Delaware Pipeline Co LLC
Form 424B3
October 30, 2015
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-206728

PROSPECTUS

PBF LOGISTICS LP

PBF LOGISTICS FINANCE CORPORATION

Offer to Exchange (the exchange offer)

Up To $330,090,000 of

6.875% Senior Notes due 2023

That Have Not Been Registered Under

The Securities Act of 1933

For

Up To $330,090,000 of

6.875% Senior Notes due 2023

That Have Been Registered Under

The Securities Act of 1933

Terms of the New 6.875% Senior Notes due 2023 Offered in the Exchange Offer:

The terms of the new notes are substantially identical to the terms of the old notes that were issued on May 12, 2015, except that the new notes will be registered under the Securities Act of 1933, as amended, and will not contain restrictions on transfer, registration rights or provisions for payments of additional interest included in the registration rights agreement relating to the old notes.

Terms of the Exchange Offer:

We are offering to exchange up to $330,090,000 of our old notes for new notes with substantially identical terms that have been registered under the Securities Act and are freely tradable.

We will exchange all old notes that you validly tender and do not validly withdraw before the exchange offer expires for an equal principal amount of new notes.

The exchange offer expires at 12:00 a.m. midnight, New York City time, on December 2, 2015, unless extended. We do not currently intend to extend the expiration date.

Tenders of old notes may be withdrawn at any time prior to the expiration of the exchange offer.

The exchange of new notes for old notes will not be a taxable event for U.S. federal income tax purposes.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

You should carefully consider the Risk Factors beginning on page 15 of this prospectus before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is October 30, 2015

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This prospectus is part of a registration statement we filed with the SEC. You should rely only on the information contained in this prospectus and in the accompanying letter of transmittal. We have not authorized anyone to provide you with different information. The prospectus may be used only for the purposes for which it has been published and no person has been authorized to give any information not contained herein. If you receive any other information, you should not rely on it. The information contained in this prospectus is current only as of its date. We are not making an offer to sell these securities or soliciting an offer to buy these securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone whom it is unlawful to make an offer or solicitation.

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In this prospectus we refer to the notes to be issued in the exchange offer as the new notes, and we refer to the $330,090,000 aggregate principal amount of our 6.875% senior notes due 2023 issued on May 12, 2015, as the old notes. This prospectus does not cover the $19,910,000 aggregate principal amount of 6.875% senior notes due 2023 which were issued and sold concurrently with the old notes to certain of PBF Energy Inc. s officers and directors and their affiliates and family members, which we refer to as the private placement notes. Because these purchasers may be deemed to be our affiliates, based on interpretations by the staff of the SEC in no action letters issued to third parties not related to us, these purchasers are not eligible to participate in the exchange offer with respect to the private placement notes. The private placement notes are identical to the old notes (but are not expected to trade, and are not fungible, with the old notes) and were sold without registration under the securities laws. We refer to the new notes, the private placement notes and the old notes collectively as the notes. In this prospectus, references to PBFX or the issuer refer to PBF Logistics LP, a Delaware limited partnership, formed on February 25, 2013. In this prospectus, references to the co-issuer refer to PBF Logistics Finance Corporation, a Delaware corporation, incorporated on April 27, 2015, and a wholly-owned subsidiary of PBFX. PBF Logistics Finance Corporation has no material assets, and was formed for the purpose of being a co-issuer or guarantor of certain of our indebtedness. References to the issuers refer to the issuer and the co-issuer together.

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This prospectus incorporates by reference important business and financial information about us from documents filed with the SEC that have not been included herein or delivered herewith. This information is available without charge at the website that the SEC maintains at http://www.sec.gov, as well as from other sources. See Incorporation by Reference . In addition, you may request copies of the documents incorporated by reference in this prospectus from us, at no cost, by writing or calling our general partner at the following address or phone number: PBF Logistics GP LLC, One Sylvan Way, Second Floor, Parsippany, New Jersey 07054, Attention: General Counsel (Telephone (973) 455-7500). In order to receive timely delivery of those materials, you must make your requests no later than five business days before expiration of the exchange offer.

