**Risk Factors Comparison 2024-02-28 to 2023-02-23 Form: 10-K**

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You should carefully consider each of the following risks and all the other information contained in this Annual Report on Form 10- K in evaluating us and our common units. Although the risks are organized by headings, and each risk is discussed separately, many are interrelated. Our business, financial condition, results of operations and cash flows could be materially and adversely affected by these risks, and, as a result, the trading price of our common units could decline. **We have in the past been adversely affected by certain of, and may in the future be affected by, these risks.** You should not interpret the disclosure of any risk factor to imply that the risk has not already materialized. Summary of Risk Factors We have in the past been adversely affected by certain of, and may in the future be adversely affected by, the following: • a significant decrease in oil and natural gas production in our areas of operation; • challenges in accurately estimating expected production volumes of our producer customers; • our dependence on third parties for the oil, natural gas and refined products we gather, transport and store, the natural gas we process, and the NGLs we fractionate and stabilize at our facilities; • our ability to retain existing customers or acquire new customers; • our ability to increase fees enough to cover costs incurred under our gathering, processing, transmission, transportation, fractionation, stabilization and storage agreements; • unplanned maintenance of the United States (" U. S. ") inland waterway infrastructure; • interruptions in operations at any of our facilities or those of our customers, including MPC ~~; • the COVID- 19 pandemic~~ ; • inflation; • problems affecting our information technology systems and those of our third- party business partners and service providers; • in our joint ventures, our lack of sole decision- making authority, our reliance on our joint venture partners' financial condition and disputes between us and our joint venture partners; • terrorist attacks or other targeted operational disruptions aimed at our facilities or that impact our customers or the markets we serve; • increases to our maintenance or repair costs; • severe weather events, other climate conditions and earth movement and other geological hazards; • insufficient cash from operations after the establishment of cash reserves and payment of our expenses to enable us to pay the intended quarterly distribution to our unitholders; • our substantial debt and other financial obligations; • increases in interest rates; • our exposure to the credit risks of our key customers and derivative counterparties; • negative effects of our commodity derivative activities; • uninsured losses; • future costs relating to evolving environmental or other laws or regulations; • increased regulation of hydraulic fracturing; • climate- related and GHG emission regulation; • climate- related litigation; • societal and political pressures and other forms of opposition to the future development, transportation and use of carbon- based fuels; • market deterioration prior to the completion of large capital projects; • increasing attention to ESG matters; • goals, targets and disclosures related to ESG matters; • federal and tribal approvals, regulations and lawsuits relating to our facilities that are located on Native American tribal lands; • our ability to maintain or obtain real property rights required for our business; • the consequences resulting from foreign investment in us or our general partner exceeding certain levels; • federal or state rate and service regulation or rate- making policies; • costs and liabilities resulting from performance of pipeline integrity programs and related repairs; • future impairments; • difficulties in making strategic acquisitions on economically acceptable terms from MPC or third parties; • integration risks from significant future acquisitions; • the failure by MPC to satisfy its obligations to us, or a significant reduction in volumes transported through our facilities or stored at our storage assets; • MPC materially suspending, reducing or terminating its obligations under its agreements with us; • MPC' s level of indebtedness or credit ratings; • various tax risks inherent in our master limited partnership structure, including the potential for unexpected tax liabilities for us or our unitholders, more burdensome tax filing requirements and future legislative changes to the expected tax treatment of an investment in us; • MPC' s conflicts of interest with us, its limited duties to us and our unitholders, and its potential favoring of its interests over our interests and the interests of our unitholders; • the requirements and restrictions arising under our Sixth Amended and Restated Agreement of Limited Partnership, dated as of February 1, 2021 (" Partnership Agreement "), including the requirement that we distribute all of our available cash, limitations on our general partner' s duties, limited unitholder voting rights, and limited unitholder recourse in the event unitholders are dissatisfied with our operations; • cost reimbursements and fees paid to our general partner and its affiliates, which in certain circumstances are subject to our general partner' s sole discretion; • control of our general partner being transferred to a third party without unitholder consent; • the issuance of additional units resulting in the dilution of limited unitholder interests, which issuances may be made without unitholder approval; • the sale of units- and the adverse impact on the trading price of the common units which might result from such sale- by MPC of the units it holds in public or private markets, and such sales could have an adverse impact on the trading price of the common units; • affiliates of our general partner, including MPC, competing with us, and neither our general partner nor its affiliates having any obligation to present business opportunities to us; • our general partner having a limited call right that may require unitholders to sell common units at an undesirable time or price; • a unitholder' s liability not being limited if a court finds that unitholder action constitutes control of our business; • unitholders may have to repay distributions that were wrongfully distributed to them; • the NYSE not requiring a publicly traded limited partnership like us to comply with certain of its corporate governance requirements; and • the Court of Chancery of the State of Delaware being, to the extent permitted by law, the sole and exclusive forum for substantially all disputes between us and our limited partners. Business and Operational Risks A significant decrease in oil and natural gas production in our areas of operation may adversely affect our business, financial condition, results of operation and cash available for distribution. A significant portion of our operations is dependent on the continued availability of natural gas and crude oil production. The production from oil and natural gas reserves and wells owned by our producer customers will naturally decline over time, which means that our cash flows associated with these wells will also decline over time. To maintain or increase throughput levels and the utilization rate of our facilities, we must continually obtain new oil, natural gas, NGL and refined product supplies, which depend in part on the level of successful drilling activity near our facilities, our ability to compete for volumes from successful new wells and our ability to expand our system capacity as needed. We have no control over the level of drilling activity in the areas of our operations, the amount of reserves associated with the wells or the rate at which production from a well will decline. In addition, we have no control over producers or their production decisions, which are affected by demand, prevailing and projected energy prices, drilling costs, operational challenges, access to downstream markets, the level of reserves, geological considerations, governmental regulations and the availability and cost of capital. Reductions **or changes** in exploration or production activity in our areas of operations could lead to reduced throughput on our pipelines and utilization rates of our facilities. ~~Decreases~~ **Fluctuations** in energy prices can ~~decrease~~ **negatively affect** drilling activity, production rates and investments by third parties in the development of new oil and natural gas reserves. The prices for oil, natural gas and NGLs depend upon factors beyond our control, including global and local demand, production levels, changes in interstate pipeline gas quality specifications, imports and exports, seasonality and weather conditions, alternative energy sources such as wind, solar and other renewable energy technologies, economic and political conditions domestically and internationally and governmental regulations. Sustained periods of low prices could result in producers deciding to limit their oil and gas drilling operations, which could substantially delay the production and delivery of volumes of oil, natural gas and NGLs to our facilities and adversely affect our revenues and cash available for distribution. This impact may also be exacerbated **in circumstances where** ~~due to the extent of~~ our **compensation for services is** commodity- based ~~contracts~~ , which are more directly impacted by changes in natural gas and NGL prices than our fee- based contracts due to frac spread exposure and may result in operating losses when natural gas becomes more expensive on a Btu equivalent basis than NGL products. In addition, our purchase and resale of gas and NGLs in the ordinary course exposes us to significant risk of volatility in natural gas or NGL prices due to the potential difference in **price at** the time of the purchases and **then the subsequent** sales ~~and the potential difference in the price associated with each transaction, and direct exposure may also occur naturally as a result of our production processes~~ . The significant volatility in natural gas, NGL and oil prices could adversely impact our unit price, thereby increasing our distribution yield and cost of capital. Such impacts could adversely impact our ability to execute our long- term organic growth projects, satisfy our obligations to our customers, and make distributions to unitholders at intended levels, and may also result in non- cash impairments of long- lived assets or goodwill or other- than- temporary non- cash impairments of our equity method investments. We may not always be able to accurately estimate expected production volumes of our producer customers; therefore, volumes we service in the future could be less than we anticipate. We may not be able to accurately estimate expected production volumes of our producer customers. Furthermore, we may have only limited oil, natural gas, NGL or refined product supplies committed to any new facility prior to its construction. We may construct facilities to capture anticipated future growth in production or satisfy anticipated market demand which does not materialize, the facilities may not operate as planned **,** or **the facilities** may ~~not~~ be **underutilized** ~~used at all~~ . In order to attract additional oil, natural gas, NGL or refined product supplies from a customer, we may be required to order equipment and facilities, obtain rights of way or other land rights or otherwise commence construction activities for facilities that will be required to serve such customer' s additional supplies prior to executing agreements with the customer. If such agreements are not executed, we may be unable to recover such costs and expenses. Additionally, new facilities may not be able to attract enough oil, natural gas, NGLs or refined products to achieve our expected investment return. Alternatively, oil, natural gas, NGL or refined product supplies committed to facilities under construction may be delivered prior to completion of such facilities ~~, or we may otherwise have unexpected increases in volumes that could adversely affect our ability to expand our facilities~~ . In such event, we may be required to temporarily utilize third- party facilities ~~for such~~ **to offload** oil, natural gas, NGLs or refined products, which may increase our operating costs and reduce our cash available for distribution. We depend on third parties for the oil, natural gas and refined products we gather, transport and store, the natural gas we process, and the NGLs we fractionate and stabilize at our facilities, and a reduction in these quantities could reduce our revenues and cash flow. A significant portion of our supply of oil, natural gas, NGLs and refined products comes from a limited number of key producers / suppliers, who may be under no obligation to deliver a specific volume to our facilities. If any of these significant suppliers, or a significant number of smaller producers, were to decrease the supply of oil, natural gas, NGLs or refined products to our systems and facilities for any reason, we could experience difficulty in replacing those lost volumes. In some cases, the producers or suppliers are responsible for gathering or delivering oil, natural gas, NGLs or refined products to our facilities or we rely on other third parties to deliver volumes to us on behalf of the producers or suppliers. If such producers, suppliers or other third parties are unable, or otherwise fail to, deliver the volumes to our facilities, or if our agreements with any of these third parties terminate or expire such that our facilities are no longer connected to their gathering or transportation systems or the third parties modify the flow of natural gas or NGLs on those systems away from our facilities, the throughput on and utilization of our facilities may be reduced, or we may be required to incur significant capital expenditures to construct and install gathering pipelines or other facilities to be able to receive such volumes. Because our operating costs are primarily fixed, a reduction in the volumes delivered to us would result not only in a reduction of revenues, but also a decline in net income and cash flow. We may not be able to retain existing customers, or acquire new customers, which would reduce our revenues and limit our future profitability. A significant portion of our business comes from a limited number of key customers. The renewal or replacement of existing contracts