsorship or support by TEPPCO of such activity, unless such use has been approved in writing by the Law Department.

In all instances where the appearance of a conflict exists, the matter should be referred to the General Counsel for interpretation and resolution.

Our Responsibilities

TEPPCO employees, officers and directors are expected to act in TEPPCO's best interest and avoid conflicts of interest.

Accordingly, we must:

- Be able to identify potential conflicts of interest when they arise.
- Notify the General Counsel immediately when we're in a position where our objectivity may be questioned.
- Make certain that any outside business activities or financial interests do not cause a conflict of interest or have a negative impact on the confidence the public has in TEPPCO.
- Get approval of the Law Department when a company, in which you or your family member owns or acquires an interest that is greater than 1 percent, seeks to do business with TEPPCO and (a) the company makes sales of goods or services to TEPPCO exceeding \$1,000 annually, or (b) you help make TEPPCO purchasing decisions, or (c) you have a role in making sure the company gets paid for the goods and services it provides.
- Get Law Department approval to perform work or services for any person or organization that competes with or seeks to do business with TEPPCO, or take a position on the board of directors of another organization that has regular business dealings with TEPPCO.

Always keep TEPPCO's interests uppermost even if the above criteria do not apply to a situation.

We must not:

- For personal or any other person's or entity's gain, deprive TEPPCO of any business opportunity for benefit which could be construed as related to any existing or reasonably anticipated future activity of TEPPCO. Employees, officers and directors who learn of any such opportunity

through their association with TEPPCO may not disclose it to a third party or invest in the opportunity without first offering it to TEPPCO.

- Solicit or accept any improper personal benefits as a result of your position at TEPPCO.

CONTRACT AUTHORIZATION

TEPPCO's contractual agreements govern our business relationships and ensure that TEPPCO's intellectual property, business agreements and confidential information are protected.

Because the laws governing contracts are numerous and complicated, policies and procedures are in place to ensure that any contract entered into on behalf of TEPPCO has the appropriate level of review and approval. We must demonstrate accountability by following these policies and procedures.

Our Responsibilities

TEPPCO employees who enter into contracts on TEPPCO's behalf must have proper authorization, including legal review by TEPPCO's attorneys where required by policy, prior to the execution of any contract.

Accordingly, TEPPCO employees must:

- Know what types of contracts into which we are authorized to enter into on behalf of TEPPCO, if any.
- Comply with TEPPCO's policies and procedures for entering into contracts.
- Where required by policy, make sure that a contract is properly reviewed and approved prior to execution on behalf of TEPPCO.

TEPPCO employees must not:

- Enter into any contract on behalf of TEPPCO without proper review and authorization.

ENVIRONMENT, HEALTH AND SAFETY

Protecting and responsibly managing natural resources demonstrates stewardship and is critical to the quality of life in the communities we serve, the environment and TEPPCO's long-term business success. The health and safety

of co-workers, customers and communities is the responsibility of all TEPPCO employees.

TEPPCO demonstrates accountability in these areas by systematic management of risks, by setting goals, measuring and reporting performance and by conducting assessments to evaluate and improve:

- Compliance with environmental, health and safety laws, regulations and other requirements.
- Systematic implementation of TEPPCO's environmental, health and safety policies and standards.

Our Responsibilities

All TEPPCO employees are expected to abide by all company policies and procedures in the areas of environment, health and safety.

TEPPCO employees must

- Comply with all applicable environmental, health and safety laws, regulations, permits and other requirements, such as those dealing with:
 - Employee and public safety and health
 - Work conditions
 - Pollution control
 - Waste management
- Follow work instructions or procedures on environmental, health and safety laws, regulations and risk management, and apply training to protect others, the environment and ourselves.
- Promptly reporting to the employee's supervisor or other appropriate persons of all environmental, health and safety incidents, including significant near misses.
- Report to work fit to perform duties and be free of the effects of alcohol or drugs.
- Promote a safe work environment.
- Understand and incorporate Environmental, Health and Safety responsibilities into daily work activities.

We must not:

- Threaten or injure other people.

- Possess or use weapons while on TEPPCO premises or engaged in TEPPCO business, unless authorized to do so.
- Use, possess, sell or transfer illegal drugs, illegal narcotics or alcohol on the job.