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INDUSTRY AND MARKET DATA

In this prospectus and in the documents incorporated by reference herein, we refer to information regarding market data and other statistical information obtained from independent industry publications, government publications or other published independent sources. Some data is also based on our good faith estimates. Although we believe these third party sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness. Estimates are inherently uncertain, involve risks and uncertainties and are subject to change based on various factors, including those described elsewhere in this prospectus and the documents incorporated by reference herein under the heading Risk Factors. Moreover, forecasted information is inherently uncertain and we can provide no assurance that forecasted information will materialize.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements and information in and incorporated by reference into this prospectus may constitute forward-looking statements. You can identify forward-looking statements because they contain words such as believes, expects, may, should, seeks, approximately, intends, plans, estimates, anticipates or sim relate to our strategy, plans or intentions. All statements we make relating to our estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results or to our expectations regarding future industry trends are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results.

Important factors that could cause actual results to differ materially from our expectations, which we refer to as cautionary statements, are disclosed in this prospectus and the other documents incorporated by reference herein. All forward-looking information in this prospectus and the other documents incorporated by reference herein and subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our results include:

- our limited operating history as a separate public partnership;
- changes in general economic conditions;
- our ability to make, complete and integrate acquisitions from affiliates or third parties;
- our ability to have sufficient cash from operations to enable us to service our indebtedness or pay the minimum quarterly distribution;
- competitive conditions in our industry;
- actions taken by our customers and competitors;
- the supply of, and demand for, crude oil, refined products and logistics services;
- our ability to successfully implement our business plan;

our dependence on subsidiaries owned by PBF Energy Inc., or PBF Energy, for all of our revenues and, therefore, we are subject to the business risks of PBF Energy;

all of our revenue is generated at two of PBF Energy s facilities, and any adverse development at either facility could have a material adverse effect on us;

our ability to complete internal growth projects on time and on budget;

the price and availability of debt and equity financing;

operating hazards and other risks incidental to handling crude oil and petroleum products;

natural disasters, weather-related delays, casualty losses and other matters beyond our control;

interest rates;

labor relations;

changes in the availability and cost of capital;

the effects of existing and future laws and governmental regulations, including those related to the shipment of crude oil by trains;

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changes in insurance markets impacting costs and the level and types of coverage available;

the timing and extent of changes in commodity prices and demand for PBF Energy s refined products and the differential in the prices of different crude oils;

the suspension, reduction or termination of PBF Energy s obligations under our commercial agreements;

disruptions due to equipment interruption or failure at our facilities, PBF Energy s facilities or third-party facilities on which our business is dependent;

incremental costs as a stand-alone public company;

our general partner and its affiliates, including PBF Energy, have conflicts of interest with us and limited duties to us and our unitholders, and they may favor their own interests to the detriment of us and our other common unitholders;

our partnership agreement restricts the remedies available to holders of our common units for actions taken by our general partner that might otherwise constitute breaches of fiduciary duty;

holders of our common units have limited voting rights and are not entitled to elect our general partner or its directors;

our tax treatment depends on our status as a partnership for U.S. federal income tax purposes, as well as our not being subject to a material amount of entity level taxation by individual states;

changes at any time (including on a retroactive basis) in the tax treatment of publicly traded partnerships or an investment in our common units;

our unitholders will be required to pay taxes on their share of our taxable income even if they do not receive any cash distributions from us;

the effects of future litigation; and

other factors discussed elsewhere in more detail under Risk Factors of this prospectus and that are incorporated by reference herein.

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this prospectus and the documents that are incorporated by reference herein may not in fact occur. Accordingly, investors should not place undue reliance on those statements.

Our forward-looking statements speak only as of the date of this prospectus or as of the date which they are made. Except as required by applicable law, including the securities laws of the United States, we undertake no obligation to update or revise any forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing.

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INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference information into this prospectus. This means that we can disclose important information to you by referring you to another document. Any statement contained herein, or in any documents incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this prospectus to the extent that a subsequent statement contained herein or in any subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

This prospectus incorporates by reference the documents listed below that we have previously filed with the SEC. These documents contain important information about us. Any information referred to in this way is considered part of this prospectus from the date we filed that document.