with our customers at rates sufficient to maintain current revenues and cash flows depends on a number of factors beyond our control, including competition from other gatherers, processors, pipelines and fractionators, and the price of, and demand for, natural gas, NGLs, crude oil and refined products in the markets we serve. Our competitors include large oil, natural gas, refining and petrochemical companies, some of which have greater financial resources, more numerous or greater capacity pipelines, processing and other facilities, greater access to natural gas, crude oil and NGL supplies than we do or other synergies with existing or new customers that we cannot provide. Our competitors may also include our joint venture partners, who in some cases are permitted to compete with us and may have a competitive advantage due to their familiarity with our business arising from our joint venture arrangements, as well as third parties on whom we rely to deliver natural gas, NGLs, crude oil and refined products to our facilities, who may have a competitive advantage due to their ability to modify the flow of natural gas, NGLs, crude oil and refined products on their systems away from our facilities. Additionally, our customers that gather gas through facilities that are not otherwise dedicated to us may develop their own processing and fractionation facilities in lieu of using our services. As a consequence of the increase in competition in the industry, ~~and~~ **as well as** the volatility of natural gas prices, end- users and utilities are reluctant to enter into long- term purchase contracts. Many end- users purchase natural gas from more than one natural gas company and have the ability to change providers at any time. Some of these end- users also have the ability to switch between gas and alternative fuels in response to relative price fluctuations in the market. Because there are numerous companies of greatly varying size and financial capacity that compete with us in the marketing of natural gas, we often compete in the end- user and utilities markets primarily on the basis of price. The inability of our management to renew or replace our current contracts as they expire and to respond appropriately to changing market conditions could affect our profitability. The fees charged to third parties under our gathering, processing, transmission, transportation, fractionation, stabilization and storage agreements may not escalate sufficiently to cover increases in costs, or the agreements may not be renewed or may be suspended in some circumstances. Our costs may increase at a rate greater than the fees we charge to third parties. Furthermore, third parties may not renew their contracts with us. Additionally, some third parties' obligations under their agreements with us may be permanently or temporarily reduced due to certain events, some of which are beyond our control, including force majeure events wherein the supply of natural gas, NGLs, crude oil or refined products are curtailed or cut- off due to events outside our control, and in some cases, certain of those agreements may be terminated in their entirety if the duration of such events exceeds a specified period of time. If the escalation of fees is insufficient to cover increased costs, or if third parties do not renew or extend their contracts with us, or if third parties suspend or terminate their contracts with us, our financial results would suffer. The U. S. inland waterway infrastructure is aging and may result in increased costs and disruptions to our operations. Maintenance of the U. S. inland waterway system is vital to our marine transportation operations. The system is composed of over 12, 000 miles of commercially navigable waterway, supported by approximately 240 locks and dams designed to provide flood control, maintain pool levels of water in certain areas of the country and facilitate navigation on the inland river system. The U. S. inland waterway infrastructure is aging, with more than half of the locks over 50 years old. As a result, due to the age of the locks, planned and unplanned maintenance may create more frequent outages, resulting in delays and additional operating expenses. Part of the costs for new construction and major rehabilitation of locks and dams is funded by marine transportation companies through taxes and the other portion is funded by general federal tax revenues. Failure of the federal government to adequately fund infrastructure maintenance and improvements in the future would have a negative impact on our ability to deliver products to our customers on a timely basis. Furthermore, any additional user taxes that may be imposed in the future to fund infrastructure improvements would increase our operating expenses. Our operations are subject to business interruptions and ~~casualty losses~~ **present inherent hazards and risks, which could adversely impact our results of operations and financial conditions** . Our operations are subject to business interruptions, such as unplanned maintenance, explosions, fires, pipeline releases, product quality incidents, power outages, severe weather, labor disputes, acts of terrorism or other natural or man- made disasters. These types of incidents adversely affect us. Our customers' operations, including MPC' s refining operations, are subject to similar risks. These types of incidents adversely affect our operations and may result in serious personal injury or loss of human life, significant damage to property and equipment, environmental pollution, impairment of operations and substantial losses. We and our customers have experienced certain of these incidents in the past. For assets located near populated areas, the level of damage resulting from these risks could be greater. Due to the nature of our operations, certain interruptions could impact operations in other regions. Our marine transportation business, in particular, is subject to weather conditions. Adverse weather conditions such as high or low water on the inland waterway systems, fog and ice, tropical storms, hurricanes and tsunamis on both the inland waterway systems and throughout the U. S. coastal waters can impair the operating efficiencies of the marine fleet. Such adverse weather conditions can cause a delay, diversion or postponement of shipments of products and are beyond our control. In addition, we operate in and adjacent to environmentally sensitive waters where tanker, pipeline, rail car and refined product transportation and storage operations are closely regulated by federal, state and local agencies and monitored by environmental interest groups. Transportation and storage of crude oil, other feedstocks and refined products over and adjacent to water involves inherent risk and subjects us to the provisions of the OPA- 90 and state laws in U. S. coastal and Great Lakes states and states bordering inland waterways on which we operate. If we are unable to promptly and adequately contain any accident or discharge involving tankers, pipelines, rail cars or above ground storage tanks transporting or storing crude oil, other feedstocks or refined products, we may be subject to substantial liability. In addition, the service providers contracted to aid us in a discharge response may be unavailable due to weather conditions, governmental regulations or other local or global events. The construction and operation of certain of our facilities may be impacted by surface or subsurface mining operations by one or more third parties, which could adversely impact our construction activities or cause subsidence or other damage to our facilities. In such event, our construction may be prevented or delayed, or the costs and time increased, or our operations at such facilities may be impaired or interrupted, and we may not be able to recover the costs incurred for delays or to relocate or repair our facilities from such third parties. ~~The COVID- 19 pandemic has had, and may continue to have, a material and adverse effect on our and our customers' business and on general economic, financial and business conditions. The COVID- 19 pandemic and existing COVID- 19 mitigation measures have had adverse effects on global travel and economic activity and, consequently, demand for the petroleum products that we transport and store. While demand for the petroleum products that we transport and store witnessed a substantial recovery in 2022, significant uncertainty remains as to the extent to which further resurgences in the virus, the emergence of new variants and waning vaccine effectiveness may spur future actions by individuals, governments and the private sector to stem the spread of~~

~~the virus. The extent to which the COVID- 19 pandemic continues to impact global economic conditions, our business and the business of our customers, suppliers and other counterparties, will depend largely on future developments that remain uncertain and cannot be predicted, such as the length and severity of the pandemic; the social, economic and epidemiological effects of COVID- 19 mitigation measures; the extent to which individuals acquire and retain immunity; emerging virus variants and how those new variants of the disease affect the human body; the stress on access to materials, supplies and contract labor; and general economic conditions. Additionally, the continuation of the pandemic could precipitate or aggravate the other risks identified in this Form 10- K, which in turn could further materially and adversely affect our business, financial condition and results of operations, including in ways not currently known or considered by us to present significant risks.~~ We may be negatively impacted by inflation. Increases in inflation may have an adverse effect on us. Current and future inflationary effects may be driven by, among other things, supply chain disruptions and governmental stimulus or fiscal policies. Continuing increases in inflation could impact the commodity markets generally, the overall demand for our products and services, our costs for labor, material and services and the margins we are able to realize on our products **and services** , all of which could have an adverse impact on our business, financial position, results of operations and cash flows. Inflation may also result in higher interest rates, which in turn would result in higher interest expense related to our variable rate indebtedness and any borrowings we undertake to refinance existing fixed rate indebtedness. We are increasingly dependent on the performance of our information technology systems and those of our third- party business partners and service providers. We are increasingly dependent on our information technology systems and those of our third- party business partners and service providers for the safe and effective operation of our business. We rely on such systems to process, transmit and store electronic information, including financial records and personally identifiable information such as employee, customer and investor data, and to manage or support a variety of business processes, including our supply chain, pipeline operations, gathering and processing operations, financial transactions, banking and numerous other processes and transactions. Our **information** systems (and those of our third- party business partners and service providers) **, including our cloud computing environments and operational technology environments,** are subject to numerous and evolving cybersecurity threats and attacks, including ransomware and other malware, and phishing and social engineering schemes **, supply chain attacks, and advanced artificial intelligence cyberattacks** , which can compromise our ability to operate, and the confidentiality, availability, and integrity of data in our systems or those of our third- party business partners and service providers. These and other cybersecurity threats may originate with criminal attackers **, advanced persistent threats and nation- state actors** , state- sponsored actors, or employee error or malfeasance. Because the techniques used to obtain unauthorized access, or to disable or degrade systems continuously evolve and have become increasingly complex and sophisticated, and can remain undetected for a period of time despite efforts to detect and respond in a timely manner, we (and our third- party business partners and service providers) are subject to the risk of cyberattacks. Our cybersecurity and infrastructure protection technologies, disaster recovery plans and systems, employee training and vendor risk management may not be sufficient to defend us against all unauthorized attempts to access our information or impact our systems. We and our third- party vendors and service providers have been and may in the future be subject to cybersecurity events of varying degrees. To date, the impacts of prior events have not had a material adverse effect on us. Cybersecurity events involving our information technology systems or those of our third- party business partners and service providers can result in theft, destruction, loss, misappropriation or release of confidential financial data, regulated personally identifiable information, intellectual property and other information; give rise to remediation or other expenses; result in litigation, claims and increased regulatory review or scrutiny; reduce our customers' willingness to do business with us; disrupt our operations and the services we provide to customers; and subject us to litigation and legal liability under international, U. S. federal and state laws. Any of such results could have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows. Our investments in joint ventures could be adversely affected by our reliance on our joint venture partners and their financial condition, and our joint venture partners may have interests or goals that are inconsistent with ours. We conduct some of our operations through joint ventures in which we share control over certain economic and business interests with our joint venture partners. Our joint venture partners may have economic, business or legal interests or goals that are inconsistent with our goals and interests or may be unable to meet their obligations. Failure by us, or an entity in which we have an interest, to adequately manage the risks associated with any acquisitions or joint ventures could have a material adverse effect on the financial condition or results of operations of our joint ventures and adversely affect our reputation, business, financial condition, results of operations and cash