EQUAL EMPLOYMENT OPPORTUNITY

TEPPCO seeks to create an atmosphere of inclusion where diversity is valued, the dignity of each person is respected, and our contributions are recognized. We expect TEPPCO employees to demonstrate the values of teamwork and inclusion by acting with mutual respect and cooperation. We do not tolerate discrimination in the workplace against our employees.

We comply with laws concerning discrimination and equal opportunity that specifically prohibit discrimination on the basis of certain differences. We will recruit, select, train and pay based on merit, experience and other work-related criteria.

Our Responsibilities

TEPPCO employees are expected to treat others with respect on the job and comply with equal employment opportunity laws, including those related to discrimination and harassment.

TEPPCO employees must not:

- Use race, color, religion, sex, national origin or any other characteristic protected by law as a factor in hiring, firing or promotion decisions or when determining terms or conditions of employment.
- Retaliate against an employee because he or she has made a complaint of discrimination in good faith, or participates in a related investigation.

FAIR COMPETITION: COMPLYING WITH ANTITRUST LAWS

TEPPCO succeeds in the marketplace by offering competitively priced quality services and commodities. We support full and fair competition by complying with antitrust laws prohibiting activities that reduce competition and restrict trade.

Our Responsibilities

All TEPPCO employees must deal fairly with the company's customers, suppliers and competitors. TEPPCO employees are expected to act with integrity by

maintaining TEPPCO's independence of judgment in the pricing, marketing, purchasing and selling of all products and services.

TEPPCO employees must:

- Understand how fair competition laws apply to us and our business, and learn how to avoid engaging in potentially unlawful behavior.
- Leave any meeting or informal gathering immediately and contact TEPPCO's Law Department when any type of discussion with competitors begins that could be considered anti-competitive.

We must not:

- Improperly attempt to prevent anyone from competing with TEPPCO or from entering the markets in which TEPPCO participates.
- Suggest to suppliers that our purchasing decisions depend on their use of TEPPCO's services, or that failing to do business with a TEPPCO subsidiary or affiliate could jeopardize business with TEPPCO or any affiliate of TEPPCO.
- Make inaccurate or misleading statements about competitors, suppliers, customers or their offerings.

HARASSMENT IN THE WORKPLACE

TEPPCO is committed to maintaining a positive work environment where all employees are treated with dignity and respect. Harassment of any kind in the workplace is not tolerated.

We must demonstrate inclusion and teamwork by valuing the dignity of every person, honoring differences, and speaking up when we witness harassment.

Harassment generally means offensive conduct that is severe and pervasive and singles out an employee to the detriment or objection of that employee because of race, gender, sexual orientation, religion, national origin, age, disability, etc. Harassment covers a wide range of conduct, from direct requests of a sexual nature to situations where offensive behavior (e.g., insults, offensive jokes or slurs, offensive material posted in the workplace, etc.) results in a hostile work environment.

Our Responsibilities

TEPPCO employees at all levels are expected to do their part to ensure a safe and secure workplace in which employees can perform their duties without fear of harassment.

TEPPCO employees must:

- Treat all people with respect.
- Report all incidents of harassment to the Law Department.

We must not:

- Harass anyone.
- Allow any hostile work environments to exist within TEPPCO.

Reports of harassment or hostile work environments will be promptly and thoroughly investigated in as confidential a manner as possible. TEPPCO will take immediate and appropriate action if harassment is determined to have occurred.

INFORMATION AND INFORMATION RESOURCES

TEPPCO's information systems support internal and external business activities. Because these resources connect us with the outside world, there is a risk of attack or exploitation. TEPPCO is committed to protecting these resources from such intrusions.

All TEPPCO employees, not just Information Technology ("IT") professionals, are responsible for information security. We demonstrate accountability and teamwork by being aware of information security processes and policies, and initiative by taking steps to reduce the risk of security breaches.

Our Responsibilities

TEPPCO expects employees to manage and use information and information systems appropriately.

TEPPCO employees must:

- Follow all policies and procedures related to the protection of information and information resources, including network access and appropriate use of the Internet and e-mail.