We incorporate by reference the documents listed below:

PBFX s Current Reports on Form 8-K and Form 8-K/A (excluding Items 2.02 and 7.01 and related exhibits) filed on May 4, 2015, May 5, 2015, May 11, 2015, May 18, 2015, July 13, 2015, September 2, 2015 (three reports filed on such date), October 1, 2015 and October 19, 2015;

PBFX s Annual Report on Form 10-K for the fiscal year ended December 31, 2014 (the 2014 Annual Report), as filed with the SEC on February 26, 2015, except for Items 6, 7, and 8 as modified in our Form 8-K filed on September 2, 2015, incorporated by reference herein as set forth above;

PBFX s Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 (the March Quarterly Report), as filed with the SEC on May 1, 2015, except for Items 1 and 2 as modified in our Form 8-K filed on September 2, 2015, incorporated by reference herein as set forth above;

PBFX s Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 (the June Quarterly Report), as filed with the SEC on August 6, 2015, except for Item 1 as modified in our Form 8-K filed on September 2, 2015, incorporated by reference herein as set forth above; and

All documents filed by PBFX under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act) after the date of the initial registration statement and prior to the effectiveness of the registration statement and after the date of this prospectus and before the termination of the exchange offer to which this prospectus relates (other than information furnished pursuant to Item 2.02 or Item 7.01 of any Current Report on Form 8-K, unless expressly stated otherwise therein).

In reviewing any agreements incorporated by reference, please remember that they are included to provide you with information regarding the terms of such agreements and are not intended to provide any other factual or disclosure information about us. The agreements may contain representations and warranties by us which should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate. The representations and warranties were made only as of the date of the relevant agreement or such other date or dates as may be specified in such agreement and are subject to more recent developments. Accordingly, these representations and warranties alone may not describe the actual state of affairs as of the date they were made or at any other time.

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We will provide without charge to each person to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this prospectus and any exhibit specifically incorporated by reference in those documents. You may request copies of those documents, at no cost, by writing or calling our general partner at the following address or telephone number:

PBF Logistics GP LLC

Attention: Secretary

One Sylvan Way, Second Floor

Parsippany, New Jersey 07054

(973) 455-7500

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WHERE YOU CAN FIND MORE INFORMATION

We and the guarantors have filed with the SEC a registration statement on Form S-4 under the Securities Act with respect to the new notes. This prospectus, which forms a part of the registration statement, does not contain all of the information set forth in the registration statement. For further information with respect to us, the guarantors and the new notes, reference is made to the registration statement. Statements contained in this prospectus as to the contents of any contract or other document are not necessarily complete, and, where such contract or other document is an exhibit to the registration statement, each such statement is qualified by the provisions in such exhibit, to which reference is hereby made. We have historically filed annual, quarterly and current reports and other information with the SEC. The registration statement, such reports and other information can be inspected and copied at the Public Reference Room of the SEC located at 100 F Street, N.E., Washington D.C. 20549. Copies of such materials, including copies of all or any portion of the registration statement, can be obtained from the Public Reference Room of the SEC at prescribed rates. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. Such materials may also be accessed electronically by means of the SEC s website at http://www.sec.gov, and at our website at http://www.pbflogistics.com. Information on or accessible through our website is not incorporated by reference into this prospectus and does not constitute a part of this prospectus unless we specifically so designate and file with the SEC.

So long as we are subject to the periodic reporting requirements of the Exchange Act, we are required to furnish the information required to be filed with the SEC to the trustee and the holders of the notes. We have agreed that, even if we are not required under the Exchange Act to furnish such information to the SEC, we will nonetheless continue to furnish information that would be required to be furnished by us by Section 13 or 15(d) of the Exchange Act.

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PROSPECTUS SUMMARY

This summary highlights the information contained elsewhere or incorporated by reference in this prospectus. Because this is only a summary, it does not contain all of the information that may be important to you. For a more complete understanding of this exchange offer, we encourage you to read this prospectus and the documents incorporated by reference in this prospectus. You should read the following summary together with the more detailed information and consolidated financial statements, including the accompanying notes, included elsewhere or incorporated by reference in this prospectus. You should consider, among other things, the matters set forth in Risk Factors before deciding to participate in the exchange offer.