flows. Terrorist attacks or other targeted operational disruptions may affect our facilities or those of our customers and suppliers. Refining, gathering and processing, pipeline and terminal infrastructure, and other energy assets, may be the subject of terrorist attacks or other targeted operational disruptions. Any terrorist attack or targeted disruption of our operations, those of our customers or, in some cases, those of other energy industry participants, could have a material and adverse effect on our business. Similarly, any similar event that severely disrupts the markets we serve could materially and adversely affect our results of operations, financial position and cash flows. Many of our assets have been in service for many years and, as a result, our maintenance or repair costs may increase in the future. Our pipelines, terminals, fractionator and storage assets are generally long- lived assets, and many of them have been in service for many years. The age and condition of our assets could result in increased maintenance or repair expenditures in the future. Any significant increase in these expenditures could adversely affect our results of operations, financial position or cash flows, as well as our ability to make cash distributions to our unitholders. Severe weather events, other climate conditions and earth movement and other geological hazards may adversely affect our and our customers' assets and ongoing operations. Our and our customers' assets are subject to acute physical risks, such as floods, hurricane- force winds, wildfires, winter storms, and earth movement in variable, steep and rugged terrain and terrain with varied or changing subsurface conditions, and chronic physical risks, such as sea- level rise or water shortages. For example, in 2021, MPC' s Galveston Bay refinery was adversely affected by Winter Storm Uri and MPC' s Garyville refinery was adversely affected by Hurricane Ida. The occurrence of these and similar events have had, and may in the future have, an adverse effect on our assets and operations. We have incurred and will continue to incur additional costs to protect our assets and operations from such physical risks and employ the evolving technologies and processes available to mitigate such risks. To the extent such severe weather events or other climate conditions increase in frequency and severity, we may be required to modify operations and incur costs that could materially and adversely affect our business, financial condition, results of operations and cash flows. Financial Risks We may not have sufficient cash from operations after the establishment of cash reserves and payment of our expenses, including cost reimbursements to MPC and its affiliates, to enable us to pay the intended quarterly distribution to our unitholders. The amount of cash we can distribute to our common unitholders principally depends on the amount of cash we generate from our operations, which fluctuates from quarter to quarter based on, among other things: • the volumes of natural gas, crude oil, NGLs and refined products we gather, process, store, transport and fractionate; • the fees and tariff rates we charge and the margins we realize for our services and sales; • the prices of, level of production of and demand for oil, natural gas, NGLs and refined products; • the level of our operating costs including repairs and maintenance; • the relative prices of NGLs and crude oil, which impact the effectiveness of our hedging program; and • prevailing economic conditions. In addition, the actual amount of cash available for distribution also depends on other factors, some of which are beyond our control, including: • the amount of our operating expenses and general and administrative expenses, including cost reimbursements to MPC; • our debt service requirements and other liabilities; • fluctuations in our working capital needs; • our ability to borrow funds and access capital markets; • restrictions in our joint venture agreements or agreements governing our debt; • the level and timing of capital expenditures we make, including capital expenditures incurred in connection with our enhancement projects; • the cost of acquisitions, if any; and • the amount of cash reserves established by our general partner in its discretion, which may increase in the future and which may in turn further reduce the amount of cash available for distribution. Furthermore, the amount of cash we have available for distribution depends primarily on our cash flow and not solely on profitability, which is affected by non- cash items. As a result, we may make distributions during periods when we record net losses and may not make distributions during periods when we record net income. Our substantial debt and other financial obligations could impair our financial condition, results of operations and cash flow, and our ability to fulfill our debt obligations. We have significant debt obligations, which totaled $ 20. ~~1~~ **7** billion as of December 31, ~~2022~~ **2023** , including amounts, if any, outstanding under our loan agreement with a wholly owned subsidiary of MPC. We may incur significant debt obligations in the future. Our indebtedness may impose various restrictions and covenants on us that could have, or the incurrence of such debt could otherwise result in, material adverse consequences, including: • We may have difficulties obtaining additional financing for working capital, capital expenditures, acquisitions, or general business purposes on favorable terms, if at all, or our cost of borrowing may increase. • We may be at a competitive disadvantage compared to our competitors who have proportionately less debt, or we may be more vulnerable to, and have limited flexibility to respond to, competitive pressures or a downturn in our business or the economy generally. • If our operating results are not sufficient to service our indebtedness, we may be required to reduce our distributions, reduce or delay our business activities, investments or capital expenditures, sell assets or issue equity, which could materially and adversely affect our financial condition, results of operations, cash flows and ability to make distributions to unitholders, as well as the trading price of our common units. • The operating and financial restrictions and covenants in our revolving credit facility and any future financing agreements could restrict our ability to finance our operations or capital needs or to expand or pursue our business activities, which may, in turn, limit our ability to make distributions to our unitholders. Our ability to comply with these covenants may be impaired from time to time if the fluctuations in our working capital needs are not consistent with the timing for our receipt of funds from our operations. • If we fail to comply with our debt obligations and an event of default occurs, our lenders could declare the outstanding principal of that debt, together with accrued interest, to be immediately due and payable, which may trigger defaults under our other debt instruments or other contracts. Our assets may be insufficient to repay such debt in full, and the holders of our units could experience a partial or total loss of their investment. Increases in interest rates could adversely impact our unit price, our ability to issue equity or incur debt for acquisitions or other purposes **or refinance existing debt** and our ability to make distributions at our intended levels. Our revolving credit facility and our loan agreement with a wholly owned subsidiary of MPC have variable interest rates. As a result, future interest rates on our debt could be higher than current levels, causing our financing costs to increase accordingly. In addition, we may in the future refinance outstanding borrowings under our revolving credit facility with fixed- rate indebtedness. Interest rates payable on fixed- rate indebtedness typically are higher than the short- term variable interest rates that we pay on borrowings under our revolving credit facility. We also have other fixed- rate indebtedness that we may need or desire to refinance in the future at or prior to the applicable stated maturity. As with other yield- oriented securities, our unit price will be impacted by our cash distributions and the implied distribution yield. The distribution yield is often used by investors to compare and rank yield- oriented securities for investment decision- making purposes. Therefore, changes in interest rates, either positive or negative, may affect the yield requirements of investors who invest in our units, and a rising interest rate environment could have an adverse impact on our unit price and our ability to issue equity or incur debt for acquisitions or other purposes and to make distributions at our intended levels. We are exposed to the credit risks of our key customers, and any material non- payment or non- performance by our key customers could reduce our ability to make distributions to our unitholders. We are subject to risks of loss resulting from non- payment or non- performance by our customers, which risks may increase during periods of economic uncertainty. Furthermore, some of our customers may be highly leveraged and subject to their own operating and regulatory risks, which increases the risk that they may default on their obligations to us. This risk is further heightened during sustained periods of declines of natural gas, NGL and oil prices. To the extent any of our customers are in financial distress or commence bankruptcy proceedings, our contracts with them, including provisions relating to dedications of production, may be subject to renegotiation or rejection under applicable provisions of the United States Bankruptcy Code. If a contract with a customer is altered or rejected in bankruptcy proceedings, we could lose some or all of the expected revenues associated with that contract. Any such material non- payment or non- performance could reduce our ability to make distributions to our unitholders. We do not insure against all potential losses, and, therefore, our business, financial condition, results of operations and cash flows could be adversely affected by unexpected liabilities and increased costs. We maintain insurance coverage in amounts we believe to be prudent against many, but not all, potential liabilities arising from operating hazards. Uninsured liabilities arising from operating hazards such as explosions, fires, pipeline releases, cybersecurity breaches or other incidents involving our assets or operations can reduce the funds available to us for capital and investment spending and could have a material adverse effect on our business, financial condition, results of operations and cash flows. Historically, we also have maintained insurance coverage for physical damage and resulting business interruption to our major facilities, with significant self- insured retentions. In the future, we may not be able to maintain insurance of the types and amounts we desire at reasonable rates **. We have recorded goodwill and other intangible assets that could become further impaired and result in material non- cash charges to our results of operations. We accounted for certain acquisitions using the acquisition method of accounting, which requires that the assets and liabilities of the acquired business be recorded to our balance sheet at their respective fair values as of the acquisition date. Any excess of the purchase consideration over the fair value of the acquired net assets is recognized as goodwill. As of December 31, 2023, our balance sheet reflected $ 7. 6 billion and $ 654 million of goodwill and other intangible assets, respectively. We have in the past recorded significant impairments of our goodwill. To the extent the value of goodwill or intangible assets becomes further impaired, we may be required to incur additional material non-cash charges relating to such impairment. Our operating results may be significantly impacted from both the impairment and the underlying trends in the business that triggered the impairment** . Legal and Regulatory Risks We expect to continue to incur substantial capital expenditures and operating costs to meet the requirements of evolving environmental or other laws or regulations. Future environmental laws and regulations may impact our current business plans and reduce demand for our products and services. Our business is subject to numerous environmental laws and regulations. These laws and regulations continue to increase in both number and complexity and affect our business. Laws and regulations expected to become more stringent relate to the following: • the emission or discharge of materials into the environment; • solid and hazardous waste management; • the regulatory classification of materials currently or formerly used in our business; • pollution prevention; • GHG emissions; • climate change; • public and employee safety and health; • permitting; • inherently safer technology; and • facility security. The specific impact of laws and regulations, and their enforcement, on us and our competitors may vary depending on a number of factors, including the age and location of operating facilities, marketing areas and production processes and subsequent judicial interpretation of such laws and regulations. We have incurred and will continue to incur substantial capital, operating and maintenance, and remediation expenditures to modify operations, install pollution control equipment, perform site cleanups or curtail operations. We may also face liability for personal injury, property damage, natural resource damage or clean- up costs due to alleged contamination and / or exposure to chemicals such as benzene and MTBE. There is also increased regulatory interest in PFAS, which we expect will lead to increased monitoring obligations and potential liability related thereto. Such expenditures could materially and adversely affect our business, financial condition, results of operations and cash flows. Increased regulation of hydraulic fracturing and other oil and gas production activities could result in reductions or delays in U. S. production of crude oil and natural gas, which could adversely affect our results of operations and financial condition. While we do not conduct hydraulic fracturing operations, we do provide gathering, processing and fractionation services with respect to natural gas and natural gas liquids produced by our customers as a result of such operations. A range of federal, state and local laws and regulations currently govern or, in some cases, prohibit, hydraulic fracturing in some jurisdictions. Stricter laws, regulations and permitting processes may be enacted in the future. If federal, state and local legislation and regulatory initiatives relating to hydraulic fracturing or other oil and gas production activities are enacted or expanded, such efforts could impede oil and gas production, increase producers’ cost of compliance, and result in reduced volumes available for our midstream assets to gather, process and fractionate. Climate change and GHG emission regulation could affect our operations, energy consumption patterns and regulatory obligations, any of which could ~~affect~~ **adversely impact** our results of operations and financial condition. Currently, multiple legislative and regulatory measures to address GHG (including carbon dioxide, methane and nitrous oxides) and other emissions are in various phases of consideration, promulgation or implementation. These include actions to develop international, federal, regional or statewide programs, which could require reductions in our GHG or other emissions, establish a carbon tax and decrease the demand for refined products. Requiring reductions in these emissions could result in increased costs to (i) operate and maintain our facilities, (ii) install new emission controls at our facilities and (iii) administer and manage any emissions programs, including acquiring emission credits or allotments. Certain municipalities have also proposed or enacted restrictions on the installation of natural gas appliances and infrastructure in new residential or commercial construction, which could affect demand for the natural gas that we transport and store. **Certain jurisdictions are also considering ordinances that would prohibit construction or expansion of terminals.