- Report any unusual activities to the designated IT representative, as quickly as possible.

We must not:

- Let personal use of information system technologies interfere with TEPPCO's business activities or incur unnecessary cost.
- Let business or non-business use of information and information resources violate TEPPCO's policies or legal requirements.

Please note that TEPPCO randomly monitors TEPPCO-provided information technologies, including the Internet and e-mail, for misuse or abuse, except where prohibited by law.

INSIDER TRADING

TEPPCO's success in the marketplace requires that we maintain the trust and confidence of the investment community. TEPPCO employees, officers and directors must act with integrity when trading public securities, adhering to all applicable laws.

Insider trading may occur when you:

- Trade securities of TEPPCO or any other company while in possession of material, non-public information about TEPPCO or such other company; or
- Communicate material, non-public information to others who are not authorized to have such information. If this information is subsequently used by the person to trade securities, it is considered "tipping", and is a violation of insider trading laws.

"Material non-public information" is any information that has not become available to the general public and is likely to affect a reasonable investor's decision on whether or not to invest in a company's securities. Examples of material non-public information include, but are not limited to:

- Plans to issue securities
- Sharp changes in earnings patterns
- Changes in dividends and distributions
- Changes in key management personnel
- Mergers and acquisitions
- Important regulatory actions affecting the company.
- Major litigation

- Significant borrowings, or defaults on borrowings
- Bankruptcies

For information to be considered public, it must be widely disseminated in a manner making it available to investors, generally through such media as *Dow Jones*, *Reuters Economic Services*, *The Wall Street Journal*, *Associated Press* or *United Press International*. The circulation of rumors, even if accurate and reported in the media, does not itself constitute effective public dissemination.

Circumstances suggesting the possibility of insider trading can result in an investigation by a stock exchange or by governmental authorities. Such an investigation could damage TEPPCO's brand and reputation and result in liabilities or penalties, including criminal charges and fines against the individual employee, officer or director.

Our Responsibilities

No employee, officer or director of TEPPCO shall, directly or indirectly, purchase or sell any security issued by TEPPCO Partners, L.P. or any other entity while in possession of material, nonpublic information relating to the security or its issuer. When in doubt, you should assume that information is material and refrain from trading.

As TEPPCO employees, we must not:

- Trade the securities of TEPPCO (or of an applicable outside company) until the third business day after any material non-public information of which we are aware has been made available to the public.
- Give material non-public information to anyone not authorized to have that information, including other TEPPCO employees. If this information is subsequently used by the person to trade on securities, it is considered illegal "tipping" and is a violation of insider trading laws. Even a casual remark to a friend or family member may find its way to a broker and eventually to the entire financial community, thereby requiring the company to make a premature or unplanned public announcement.

TEPPCO's employees, officers and directors should refer to TEPPCO'S Restated and Modified Policy Governing Insider Trading for a more detailed discussion of the specific policies and procedures regarding the trading of securities, which is accessible through the TEPPCO employee portal. Any questions regarding these policies and procedures should be directed to the Law Department.

LAWS, RULES AND REGULATIONS

TEPPCO is subject to numerous local, state and federal laws, rules and regulations. Our success depends on each of us being accountable for complying with both the spirit and the letter of the law. Any violation of a law, rule or regulation may jeopardize our integrity.

Many resources are available to you to become familiar with the laws, rules and regulations that apply to your scope of responsibility within the company. We must also take the initiative to learn about the laws, rules and regulations that affect us and our business.

Our Responsibilities

TEPPCO employees, officers and directors are expected to comply with all applicable laws, rules and regulations.

We must:

- Be aware of laws, rules and regulations that affect our daily job responsibilities.
- Attend training on those laws, rules and regulations.
- Consult with our supervisor or the Law Department if we have any questions about the existence, applicability or interpretation of any law, rule or regulation.
- Report any suspected violation of law involving TEPPCO's business to the General Counsel.

MEDIA AND PUBLIC RELEASES OF INFORMATION

TEPPCO employs professionals who are trained and qualified to release information to the public. Unauthorized and inappropriate releases of information to the public can result in violation of SEC full disclosure laws, stakeholder confusion, and damage to TEPPCO's competitive position, brand, and reputation.