On May 14, 2014, PBF Logistics LP completed its initial public offering (the IPO). Unless the context otherwise requires, references in this prospectus to PBF Logistics LP, PBFX, the Partnership, we, us or our (except as in the section of this prospectus titled Information Regarding PBF Energy Company LLC) may refer to PBF Logistics LP, one or more of its consolidated subsidiaries or all of them taken as a whole. The financial statements incorporated by reference herein include the consolidated financial results of PBF MLP Predecessor, or our Predecessor, our predecessor for accounting purposes, for periods presented through May 13, 2014, and the consolidated financial results of PBFX for the periods beginning May 14, 2014, the date of the IPO. Our Predecessor did not historically operate its assets for the purpose of generating revenues independent of other PBF Energy businesses that we support. Upon closing of the IPO and subsequent acquisitions from PBF Energy, we entered into commercial and service agreements with subsidiaries of PBF Energy under which we operate our assets for the purpose of generating fee-based revenues. References in this prospectus to our general partner or PBF GP refer to PBF Logistics GP LLC. Unless the context otherwise requires, references in this prospectus to PBF Energy refer collectively to PBF Energy Inc. and its subsidiaries, other than PBFX, its subsidiaries and our general partner. References to PBF LLC refer to PBF Energy Company LLC, the majority owner of our limited partnership interests and the sole member of our general partner, which provides a limited guarantee of collection of the principal amount of the notes (the PBF LLC limited guarantee). Any references in this prospectus to guarantors or the guarantees exclude PBF LLC and the PBF LLC limited guarantee.

PBF Logistics LP

We are a fee-based Delaware master limited partnership formed in February 2013 by PBF Energy to own or lease, operate, develop and acquire crude oil and refined petroleum products terminals, pipelines, storage facilities and similar logistics assets. Our common units trade on the New York Stock Exchange under the symbol PBFX .

We receive, store, handle and transfer crude oil from sources located throughout the United States and Canada for PBF Energy in support of its three refineries located in Toledo, Ohio, Delaware City, Delaware and Paulsboro, New Jersey. We also receive, store, handle, transport and deliver petroleum products for PBF Energy s Delaware City and Toledo refineries. Our assets are integral components of the crude oil delivery operations at all three of PBF Energy s refineries. PBF Energy can also deliver crude oil we unload at its Delaware refinery to third parties. We generate all of our revenues by charging fees for receiving, storing, handling and transferring crude oil and petroleum products under long-term, fee-based commercial agreements with subsidiaries of PBF Energy, which we believe enhances the stability of our cash flows. We do not take ownership of or receive any payments based on the value of the crude oil that we handle and do not engage in the trading of any commodities. As a result, we have no direct exposure to commodity price fluctuations.

Our relationship with PBF Energy is one of our principal strengths. Our general partner, PBF GP, is wholly-owned by PBF LLC, a subsidiary of PBF Energy. PBF Energy (NYSE: PBF) is one of the largest independent petroleum refiners and suppliers of unbranded transportation fuels, heating oil, petrochemical feedstocks,

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lubricants and other petroleum products in the United States. It sells its products throughout the Northeast and Midwest of the United States, and in other regions of the United States and Canada, and is able to ship products to other international destinations. PBF Energy currently owns and operates three domestic oil refineries with a combined processing capacity, known as throughput, of approximately 540,000 barrels per day (bpd) and a weighted average Nelson Complexity Index of 11.3.

We intend to seek opportunities to grow our business by acquiring additional logistics assets from PBF Energy and third parties and through organic growth, including by potentially constructing new assets and increasing the utilization of our existing assets. We were formed by PBF Energy to be the primary vehicle to expand the logistics assets supporting its business. We expect that PBF Energy will serve as a critical source of our future growth by providing us with opportunities to purchase additional logistics assets that it currently owns or may acquire or develop in the future. PBF Energy owns and operates a substantial portfolio of associated logistics assets supporting its three refineries.

Our Assets and Operations

Currently, our business consists of two operating segments: our terminaling and transportation segment and our storage segment.

Terminaling and Transportation Segment

DCR Rail Terminal. Our DCR Rail Terminal is a light crude oil rail unloading terminal, which commenced operations in February 2013 and serves PBF Energy s Delaware City and Paulsboro refineries, or the East Coast refineries. The DCR Rail Terminal has a double-loop track, which can hold up to two 100-car unit trains and is capable of unloading a single unit train in approximately 14 hours. An expansion project was completed in July 2014 that increased the terminal s unloading capacity from 105,000 bpd to 130,000 bpd. PBF Energy can move crude oil by barge to its Paulsboro refinery from its Delaware City refinery after the crude has been unloaded. PBF Energy can also move the crude oil to other locations, including locations owned by third parties. The DCR Rail Terminal allows the East Coast refineries to source crude oil from Western Canada and the United States, which may provide PBF Energy cost advantages compared to international crude oil that has historically been processed at the East Coast refineries and that is priced off of the Brent benchmark. The facility is connected to the Delaware City refinery s crude tank farm by Delaware City Refining Company LLC s pipeline. The East Coast refineries have a combined refining capacity of 370,000 bpd.