** Regional and state climate change and air emissions goals and regulatory programs are complex, subject to change and considerable uncertainty due to a number of factors including technological feasibility, legal challenges and potential changes in federal policy. Increasing concerns about climate change and carbon intensity have also resulted in societal concerns and a number of international and national measures to limit GHG emissions. Additional stricter measures and investor pressure can be expected in the future and any of these changes may have a material adverse impact on our business or financial condition. International climate change- related efforts, such as the 2015 United Nations Conference on Climate Change, which led to the creation of the Paris Agreement, may impact the regulatory framework of states whose policies directly influence our present and future operations. ~~Though~~ **In** the United States ~~had withdrawn from the Paris Agreement~~ , ~~President Biden issued an executive order recommitting the United States to the Paris Agreement on January 20, 2021. President Biden also issued~~ an Executive Order ~~on climate change in which he~~ **issued January 27, 2021,** announced putting the U. S. on a path to achieve net- zero carbon emissions, economy- wide, by 2050. **In December 2023, EPA completed one**

**provision of the order by promulgating a final rule to reduce methane and volatile organic compounds from oil and gas operations. Concurrently, EPA significantly increased the social cost of greenhouse gases. A higher social cost of greenhouse gases could support more stringent GHG emission regulation.** The scope and magnitude of the changes to U. S. climate change strategy under the **current** ~~Biden administration~~ and future administrations, however, remain subject to the passage of legislation and interpretation and action of federal and state regulatory bodies; therefore, the impact to our industry and operations due to GHG regulation is unknown at this time. Energy companies are subject to increasing environmental and climate- related litigation. Governmental and other entities in various U. S. states have filed lawsuits against various energy companies, including MPC, upon which we depend for a substantial portion of our business. The lawsuits allege damages as a result of climate change and the plaintiffs are seeking unspecified damages and abatement under various tort theories. Similar lawsuits may be filed in other jurisdictions. Additionally, private plaintiffs and government parties have undertaken efforts to shut down energy assets by challenging operating permits, the validity of easements or the compliance with easement conditions. For example, the Dakota Access Pipeline, in which we have a minority interest, has been subject to, and may in the future be subject to, litigation seeking a permanent shutdown of the pipeline. There remains a high degree of uncertainty regarding the ultimate outcome of these types of proceedings, as well as their potential effect on our business, financial condition, results of operation and cash flows. We are subject to risks associated with societal and political pressures and other forms of opposition to the development, transportation and use of carbon- based fuels. Such risks could adversely impact our business and **our** ability to **continue to operate or** realize certain growth strategies. We operate and develop our business with the expectation that regulations and societal sentiment will continue to enable the development, transportation and use of carbon- based fuels. However, policy decisions relating to the production, refining, transportation, storage and marketing of carbon- based fuels are subject to political pressures and the influence of public sentiment on GHG emissions, climate change, and climate adaptation. Additionally, societal sentiment regarding carbon- based fuels may adversely impact our reputation and MPC' s ability to attract or retain the employees who provide services to us. The approval process for storage and transportation projects has become increasingly challenging, due in part to state and local concerns related to pipelines, negative public perception regarding the oil and gas industry, and concerns regarding GHG emissions downstream of pipeline operations. Our expansion or construction projects may not be completed on schedule (or at all), or at the budgeted cost. We also may be required to incur additional costs and expenses in connection with the design and installation of our facilities due to their location and the surrounding terrain. We may be required to install additional facilities, incur additional capital and operating expenditures, or experience interruptions in or impairments of our operations to the extent that the facilities are not designed or installed correctly. Large capital projects may be subject to delays, can take years to complete, and market conditions could deteriorate significantly between the project approval date and the project startup date, negatively impacting project returns. Delays in completing capital projects or making required changes or upgrades to our facilities could subject us to fines or penalties as well as affect our ability to supply certain products we produce. Such delays or cost increases may arise as a result of unpredictable factors, many of which are beyond our control, including: • denials of, delays in receiving, or revocations of requisite regulatory approvals or permits; • unplanned increases in the cost of construction materials or labor, whether due to inflation or other factors; • disruptions in transportation of components or construction materials; • adverse weather conditions, natural disasters or other events (such as equipment malfunctions, explosions, fires or spills) affecting our facilities, or those of vendors or suppliers; • shortages of sufficiently skilled labor, or labor disagreements resulting in unplanned work stoppages; • market- related increases in a project' s debt or equity financing costs; • global supply chain disruptions; • nonperformance by, or disputes with, vendors, suppliers, contractors or subcontractors; and • delays due to citizen, state or local political or activist pressure. Moreover, our revenues may not increase immediately upon the expenditure of funds on a particular project. For instance, if we build a new pipeline, the construction will occur over an extended period of time and we may not receive any material increases in revenues until after completion of the project, if at all. Any one or more of these factors could have a significant impact on our ongoing capital projects. If we were unable to make up the delays associated with such factors or to recover the related costs, or if market conditions change, it could materially and adversely affect our capital project returns and our business, financial condition, results of operations and cash flows. Increasing attention to environmental, social and governance matters may impact our business and financial results. In recent years, increasing attention has been given to corporate activities related to ~~environmental, social and governance ("~~ESG ~~")~~ matters in public discourse and the investment community **, including climate change, energy transition matters, and diversity, equity and inclusion** . A number of advocacy groups, both domestically and internationally, have campaigned for governmental and private action to promote ESG- related change at public companies, including, but not limited to, through the investment and voting practices of investment advisers, pension funds, universities and other members of the investing community. These activities include increasing attention and demands for action related to climate change and energy transition matters, such as promoting the use of substitutes to fossil fuel products and encouraging the divestment of fossil fuel equities, as well as pressuring lenders and other financial services companies to limit or curtail activities with fossil fuel companies. If this were to continue, it could have a material adverse effect on our access to capital. Members of the investment community have begun to screen companies such as ours for sustainability performance, including practices related to GHG emission reduction and energy transition strategies. If we are unable to find economically viable, as well as publicly acceptable, solutions that reduce our GHG emissions, reduce GHG intensity for new and existing projects, increase our non- fossil fuel product portfolio, and / or address other ESG- related stakeholder concerns, we could experience additional costs or financial penalties, delayed or cancelled projects, or adverse unit price impacts, which could have a material and adverse effect on our business and results of operations **. Further, our reputation could be damaged as a result of our support of, association with or lack of support or disapproval of certain social causes, as well as any decisions we make to continue to conduct, or change, certain of our activities in response to such considerations** . Our goals, targets and disclosures related to ESG matters expose us to numerous risks, including risks to our reputation and unit price. Companies across all industries are facing increasing scrutiny from stakeholders related to ESG matters, including practices and disclosures regarding climate- related initiatives. In 2022, MPLX established a target to reduce methane emissions intensity and MPC, MPLX' s largest customer, has established a target to reduce GHG emissions. These targets reflect our current plans and aspirations and are not guarantees that we will be able to achieve them. **We assess progress with these targets on an annual basis. We may modify, discontinue, update and expand targets or adopt new metrics as new information, opportunities, and technologies become available. Further, there are conflicting expectations and priorities from regulatory authorities, investors, voluntary reporting frame works, and other stakeholders surrounding accounting and disclosure of ESG matters and climate related initiatives.** Our efforts to accomplish and accurately report on these goals and objectives, which may be, in part, dependent on the actions of suppliers and other third parties, present numerous operational, regulatory, reputational, financial, legal, and other risks, any of which could have a material negative impact, including on our reputation and unit price. Efforts to achieve goals and targets, such as the foregoing and future internal climate- related initiatives, may increase costs, require purchase of carbon credits, or limit or impact our business plans and financial results, potentially resulting in the reduction to the economic end- of- life of certain assets and an impairment of the associated net book value, among other material adverse impacts. Additionally, as the nature, scope and complexity of ESG reporting, calculation methodologies, voluntary reporting standards and disclosure requirements expand, including the SEC' s proposed disclosure requirements regarding, among other matters, GHG emissions, we may have to undertake additional costs to control, assess and report on ESG metrics. Our failure or perceived failure to pursue or fulfill such goals and targets or to satisfy various reporting standards within the timelines we announce, or at all, could have a negative impact on investor sentiment, ratings outcomes for evaluating our approach to ESG matters, ~~stock~~ **unit** price, and cost of capital and expose us to government enforcement actions and private litigation, among other material adverse impacts. Certain of our facilities are located on Native American tribal lands and are subject to various federal and tribal approvals and regulations, which can increase our costs and delay or prevent our efforts to conduct operations. Various federal agencies within the U. S. Department of the Interior, particularly the Bureau of Indian Affairs, along with each Native American tribe, regulate natural gas and oil operations on Native American tribal lands. In addition, each Native American tribe is a sovereign nation having the right to enforce laws and regulations and to grant approvals independent from federal, state and local statutes and regulations. These tribal laws and regulations include various taxes, fees, requirements to employ Native American tribal members and other conditions that apply to operators and contractors conducting operations on Native American tribal lands. Persons conducting operations on tribal lands are generally subject to the Native American tribal court system. In addition, if our relationships with any of the relevant Native American tribes were to deteriorate, we could face