Only trained and authorized corporate or business unit spokespersons should provide information to the media concerning TEPPCO's business matters.

There are also very specific rules regarding the reporting of information to government agencies or elected officials. Only trained and qualified professionals should handle requests for information from these agencies or individuals.

However, all employees are expected to cooperate fully and truthfully with regulatory and governmental investigations and proceedings, and to not obstruct other employees from doing so. We must take the initiative to handle such requests for information appropriately.

Additionally, employees who provide information about TEPPCO to public audiences through speeches, presentations, interviews, panel discussions, articles, papers, surveys and the like should obtain prior management approval and coordinate their activities with communications staff to ensure messages are accurate, consistent, and coordinated. We can demonstrate accountability by handling such [communications](#) appropriately.

Our Responsibilities

TEPPCO employees are expected to forward requests for information to the appropriate department if talking to people outside TEPPCO is not part of their normal job responsibilities.

As TEPPCO employees, we must:

- Forward the following types of inquiries to the appropriate departments:

| Source | Refer to |
|--|--|
| Financial Community | Investor Relations |
| News or trade media | Corporate Communications or Business Unit Public Affairs |
| Regulatory agencies | Law Department |
| Elected officials | Governmental Affairs |
| Person seeking information about a current or former TEPPCO employee | Human Resources |

- Inform our supervisor immediately about any request from a government agency or individual that falls outside of our routine job responsibilities.
- Report to our supervisor any violations of law or this code that may warrant disclosure to appropriate government authorities.
- If our personal cooperation has been requested (such as by subpoena), cooperate fully and truthfully with regulatory and governmental investigations. Failure to so cooperate will result in corrective action up to and including termination.

- TEPPCO employees planning to provide information about TEPPCO to public audiences through speeches, presentations, interviews, panel discussions, articles, papers, surveys and the like have the following responsibilities:
- Members of TEPPCO's Policy Committee should provide adequate advance notice of all public communications to the appropriate communications support staff, who will review the venue and key messages in the planned communications.
- All other TEPPCO employees planning to provide information about TEPPCO to public audiences must obtain prior management approval. However, if media coverage of the communications is possible, employees are also expected to provide adequate advance notice to the appropriate communications staff, who will review the venue and key messages in the planned communications. Media and other questions that go beyond the scope of the communications should be referred to the appropriate department.

POLITICAL PROCESS

TEPPCO strongly supports individual involvement in the politics of our communities. We encourage and support employees to demonstrate initiative by getting involved in political activities. Such activities also demonstrate stewardship, by showing that we care about the communities in which we live and work.

However, since laws and regulations governing political activities and contributions are complex and diverse, employees must not undertake such activities on behalf of TEPPCO or on Company time without the prior approval of TEPPCO's Law Department.

Our Responsibilities

TEPPCO employees are expected to follow these guidelines to avoid violating any laws and regulations concerning political activities and political contributions.

TEPPCO employees must:

- Make it clear, when expressing political views, that they are his or her individual, personal views and not those of TEPPCO.
- Get approval from the Law Department before making any corporate contributions to political candidates.

- Get approval from the Law Department before performing political activities on company time or using company resources. Resources include, but are not limited to, photocopy machines, computers and phones.
- Notify the Law Department prior to seeking election or appointment to public office.
- Avoid conflicts of interest when serving in public office by excusing ourselves from any political matters involving TEPPCO.

RECORD RETENTION AND DISPOSITION

Information in our business is created, delivered, and exchanged in many ways. TEPPCO employees create and maintain a variety of business records in many forms, including but not limited to:

- Voice recorded conversations
- Presentations
- Audio conferences
- E-mail
- Paper documents
- Engineering drawings
- Video
- Databases

Information integrity, information privacy, information standard setting, and information security issues require ongoing attention. TEPPCO records must be retained and disposed of in accordance with the TEPPCO Records Management Policy and Guidelines, which includes applicable laws and regulations.

TEPPCO's integrity can be seriously questioned if records are not retained for the appropriate length of time or are not disposed of properly. Failure to retain records for the required amount of time places us at risk for possible penalties, fines and other sanctions. It could also put the Company at a serious disadvantage in litigation. We must demonstrate accountability by managing records properly.