Toledo Truck Terminal. Our Toledo Truck Terminal serves PBF Energy s Toledo refinery, and is currently comprised of six lease automatic custody transfer (LACT) units and has unloading capacity of 22,500 bpd. PBF Energy acquired the Toledo refinery in 2011 and has added these additional truck crude oil unloading capabilities that provide feedstock sourcing flexibility for the refinery and enables the Toledo refinery to run a more cost-advantaged crude oil slate. The Toledo refinery processes light, sweet crude oil and has a throughput capacity of 170,000 bpd.

DCR West Rack. Our DCR West Rack is a heavy crude oil rail unloading facility at PBF Energy s Delaware City refinery, with total throughput capacity of at least 40,000 bpd, that commenced operations in

August 2014. The DCR West Rack consists of 25 heated unloading stations, capable of handling 50 cars simultaneously located between two tracks and is equipped with steam and nitrogen to facilitate the unloading of heavy crude oil sourced from Canada. The facility can also unload light crude oil. Additionally, there are six other ladder tracks available providing the facility with a total capacity to hold two 100 car unit trains. The facility is connected to the Delaware City refinery s crude tank farm by Delaware City Refining Company LLC s pipeline.

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Toledo Storage Facility (propane loading). Our Toledo Storage Facility at PBF Energy s Toledo refinery consists of 27 propane storage bullets and a truck loading facility and has a throughput capacity of approximately 11,000 bpd.

Delaware City Products Pipeline. The Delaware City Products Pipeline consists of a 23.4 mile, 16-inch interstate petroleum products pipeline which has a capacity in excess of 125,000 bpd. The pipeline transports refined petroleum products from the Delaware City refinery to Sunoco Logistics Twin Oaks pump station at Delaware County, PA, with connections to Buckeye s Laurel pipeline and Sunoco Logistics northeast pipeline systems that serve Western Pennsylvania and New York.

Delaware City Truck Rack. The Delaware City Truck Rack is a 15-lane, 76,000 bpd capacity truck loading rack located at PBF Energy s Delaware City refinery and is utilized to distribute gasoline, distillates and LPGs.

Storage Segment

Toledo Storage Facility. The Toledo Storage Facility consists of 30 tanks for storing crude oil, refined products and intermediates at PBF Energy s Toledo Refinery. The aggregate shell capacity of the storage facility is approximately 3.9 million barrels, of which approximately 1.3 million barrels are dedicated to crude oil storage and approximately 2.6 million barrels are allocated to refined products and intermediates.

Business Strategies

Our primary business objectives are to maintain stable and predictable cash flows and create value for our stakeholders. We intend to achieve these objectives through the following business strategies:

Generate Stable, Fee-Based Cash Flow. We believe our long-term, fee-based logistics contracts provide us with stable, predictable cash flows. We generate all of our revenue from PBF Energy under various commercial agreements which include minimum quarterly volume commitments, minimum storage commitments, inflation escalators and initial terms of approximately seven to ten years. Over time, we will continue to seek to enter into similar contracts with PBF Energy and/or third parties that generate stable and predictable cash flows.

Maintain a Conservative Capital Structure. We plan to pursue a disciplined financial policy and maintain a conservative capital structure to allow us to execute our organic growth projects as well as acquisitions. This includes funding growth with a variety of sources, including cash on hand, our existing revolving credit facility, or the Revolving Credit Facility, the debt and equity capital markets and issuing equity to PBF Energy.

Seek to Optimize Our Existing Assets and Pursue Third-Party Volumes. We intend to enhance the profitability of our existing assets by increasing throughput volumes from PBF Energy, attracting third-party volumes, improving operating efficiencies and managing costs.

Maintain Safe, Reliable and Efficient Operations. We are committed to maintaining and improving the safety, reliability, environmental compliance and efficiency of our operations. We seek to improve operating performance through our commitment to our preventive maintenance program and to employee training and development programs. We will continue to emphasize safety in all aspects of our operations. For example, we believe our and PBF Energy s operations comply with the recently enacted emergency orders governing shipments of petroleum crude oil transported by rail. We believe these objectives are integral to maintaining stable cash flows and are critical to the success of our business.