significant risks to our ability to continue operations on Native American tribal lands. One or more of these factors has in the past and may in the future increase our cost of doing business on Native American tribal lands and impact the viability of, or prevent or delay our ability to conduct our operations on such lands. For example, we are subject to ongoing litigation regarding trespass claims relating to a portion of the Tesoro High Plains Pipeline in North Dakota. Our operations could be disrupted if we are unable to maintain or obtain real property rights required for our business. We do not own all of the land on which our assets are located, but rather obtain the rights to construct and operate such assets on land owned by third parties and governmental agencies for a specific period of time. Therefore, we are subject to the possibility of more burdensome terms and increased costs to obtain and retain necessary land use if our leases, rights- of- way or other property rights lapse, terminate or are reduced or it is determined that we do not have valid leases, rights- of- way or other property rights. For example, a portion of the Tesoro High Plains Pipeline in North Dakota remains shut down following delays in renewing a right- of- way necessary for the operation of a section of the pipeline. Any loss of or reduction in these rights, including loss or reduction due to legal, governmental or other actions or difficulty renewing leases, right- of- way agreements or permits on satisfactory terms or at all, could have a material adverse effect on our business, results of operations, financial condition and ability to make cash distributions to our unitholders. If foreign investment in us or our general partner exceeds certain levels, we could be prohibited from operating inland river vessels, which could materially and adversely affect our business, financial condition, results of operations and cash flows. The Shipping Act of 1916 and Merchant Marine Act of 1920 ( ~~collectively~~ **together** , the " Maritime Laws "), generally require that vessels engaged in U. S. coastwise trade be owned by U. S. citizens. Among other requirements to establish citizenship, entities that own such vessels must be owned at least 75 percent by U. S. citizens. If we fail to maintain compliance with the Maritime Laws, we would be prohibited from operating vessels in the U. S. inland waters. Such a prohibition could materially and adversely affect our business, financial condition, results of operations and cash flows. Some of our natural gas, NGL, crude oil and refined product pipelines are subject to FERC' s rate- making policies that could have an adverse impact on our ability to establish rates that would allow us to recover the full cost of operating our pipelines ~~including~~ **, plus** a reasonable return. A number of our pipelines provide interstate service that is subject to regulation by FERC. FERC prescribes rate methodologies for developing regulated tariff rates for these natural gas, interstate oil and products pipelines. FERC' s regulated tariff may not allow us to recover all of our costs of providing services. Changes in FERC' s approved rate methodologies, or challenges to our application of an approved methodology, could also adversely affect our rates. Additionally, shippers may protest (and FERC may investigate) the lawfulness of tariff rates. FERC can require refunds of amounts collected pursuant to rates that are ultimately found to be unlawful and prescribe new rates prospectively. Action by FERC could adversely affect our ability to establish reasonable rates that cover operating costs and allow for a reasonable return. An adverse determination in any future rate proceeding brought by or against us could have a material adverse effect on our business, financial condition and results of operations. Pipelines and operations not subject to regulation by FERC may still be subject to regulation by various state agencies. The applicable statutes and regulations generally require that our rates and terms and conditions of service provide no more than a fair return on the aggregate value of the facilities used to render services and that we offer service to our shippers on a not unduly discriminatory basis. FERC rate cases can involve complex and expensive proceedings. For more information regarding regulatory matters that could affect our business, please read Item 1. Business – Regulatory Matters as set forth in this Annual Report on Form 10- K. We may incur significant costs and liabilities resulting from performance of pipeline integrity programs and related repairs, and the expansion of pipeline safety laws and regulations could require us to use more comprehensive and stringent safety controls and subject us to increased capital and operating costs. The DOT through the PHMSA has adopted regulations requiring pipeline operators to develop integrity management programs for gas transmission and hazardous liquids pipelines located where a leak or rupture could do the most harm. The regulations require the following of operators of covered pipelines to: • perform ongoing assessments of pipeline integrity; • identify and characterize applicable threats to pipeline segments that could impact a high consequence area; • improve data collection, integration and analysis; • repair and remediate the pipeline as necessary; and • implement preventive and mitigating actions. Some states have adopted regulations similar to existing PHMSA regulations for intrastate gathering and transmission lines. The adoption of additional laws or regulations that apply more comprehensive or stringent safety standards to gas, NGL, crude oil and refined product lines or other facilities, or the expansion of regulatory inspections by regulators, could require us to install new or modified safety controls, pursue added capital projects, make modifications or operational changes, or conduct maintenance programs on an accelerated basis, all of which could require us to incur increased capital and operational costs or operational delays that could be significant and have a material adverse effect on our financial position or results of operations and ability to make distributions to our unitholders. Transaction Risks ~~We have recorded goodwill and other intangible assets that could become further impaired and result in material non-cash charges to our results of operations in the future. We accounted for our acquisition of Andeavor Logistics LP (" ANDX " and such acquisition, the " Merger ") as a reorganization of entities under common control in accordance with accounting principles generally accepted in the United States. Under a reorganization of entities under common control, the assets and liabilities of ANDX transferred between entities under common control were recorded by MPLX based on MPC' s historical cost basis resulting from its preliminary purchase price accounting. We recorded ANDX' s assets and liabilities at MPC' s basis as of October 1, 2018, the date that common control was first established. Under MPC' s application of the acquisition method of accounting, a portion of the total purchase price was allocated to ANDX' s tangible assets and liabilities and identifiable intangible assets based on their fair values as of October 1, 2018. The excess of the allocated purchase price over those fair values was recorded as goodwill. In 2020, we recorded approximately $ 2. 0 billion in impairment expense related to goodwill and intangible assets. As of December 31, 2022, our balance sheet reflected $ 7. 6 billion and $ 705 million of goodwill and intangible assets, respectively. To the extent the value of goodwill or intangible assets becomes further impaired, we may be required to incur additional material non- cash charges relating to such impairment. Our operating results may be significantly impacted from both the impairment and the underlying trends in the business that triggered the impairment.~~ If we are unable to make strategic acquisitions on economically acceptable terms from MPC or third parties, our ability to implement our business strategy may be impaired. In addition to organic growth, a component of our business strategy can include the expansion of our operations through strategic acquisitions. If we are unable to make accretive strategic acquisitions from MPC or third parties that increase the cash generated from operations per unit, whether due to an inability to identify attractive acquisition candidates, to negotiate acceptable purchase contracts, or to obtain financing for these acquisitions on economically acceptable terms, then our ability to successfully implement our business strategy may be impaired. Future acquisitions will involve the integration of new assets or businesses and may present substantial risks that could adversely affect our business, financial conditions, results of operations and cash flows. Future transactions involving the addition of new assets or businesses will present potential risks, which may include, among others: • inaccurate assumptions about future synergies, revenues, capital expenditures and operating costs; • an inability to successfully integrate, or a delay in the successful integration of, assets or businesses we acquire; • a decrease in our liquidity resulting from using a portion of our available cash or borrowing capacity under our revolving credit agreement to finance transactions; • a significant increase in our interest expense or financial leverage if we incur additional debt to finance transactions; • the assumption of unknown environmental and other liabilities, losses or costs for which we are not indemnified or for which our indemnity is inadequate; • the diversion of management' s attention from other business concerns; • the loss of customers or key employees from the acquired businesses; and • the incurrence of other significant charges, such as impairment of goodwill or other intangible assets, asset devaluation or restructuring charges. Risks Relating to the Business and Operations of MPC MPC accounts for a substantial portion of our revenues. If MPC is unable to satisfy its obligations to us or significantly reduces the volumes transported through our facilities or stored at our storage assets, our revenues would decline and our financial condition, results of operations, cash flows, and ability to make distributions to our unitholders would be materially and adversely affected. We derive a substantial portion of our revenues from MPC. Any event that materially and adversely affects MPC' s financial condition, results of operations or cash flows may adversely affect our ability to sustain or increase distributions to our unitholders. Accordingly, we are indirectly subject to the operational and business decisions and risks of MPC, which include the following: • the timing and extent of changes in commodity prices and demand for MPC' s products, and the availability and costs of crude oil and other refinery feedstocks; • a material decrease in the refining margins at MPC' s refineries; • disruptions due to equipment interruption or failure at MPC' s facilities or at third- party facilities on which MPC' s business is dependent; • any decision by MPC to temporarily or permanently alter, curtail or shut down operations at one or more of its refineries or other facilities and reduce or terminate its obligations under our transportation and storage or refining logistics and fuels distribution agreements; • changes to the routing of volumes shipped by MPC on our crude oil and refined product pipelines or the ability of MPC to utilize third- party pipeline connections to access our pipelines; • MPC' s ability to remain in compliance with the terms of its outstanding indebtedness; • changes in the cost or availability of third- party pipelines, railways, vessels, terminals and other means of delivering and transporting crude oil, feedstocks, refined products, other hydrocarbon- based products and renewables; • state and federal environmental, economic, health and safety, energy and other policies and regulations, and any changes in those policies and regulations; • imposition of new economic sanctions against Russia or other countries and the effects of potential responsive countermeasures; • environmental incidents and violations and related remediation costs, fines and other liabilities; • operational hazards and other incidents at MPC' s refineries and other facilities, such as explosions and fires, that result in temporary or permanent shut downs of those refineries and facilities; • changes in crude oil and refined product inventory levels and carrying costs; and • disruptions due to hurricanes, tornadoes or other forces of nature. MPC is not obligated to use our services with respect to volumes in excess of the minimum volume commitments under its agreements with us. If MPC satisfies only its minimum obligations under, or if we are unable to renew or extend, the transportation, terminal, fuels distribution, marketing and storage services agreements we have with MPC, or if MPC elects to use credits upon the expiration or termination of an agreement, our cash available for distribution will be materially and adversely affected. In addition, significant stockholders of MPC may attempt to effect changes at MPC or acquire control of the company, which could impact the pursuit of MPC' s business strategies. Campaigns by stockholders to effect changes at publicly traded companies are sometimes led by investors seeking to increase short- term stockholder value through actions such as financial restructuring, increased debt, special dividends, stock repurchases or sales of assets or the entire company. As a result, stockholder campaigns at MPC could directly or indirectly adversely affect our results of operations and financial condition and our ability to sustain or increase distributions to our unitholders. MPC may suspend, reduce or terminate its obligations under its agreements with us in some circumstances, which could have a material adverse effect on our financial condition, results of operations, cash flows and ability to make distributions to our unitholders. Certain of our transportation, terminal, fuels distribution, marketing and storage services agreements with MPC include provisions that permit MPC to suspend, reduce or terminate its obligations under the applicable agreement if certain events occur. These events include a material breach of the applicable agreement by us, MPC being prevented from transporting its full minimum volume commitment because of