Our Responsibilities

TEPPCO employees are expected to properly retain and dispose of TEPPCO records.

As TEPPCO employees, we must:

- Manage our business records in accordance with the Records Management Policy and Guidelines applicable to our function or business segment, regardless of medium or characteristics.

We must not:

- Knowingly destroy, alter, or falsify records in order to impede any pending or potential internal, civil, or governmental investigation or proceeding.

RISK MANAGEMENT

TEPPCO is active in certain commodities markets. By participating in these markets, the company is exposed to a variety of credit and market related risks. To create financial strength in the market place, we take the initiative to manage these risks.

TEPPCO has established risk management policies and procedures to avoid the negative financial impacts posed by these risks, while building a portfolio of positions that collectively meet TEPPCO's desired risk reward profile. TEPPCO's Corporate Risk Management group is responsible for aggregating, monitoring and reporting the market and credit risks associated with our business.

Our Responsibilities

TEPPCO employees involved in risk management are expected to follow established risk management processes, policies and procedures.

TEPPCO employees must not:

- Enter into, or direct others to enter into, commodities contracts for ourselves, members of our families, friends, or persons or entities with whom we have a personal business interest.
- Execute commodities contracts unless we are specifically authorized to do so.

SAFEGUARDING COMPANY RESOURCES

TEPPCO invests in and uses certain assets to advance its business strategy and objectives. These assets include, but are not limited to books, office supplies, fax machines, computers, phones and work time. We must demonstrate accountability by using these resources responsibly.

Limited personal use of these assets on company time is allowed. However, since excessive personal use can be costly and impact profitability, employees are expected to use good judgment.

The personal use of equipment, tools and machinery is not allowed, except where specific policy allows for such use.

Our Responsibilities

TEPPCO employees are expected to use TEPPCO assets and resources responsibly and for legitimate business purposes.

TEPPCO employees must:

- Talk to a supervisor when it's unclear if the use of a company asset in a given situation is appropriate.

We must not:

- Reproduce protected materials for personal use.
- Make personal use of any TEPPCO assets (including computers and other office resources, equipment, tools and machinery) that creates any additional costs for TEPPCO, interferes with work duties or violates any company policies.
- Allow company property to be used for illegal activities.
- Use company property or information for personal gain.

Contacts and Phone Numbers

EthicsLine: 1 (800) 525-3783
(See page 4 for a more detailed discussion of the EthicsLine)

**Corporate Governance Hotline:
(Audit Committee Chairman)** 1 (800) 799-4607
(See page 5 for a more detailed discussion of the Corporate Governance Hotline)

General Counsel

James C. Ruth (713) 759-3968 jcruth@teppco.com

Ethics Compliance Officer

James C. Ruth (713) 759-3968 jcruth@teppco.com

Law Department:

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|------------------|------------------|----------------|
| James C. Ruth | General Counsel | (713) 759-3968 |
| Steven A. Fisher | General Attorney | (713) 759-3544 |
| Jeffrey R. Roper | Senior Attorney | (713) 759-3975 |

Policy Committee:

Contact for Policy Committee:

Stephen W. Russell Vice President, Support Services (713) 759-3700

Officers:

| | | |
|---------------------|--|----------------|
| Barry R. Pearl | President & CEO | (713) 759-3600 |
| Barbara A. Carroll | Vice President, Environmental, Health & Safety | (713) 759-3655 |
| J. Michael Cockrell | Sr. Vice President, Commercial Upstream | (405) 239-5799 |
| John N. Goodpasture | Vice President, Corporate Development | (713) 759-3650 |
| Thomas R. Harper | Sr. Vice President, Commercial Downstream | (713) 759-3620 |
| Charles H. Leonard | Sr. Vice President & Chief Financial Officer | (713) 759-3999 |
| Leonard W. Mallett | Vice President, Operations | (713) 759-3615 |
| Stephen W. Russell | Vice President, Support Services | (713) 759-3700 |
| James C. Ruth | Sr. Vice President, General Counsel & Secretary | (713) 759-3968 |