capacity constraints on our pipelines, certain force majeure events that would prevent us from performing some or all of the required services under the applicable agreement and MPC' s determination to suspend refining operations at one of its refineries. MPC has the discretion to make such decisions notwithstanding the fact that they may significantly and adversely affect us. These actions could result in a suspension, reduction or termination of MPC' s obligations under one or more transportation and storage services agreements. Any such reduction, suspension or termination of MPC' s obligations could have a material adverse effect on our financial condition, results of operations, cash flows and ability to make distributions to our unitholders. MPC' s level of indebtedness, the terms of its borrowings and its credit ratings could adversely affect our ability to grow our business and our ability to make distributions to our unitholders. Our ability to obtain credit in the future may also be adversely affected by MPC' s credit rating. MPC must devote a portion of its cash flows from operating activities to service its indebtedness, and therefore, cash flows may not be available for use in pursuing its growth strategy. Furthermore, a higher level of indebtedness at MPC in the future increases the risk that it may default on its obligations to us under our transportation and storage services agreements. As of December 31, ~~2022~~ **2023** , MPC had consolidated long- term indebtedness of approximately $ 27. ~~1~~ **6** billion, of which $ ~~7~~ **6** . ~~0~~ **9** billion was a direct obligation of MPC or its subsidiaries other than MPLX or its consolidated subsidiaries. The covenants contained in the agreements governing MPC' s outstanding and future indebtedness may limit its ability to borrow additional funds for development and make certain investments and may directly or indirectly impact our operations in a similar manner. Furthermore, if MPC were to default under certain of its debt obligations, there is a risk that MPC' s creditors would attempt to assert claims against our assets during the litigation of their claims against MPC. The defense of any such claims could be costly and could materially impact our financial condition, even absent any adverse determination. If these claims were successful, our ability to meet our obligations to our creditors, make distributions and finance our operations could be materially and adversely affected. Rating agencies have in the past, and may in the future, change MPLX' s credit ratings or credit outlook following developments at MPC. If these ratings are lowered in the future, the interest rate and fees MPC pays on its credit facilities may increase. Credit rating agencies will likely consider MPC' s debt ratings when assigning ours because of MPC' s ownership interest in us, the significant commercial relationships between MPC and us, and our reliance on MPC for a portion of our revenues. If one or more credit rating agencies were to downgrade the outstanding indebtedness of us or MPC, we could experience an increase in our borrowing costs or difficulty accessing the capital markets. Such a development could adversely affect our ability to grow our business and to make distributions to our unitholders. Tax Risks Our tax treatment depends on our status as a partnership for federal income tax purposes as well as our not being subject to a material amount of entity level taxation by individual states. If the IRS were to treat us as a corporation for federal income tax purposes, or we become subject to a material amount of entity level taxation for state tax purposes, it would substantially reduce the amount of cash available for distribution to our unitholders. The anticipated after- tax economic benefit of an investment in our common units depends largely on our being treated as a partnership for federal income tax purposes. We have not requested, and do not plan to request, a ruling from the IRS on this. A publicly traded partnership such as us may be treated as a corporation for federal income tax purposes unless it satisfies a " qualifying income " requirement. Based on our current operations, we believe that we are treated as a partnership rather than as a corporation for such purposes; however, a change in our business or a change in current law could cause us to be treated as a corporation for federal income tax purposes. The IRS may adopt positions that differ from the ones we take. A successful IRS contest of the federal income tax positions we take may adversely impact the market for our common units, and the costs of any IRS contest will reduce our cash available for distribution to unitholders. If we were treated as a corporation for federal income tax purposes, we would pay federal income tax on our taxable income at the corporate tax rate, which is currently a maximum of 21 percent, and likely would pay state and local income tax at varying rates. Distributions to unitholders generally would be taxed again as corporate dividends, and no income, gains, losses, deductions, or credits would flow through to our unitholders. Treatment of us as a corporation would result in a material reduction in the anticipated cash flow and after- tax return to our unitholders, likely causing a substantial reduction in the value of our common units. Changes in current state or local law may subject us to additional entity- level taxation by individual states and localities. For example, we are currently subject to state and local taxes in Texas and Tennessee and certain localities in Kentucky, Michigan and Ohio. Imposition of any such additional taxes on us may substantially reduce the cash available for distribution to unitholders. Our Partnership Agreement provides that, if a law is enacted or an existing law is modified or interpreted in a manner that subjects us to taxation as a corporation or otherwise subjects us to entity- level taxation for federal, state or local income tax purposes, the minimum quarterly distribution amount and the target distribution amounts may be adjusted to reflect the impact of that law on us. If the IRS contests the federal income tax positions we take, the market for our common units may be adversely impacted and the cost of any IRS contest will reduce our cash available for distribution. The IRS has made no determination as to our status as a partnership for federal income tax purposes. The IRS may adopt positions that differ from the positions we take. It may be necessary to resort to administrative or court proceedings to sustain some or all the positions we take. A court may not agree with some or all of the positions we take. Any contest with the IRS may materially and adversely impact the market for our common units and the price at which they trade. In addition, our costs of any contest with the IRS will be borne indirectly by our unitholders and our general partner because the costs will reduce our cash available for distribution. Our unitholders will be required to pay taxes on their share of income even if they do not receive any distributions from us. Because our unitholders will be treated as partners to whom we will allocate taxable income that could be different in amount than the cash we distribute, our unitholders will be required to pay any federal income taxes and, in some cases, state and local income taxes on their share of our taxable income even if they receive no distributions from us. Our unitholders may not receive distributions from us equal to their share of our taxable income or even equal to the actual tax liability that result from that income. Tax gain or loss on the disposition of our common units could be more or less than expected. If our unitholders sell their common units, they will recognize gain or loss equal to the difference between the amount realized and their tax basis in those common units. Because distributions in excess of a unitholder' s allocable share of our net taxable income decrease the unitholder' s tax basis in their common units, the amount, if any, of such prior excess distributions with respect to their units will, in effect, increase taxable income to the unitholder. Furthermore, a substantial portion of the amount realized, whether or not representing gain, may be taxed as ordinary income due to potential recapture items, including depreciation recapture. In addition, because the amount realized includes a unitholder' s share of our non-recourse liabilities, if a unitholder sells units, the unitholder may incur taxable income in excess of the amount of cash received from the sale. Tax- exempt entities face unique tax issues from owning our common units that may result in adverse tax consequences to them. Investment in our common units by tax- exempt entities, such as employee benefit plans and individual retirement accounts (known as IRAs), raises issues unique to them. For example, virtually all of our income allocated to organizations that are exempt from federal income tax, including IRAs and other retirement plans, will be unrelated business taxable income and will be taxable to them. Furthermore, a tax- exempt entity' s gain on sale of common units may be treated, at least in part, as unrelated business taxable income. Tax- exempt entities should consult their tax advisor before investing in our common units. Non- U. S. unitholders will be subject to United States taxes and withholding with respect to their income and gain from owning our units. Non- U. S. unitholders are generally taxed and subject to income tax filing requirements by the United States on income effectively connected with a U. S. trade or business. **All** ~~Income~~ **income** allocated to our unitholders and any gain from the sale of our units will generally be considered to be " effectively connected " with a U. S. trade or business. As a result, **all** distributions to non- U. S. ~~persons~~ **unitholders** will be ~~reduced by~~ **subject to** withholding taxes at the highest applicable effective tax rate, and **, in the event of a sale of our units by a** non- U. S. ~~persons~~ **unitholder, such non- U. S. unitholder will be subject to withholding taxes on all proceeds attributable to the sale of such units. Furthermore, while non- U. S. unitholders are subject to additional withholding on distributions in excess of cumulative net income, we do not calculate cumulative net income for withholding purposes. Consequently, all of our distributions to non- U. S. unitholders will be subject to such additional withholding. Non- U. S. unitholders** will be required to file U. S. federal tax returns and pay tax on their share of our taxable income. Non- U. S. ~~persons~~ **unitholders** will also potentially have tax filings and payment obligations in additional jurisdictions. We treat each purchaser of common units as having the same tax benefits without regard to the actual units purchased. The IRS may challenge this treatment, which could adversely affect the value of the common units. Because we cannot match transferors and transferees of common units and to enable the uniformity of the economic and tax characteristics of common units, we have adopted depreciation and amortization positions that may not conform to all aspects of existing Treasury Regulations. A successful IRS challenge to those positions could adversely affect the amount of tax benefits available to our unitholders. It also could affect the timing of these tax benefits or the amount of gain from the sale of common units and could have a negative impact on the value of our common units or result in audit adjustments to our unitholders' tax returns. Our unitholders will likely be subject to state and local taxes and return filing requirements in states where they do not live as a result of investing in our units. In addition to federal income taxes, our unitholders will likely be subject to other taxes, including state and local taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which we do business or own property now or in the future, even if our unitholders do not live in any of those jurisdictions. Our unitholders will likely be required to file state and local income tax returns and pay state and local income taxes in some or all of these various jurisdictions. Further, our unitholders may be subject to penalties for failure to comply with those requirements. We currently conduct business in a substantial number of states, most of which currently impose a personal income tax and many of which impose an income tax on corporations and other entities. As we make acquisitions or expand our business, we may own assets or conduct business in additional states. It is our unitholders' responsibility to file all U. S. federal, state and local tax returns. We have adopted certain valuation methodologies that may result in a shift of income, gain, loss and deduction between our general partner and our unitholders. The IRS may challenge this treatment, which could adversely affect the value of the common units. When we issue additional units or engage in certain other transactions, we must determine the fair market value of our assets and allocate any unrealized gain or loss attributable to our assets to the capital accounts of our unitholders and our general partner. Our methodology may be viewed as understating the value of our assets. In that case, there may be a shift of income, gain, loss and deduction between certain unitholders and the general partner, which may be unfavorable to such unitholders. Moreover, under our valuation methods, subsequent purchasers of common units may have a greater portion of their Internal Revenue Code Section 743 (b) adjustment allocated to our tangible assets and a lesser portion allocated to our intangible assets. The IRS may challenge our valuation methods, our allocation of the Section 743 (b) adjustment attributable to our tangible and intangible assets, or our allocations of income, gain, loss and deduction between our general partner and certain of our unitholders. A successful IRS challenge to these methods or allocations could adversely affect the amount of taxable income or loss being allocated to our unitholders. It also could affect the amount of gain from our unitholders' sale of common units and could have a negative impact on the value of the common units or result in audit adjustments to our unitholders' tax returns without the benefit of additional deductions. A unitholder whose common units are the subject of a securities loan (e. g., a loan to a short seller) may be considered as having disposed of those common units. If so, the unitholder would no longer be treated for tax purposes as a partner with respect to those common units during the period of the loan and may recognize gain or loss from the disposition. A unitholder whose common units are the subject of a securities loan (i) may be considered as having disposed of the loaned common units, (ii) may no longer be treated for tax purposes as a partner with respect to those common units during the period of the loan to the short seller and (iii) may recognize gain or loss from such disposition. Moreover, during the period of the loan, any of our income, gain, loss or deduction with respect to those common units may not be reportable by the unitholder and any distributions received by the unitholder as to those common units could be fully taxable as ordinary income. Unitholders desiring to assure their status as partners and avoid the risk of gain recognition from a securities loan are urged to consult a tax adviser to discuss whether it is advisable to modify any applicable brokerage account agreements to prohibit their brokers from borrowing their common units. The tax treatment of publicly traded partnerships or an investment in our units could be subject to potential legislative, judicial or administrative changes and differing interpretations, possibly on a retroactive basis. The present U. S. federal income tax treatment of publicly traded partnerships, including us, or an investment in our common units may be modified by administrative, legislative or judicial interpretation at any time. From time to time, the President and members of the U. S. Congress propose and consider substantive changes to the existing U. S. federal income tax laws that would affect publicly traded partnerships, including proposals that would eliminate our ability to qualify for partnership tax treatment. We are unable to predict whether any such changes will ultimately be enacted. Any modification to the U. S. federal income tax laws and interpretations thereof may or may not be applied retroactively and could make it more difficult or impossible to meet the exception for certain publicly traded partnerships to be treated as partnerships for U. S. federal income tax purposes or increase the amount of taxes payable by unitholders in publicly traded partnerships. We generally prorate our items of income, gain, loss and deduction between transferors and transferees of our units each month based upon the ownership of our units on the first day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders. We generally prorate our items of income, gain, loss and deduction between existing unitholders and unitholders who purchase our units based upon the ownership of our units on the first day of each month, instead of on the basis of the date a particular unit is transferred. Similarly, we generally allocate certain deductions for depreciation of capital additions, gain or loss realized on a sale or other disposition of our assets and, in the discretion of our general partner, any other extraordinary item of income, gain, loss or deduction based upon ownership on the allocation date. Treasury Regulations allow a similar monthly simplifying convention, but such regulations do not specifically authorize all aspects of the proration method we have adopted. If the IRS were to challenge our proration method or new Treasury Regulations were issued, we may be required to change the allocation of items of income, gain, loss and deduction among our unitholders. Unitholders may be subject to limitations on their ability to deduct interest expense we incur. In general, we are entitled to a deduction for interest paid or accrued on indebtedness properly allocable to our trade or business during our taxable year. However, ~~subject to the exceptions in the Coronavirus Aid, Relief, and Economic Security Act (the " CARES Act ") discussed below,~~ under the Tax Cuts and Jobs Act, for taxable years beginning after December 31, 2017, our deduction for " business interest " is **generally** limited to the sum of our business interest income and 30 ~~%~~ **percent** of our " adjusted taxable income. " For the purposes of this limitation, our adjusted taxable income is computed without regard to any business interest expense or business interest income, and in the case of taxable years beginning before January 1, 2022 **, our adjusted taxable income is also computed without regard to any depreciation or amortization** . If our " business interest " is subject to limitation under these rules, our unitholders will be limited in their ability to deduct their share of any interest expense that has been allocated to them **in the current taxable year and may be limited in their ability to deduct such interest expense in a future taxable year** . As a result, unitholders may be subject to limitation on their ability to deduct interest expense incurred by us. If the IRS makes audit adjustments to our income tax returns for tax years beginning after 2017, it (and some states) may collect any resulting taxes (including any applicable penalties and interest) directly from us, in which case our cash available for distribution to our unitholders might be substantially reduced. If the IRS makes audit adjustments to our income tax returns for tax years beginning after December 31, 2017, it (and some states) may collect any resulting taxes (including any applicable penalties and interest) directly from us. We will generally have certain limited rights to shift any such tax liability to our general partner and our unitholders in accordance with their interests in us during the year under audit, but there can be no assurance that we will be able to do so (or choose to do so) under all circumstances. As a result, our current unitholders may bear some or all of the tax liability resulting from such audit adjustment, even if such unitholders did not own units in us during the tax year under audit. If we are required to make payments of taxes, penalties and interest resulting from audit adjustments, our cash available for distribution to our unitholders might be reduced. Common Unit Ownership Risks Our general partner and its affiliates, including MPC, have conflicts of interest with us and limited duties to us and our unitholders, and they may favor their own interests to our detriment and that of our unitholders. Additionally, we have no control over MPC' s business decisions and operations, and MPC is under no obligation to adopt a business strategy that favors us. MPC ~~owns~~ **owned** our general partner and approximately ~~65~~ **64** percent of our outstanding common units as of February ~~16~~ **23** , ~~2023~~ **2024** . Although our general partner has a duty to manage us in a manner that is not adverse to the best interests of our partnership, conflicts of interest may arise between MPC and its affiliates, including our general partner, on the one hand, and us and our unitholders, on the other hand. In resolving these conflicts, the general partner may favor its own interests and the interests of its affiliates, including MPC, over the interests of our common unitholders, which may occur under our Partnership Agreement without being independently reviewed by the conflicts committee. These conflicts include, among others, the following situations: • neither our Partnership Agreement nor any other agreement requires MPC to pursue a business strategy that favors us or utilizes our assets, which could involve decisions by MPC to increase or decrease refinery production, shut down or reconfigure a refinery, or pursue and grow particular markets; • MPC' s directors and officers have a fiduciary duty to make decisions in the best interests of the stockholders of MPC; • disputes may arise under agreements pursuant to which MPC and its affiliates are our customers; • MPC may be constrained by the terms of its debt instruments from taking actions, or refraining from taking actions, that may be in our best interests; • except in limited circumstances, our general partner has the power and authority to conduct our business without unitholder approval; • our general partner will determine the amount and timing of asset purchases and sales, borrowings, issuance of additional partnership securities and the creation, reduction or increase of cash reserves, each of which can affect the amount of cash that is distributed to our unitholders; • our general partner will determine the amount and timing of many of our cash expenditures and whether a cash expenditure is classified as an expansion capital expenditure, which would not reduce operating surplus, or a maintenance capital expenditure, which would reduce our operating surplus. This determination can affect the amount of cash that is distributed to our unitholders, including MPC, and the amount of adjusted operating surplus generated in any given period; • our general partner will determine which costs incurred by it are reimbursable by us and may cause us to pay it or its affiliates for any services rendered to us; • our general partner may cause us to borrow funds in order to permit the payment of distributions; • our Partnership Agreement permits us to classify up to $ 60 million as operating surplus, even if it is generated from asset sales, non- working capital borrowings or other sources that would otherwise constitute capital surplus. This cash may be used to fund distributions to our unitholders, including MPC; • our Partnership Agreement does not restrict our general partner from entering into additional contractual arrangements with it or its affiliates on our behalf; • our general partner intends to limit its liability regarding our contractual and other obligations; • our general partner may exercise its right to call and purchase all of the common units not owned by it and its affiliates if it and its affiliates own more than 85 percent of the common units; • our general partner controls the enforcement of obligations owed to us by our general partner and its affiliates, including our transportation and storage services agreements with MPC; and • our general partner decides whether to retain separate counsel, accountants or others to perform services for us. Under the terms of our Partnership Agreement, the doctrine of corporate opportunity, or any analogous doctrine, does not apply to our general partner or any of its affiliates, including its executive officers, directors and owners. Any such person or entity that becomes aware of a potential transaction, agreement, arrangement or other matter that may be an opportunity for us will not have any duty to communicate or offer such opportunity to us. Any such person or entity will not be liable to us or to any limited partner for breach of any fiduciary duty or other duty by reason of the fact that such person or entity pursues or acquires such opportunity for itself, directs such opportunity to another person or entity or does not communicate such opportunity or information to us. This may create actual and potential conflicts of interest between us and affiliates of our general partner and result in less than favorable treatment of us and our unitholders. Our Partnership Agreement requires that we distribute all of our available cash, which could limit our ability to grow and make acquisitions. Our Partnership Agreement requires that we distribute all of our available cash to our unitholders. As a result, we may require external financing sources, including commercial bank borrowings and the issuance of debt and equity securities, to fund our acquisitions and expansion capital expenditures. Therefore, to the extent we are unable to finance our growth externally, our cash distribution policy will significantly impair our ability to grow. In addition, because we will distribute all of our available cash, our growth may not be as fast as that of businesses that reinvest their available cash to expand ongoing operations. To the extent we issue additional units in connection with any acquisitions or expansion capital expenditures, the payment of distributions on those additional units may increase the risk that we will be unable to maintain or increase our per unit distribution level. The incurrence of additional commercial borrowings or other debt to finance our growth strategy would result in increased interest expense, which, in turn, may reduce the amount of cash available to distribute to our unitholders. Our Partnership Agreement replaces our general partner' s fiduciary duties to holders of our common units with contractual standards governing its duties and restricts the remedies available to unitholders for actions taken by our general partner. Our Partnership Agreement contains provisions that eliminate the fiduciary standards to which our general partner would otherwise be held by state fiduciary duty law and replaces those duties with several different contractual standards. For example, our Partnership Agreement permits our general partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our general partner, free of any duties to us and our unitholders other than the implied contractual covenant of good faith and fair dealing. Our general partner is entitled to consider only the interests and factors that it desires and is relieved of any duty or obligation to give consideration to any interest of, or factors affecting, us, our affiliates or our limited partners. Our Partnership Agreement contains provisions that restrict the remedies available to unitholders for actions taken by our general partner that might otherwise constitute breaches of fiduciary duty under state fiduciary duty law. For example, our Partnership Agreement: • provides that whenever our general partner makes a determination or takes, or declines to take, any other action in its capacity as our general partner, our general partner is required to make such determination, or take or decline to take such other action, in good faith and will not be subject to any other or different standard imposed by our Partnership Agreement, Delaware law, or any other law, rule or regulation, or at equity; • provides that our general partner will not have any liability to us or our unitholders for decisions made in its capacity as a general partner so long as it acted in good faith; • provides that our general partner and its officers and directors will not be liable for monetary damages to us or our limited partners resulting from any act or omission unless there has been a final and non- appealable judgment entered by a court of competent jurisdiction determining that our general partner or its officers and directors, as the case may be, acted in bad faith or engaged in fraud or willful misconduct or, in the case of a criminal matter, acted with knowledge that the conduct was criminal; and • provides that our general partner will not be in breach of its obligations under our Partnership Agreement or its fiduciary duties to us or our limited partners if a transaction with an affiliate or the resolution of a conflict of interest is approved in accordance with, or otherwise meets the standards set forth in, our Partnership Agreement. In connection with a transaction with an affiliate or a conflict of interest, our Partnership Agreement provides that any determination by our general partner must be made in good faith, and that our conflicts committee and the board of directors of our general partner are entitled to a presumption that they acted in good faith. In any proceeding brought by or on behalf of any limited partner or the partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption. By purchasing a common unit, a unitholder is treated as having consented to the provisions in our Partnership Agreement, including the provisions discussed above. Unitholders have very limited voting rights and, even if they are dissatisfied, they have limited ability to remove our general partner without its consent. Unlike the holders of common stock in a corporation, unitholders have only limited voting rights on matters affecting our business and, therefore, limited ability to influence management' s decisions regarding our business. Unitholders did not elect our general partner or the board of directors of our general partner and will have no right to elect our general partner or the board of directors of our general partner on an annual or other continuing basis. The board of directors of our general partner is chosen by the members of our general partner, which are wholly owned subsidiaries of MPC. Furthermore, if the unitholders are dissatisfied with the performance of our general partner, they will have little ability to remove our general partner. The vote of the holders of at least 66 2 / 3 percent of all outstanding common units voting together as a single class is required to remove our general partner. As of February ~~16~~ **23** , ~~2023~~ **2024** , our general partner and its affiliates owned approximately ~~65~~ **64** percent of the outstanding common units (excluding common units held by officers and directors of our general partner and MPC). As a result of these limitations, the price at which our common units will trade could be diminished because of the absence or reduction of a takeover premium in the trading price. Furthermore, unitholders' voting rights are further restricted by the Partnership Agreement provision providing that any units held by a person that owns 20 percent or more of any class of units then outstanding, other than our general partner, its affiliates, their transferees, and persons who acquired such units with the prior approval of the board of directors of our general partner, cannot vote on any matter. Our Partnership Agreement also contains provisions limiting the ability of unitholders to call meetings or to acquire information about our operations, as well as other provisions limiting the unitholders' ability to influence the manner or direction of management. If unitholders are not both citizenship- eligible holders and rate- eligible holders, their common units may be subject to redemption. In order to avoid (1) any material adverse effect on the maximum applicable rates that can be charged to customers by our subsidiaries on assets that are subject to rate regulation by the FERC or analogous regulatory body and (2) any substantial risk of cancellation or forfeiture of any property, including any governmental permit, endorsement or other authorization, in which we have an interest, we have adopted certain requirements regarding those investors who may own our common units. Citizenship eligible holders are individuals or entities whose nationality, citizenship or other related status does not create a substantial risk of cancellation or forfeiture of any property, including any governmental permit, endorsement or authorization, in which we have an interest, and will generally include individuals and entities who are U. S. citizens. Rate- eligible holders are individuals or entities subject to U. S. federal income taxation on the income generated by us or entities not subject to U. S. federal income taxation on the income generated by us, so long as all of the entity' s owners are subject to such taxation. If unitholders are not persons who meet the requirements to be citizenship- eligible holders and rate- eligible holders, they run the risk of having their units redeemed by us at the market price as of the date three days before the date the notice of redemption is mailed. The redemption price will be paid in cash or by delivery of a promissory note, as determined by our general partner. In addition, if unitholders are not persons who meet the requirements to be citizenship eligible holders, they will not be entitled to voting rights. Cost reimbursements, which will be determined in our general partner' s sole discretion, and fees due our general partner and its affiliates for services provided will be substantial and will reduce our cash available for distribution. Under our Partnership Agreement, we are required to reimburse our general partner and its affiliates for all costs and expenses that they incur on our behalf for managing and controlling our business and operations. Except to the extent specified under our omnibus agreements or our employee services agreements, our general partner determines the amount of these expenses. Under the terms of the omnibus agreements, we will be required to reimburse MPC for the provision of certain general and administrative services to us. Under the terms of our employee services agreements, we have agreed to reimburse MPC or its affiliates for the provision of certain operational and management services to us in support of our facilities. Our general partner and its affiliates also may provide us other services for which we will be charged fees as determined by our general partner. Payments to our general partner and its affiliates are substantial and reduce the amount of cash available for distribution to unitholders. The control of our general partner may be transferred to a third party without unitholder consent. There is no restriction in our Partnership Agreement on the ability of MPC to transfer its membership interest in our general partner to a third party. The new members of our general partner would then be in a position to replace the board of directors and officers of our general partner with their own choices and to control the decisions taken by our general partner. We may issue additional units without unitholder approval, which will dilute limited unitholder interests. At any time, we may issue an unlimited number of limited partner interests of any type, including limited partner interests that are convertible into our common units, without the approval of our unitholders and our unitholders will have no preemptive or other rights (solely as a result of their status as unitholders) to purchase any such limited partner interests. Further, neither our Partnership Agreement nor our bank revolving credit facility prohibits the issuance of additional preferred units, or other equity securities that may effectively rank senior to our common units as to distributions or liquidations. The issuance by us of additional common units, preferred units or other equity securities of equal or senior rank will have the following effects: • our unitholders' proportionate ownership interest in us will decrease; • it may be more difficult to maintain or increase our distributions to unitholders, and the amount of cash available for distribution on each unit may decrease; • the ratio of taxable income to distributions may increase; • the relative voting strength of each previously outstanding unit may be diminished; and • the market price of our common units may decline. MPC may sell units in the public or private markets, and such sales could have an adverse impact on the trading price of the common units. As of February ~~16~~ **23** , ~~2023~~ **2024** , MPC held 647, 415, 452 common units. Additionally, we have agreed to provide MPC with certain registration rights. The sale of these units in the public or private markets could have an adverse impact on the price of the common units or on any trading market that may develop. Affiliates of our general partner, including MPC, may compete with us, and neither our general partner nor its affiliates have any obligation to present business opportunities to us. MPC and other affiliates of our general partner are not prohibited from owning assets or engaging in businesses that compete directly or indirectly with us. In addition, MPC and other affiliates of our general partner may acquire, construct or dispose of additional midstream assets in the future without any obligation to offer us the opportunity to purchase any of those assets. As a result, competition from MPC and other affiliates of our general partner could materially and adversely impact our results of operations and cash available for distribution to unitholders. Our general partner has a limited call right that may require unitholders to sell common units at an undesirable time or price. If at any time our general partner and its affiliates own more than 85 percent of our common units, our general partner will have the right, but not the obligation, which it may assign to any of its affiliates or to us, to acquire all, but not less than all, of the common units held by unaffiliated persons at a price not less than their then current market price. As a result, unitholders may be required to sell their common units at an undesirable time or price and may not receive any return on their investment. Unitholders may also incur a tax liability upon a sale of such units. A unitholder' s liability may not be limited if a court finds that unitholder action constitutes control of our business. A general partner of a partnership generally has unlimited liability for the obligations of the partnership, except for those contractual obligations of the partnership that are expressly made non- recourse to the general partner. Our partnership is organized under Delaware law, and we conduct business in a number of other states. The limitations on the liability of holders of limited partner interests for the obligations of a limited partnership have not been clearly established in some jurisdictions. A unitholder could be liable for our obligations as if they were a general partner if a court or government agency were to determine that: • we were conducting business in a state but had not complied with that particular state' s partnership statute; or • a unitholder' s right to act with other unitholders to remove or replace the general partner, to approve some amendments to our Partnership Agreement or to take other actions under our Partnership Agreement constitute " control " of our business. Unitholders may have to repay distributions that were wrongfully distributed to them. Under certain circumstances, unitholders may have to repay amounts wrongfully distributed to them. Under Section 17- 607 of the Delaware Revised Uniform Limited Partnership Act, we may not make a distribution to unitholders if the distribution would cause our liabilities to exceed the fair value of our assets. Delaware law provides that for a period of three years from the date of the impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated Delaware law will be liable to the limited partnership for the distribution amount. Transferees of common units are liable for the obligations of the transferor to make contributions to the partnership that are known to the transferee at the time of the transfer and for unknown obligations if the liabilities could be determined from our Partnership Agreement. Liabilities to partners on account of their partnership interest and liabilities that are non- recourse to the partnership are not counted for purposes of determining whether a distribution is permitted. The NYSE does not require a publicly traded limited partnership like us to comply with certain of its corporate governance requirements. We list our common units on the NYSE. Because we are a publicly traded limited partnership, the NYSE does not require us to have a majority of independent directors on our general partner' s board of directors or to establish a compensation committee or a nominating and corporate governance committee. Accordingly, unitholders will not have the same protections afforded to certain corporations that are subject to all of the NYSE corporate governance requirements. The Court of Chancery of the State of Delaware will be, to the extent permitted by law, the sole and exclusive forum for substantially all disputes between us and our limited partners. Our limited partnership agreement provides that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any claims, actions or proceedings: • arising out of or relating in any way to our limited partnership agreement, or the rights or powers of, or restrictions on, our limited partners or the limited partnership; • brought in a derivative manner on behalf of the limited partnership; • asserting a claim of breach of a duty owed by any director, officer, or other employee of the limited partnership or the general partner, or owed by the general partner, to the partnership or the limited partners; • asserting a claim arising pursuant to any provision of the Delaware Revised Uniform Limited Partnership Act; or • asserting a claim governed by the internal affairs doctrine. The forum selection provision may restrict a limited partner' s ability to bring a claim against us or directors, officers or other employee of ours or our general partner in a forum that it finds favorable, which may discourage limited partners from bringing such claims at all. Alternatively, if a court were to find the forum selection provision contained in our limited partnership agreement to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in another forum, which could materially adversely affect our business, financial condition and results of operations. However, the forum selection provision does not apply to any claims, actions or proceedings arising under the Securities Act or the Exchange Act.