Pursue Organic Growth Initiatives. We intend to pursue organic growth projects with PBF Energy that complement and expand our existing operational footprint. We will examine projects that arise from the growth of PBF Energy s refining operations and from third-party activity in our areas of operation. For example, PBF Energy is positioning its Toledo refinery to be able to receive additional volumes of crude oil from the Utica Shale by truck, which would provide us with an opportunity to expand throughput volumes at our Toledo Truck Terminal.

Competitive Strengths

We believe we are well positioned to successfully execute our business strategies because of the following competitive strengths:

Relationship with PBF Energy. One of our key strengths is our relationship with PBF Energy. We serve as PBF Energy s primary vehicle to expand the logistics assets supporting its business. We believe that PBF Energy will be incentivized to grow our business as a result of its significant indirect economic interest in us, including 100% ownership of our general partner, a majority ownership of our limited partnership interests and all of our incentive distribution rights, or IDRs. In particular, we expect to continue to benefit from the following aspects of our relationship with PBF Energy:

Acquisition Opportunities. Under the Third Amended and Restated Omnibus Agreement, PBF Energy has granted us a right of first offer on certain logistics assets and may, under certain circumstances, offer us the opportunity to purchase additional logistics assets that it may acquire or construct in the future. We also expect to jointly pursue strategic acquisitions with PBF Energy that complement and grow our asset base.

Strength of PBF Energy s Refining Business. PBF Energy s Delaware City, Paulsboro and Toledo refineries have a combined throughput capacity of 540,000 bpd, making PBF Energy the fifth largest independent refiner in the United States. PBF Energy s refineries provide it with buying power advantages, and it benefits from the cost efficiencies that result from operating three large refineries. In addition, its refinery assets are located in high-demand regions where product demand exceeds refining capacity.

Access to Operational and Industry Expertise. We expect to continue to benefit from PBF Energy s extensive operational, commercial and technical expertise, as well as its industry relationships throughout the midstream and downstream value chain, as we look to optimize and expand our existing asset base.

Stable Cash Flows Supported by Long-Term, Take-or-Pay Contracts with Minimum Volume Commitments. We currently generate all of our revenue under long-term, take-or-pay contracts with PBF Energy. Each of our commercial agreements with PBF Energy include minimum volume or storage commitments and have fees adjusted for changes in the Producer Price Index and any increase in our operating costs for providing such services under such agreements, thereby providing us with stable and predictable minimum cash flows.

Strategically Located and Highly Integrated Assets. Our logistics assets are integral to the operations of PBF Energy s refineries. Our DCR Rail Terminal currently receives a substantial portion of the light crude oil processed by the Delaware City and Paulsboro refineries, and the Toledo Truck Terminal provides important feedstock supply infrastructure for the Toledo refinery.

High-Quality, Well-Maintained Asset Base. We continually invest in the maintenance and integrity of our assets and have developed various programs to help us efficiently monitor and maintain the assets. We employ an asset integrity program, which focuses on risk analysis, assessment, inspection, preventive measures, repair and data integration to provide reliable operations. We also have developed and use industrial processes to monitor and control our operations. In addition, our DCR Rail Terminal and DCR West Rack both commenced operations within the past 3 years and require a relatively small amount of maintenance capital expenditure, relative to peers with older assets.

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Financial Flexibility. We believe that our access to the debt and equity capital markets, as well as the capacity under our Revolving Credit Facility, provides us with the financial flexibility to execute our growth strategy.

Experienced Management and Operations Teams with a Demonstrated Track Record of Acquiring, Integrating and Operating Logistics Assets. Both our management and our operations teams have significant experience in the management and operation of logistics assets and the execution of expansion and acquisition strategies. Our management team has a proven track record of working together successfully to operate refining and logistics assets and to execute expansion and acquisition strategies, including while previously at Tosco Corporation and Premcor Inc.

Our Relationship with PBF Energy

PBF Energy is the indirect parent entity of PBF Holding Company LLC (PBF Holding), which serves as the parent company for PBF Energy s refinery operating subsidiaries. PBF Energy s three refineries are located in Toledo, Ohio, Delaware City, Delaware and Paulsboro, New Jersey. Its Midcontinent refinery at Toledo processes light, sweet crude oil, has a throughput capacity of 170,000 bpd and a Nelson Complexity Index of 9.2. The majority of Toledo s WTI-based cost advantaged crude oil is delivered via pipelines that originate in both Canada and the United States. Since the acquisition of the Toledo refinery in 2011, PBF Energy has added additional truck and rail crude oil unloading capabilities that provide feedstock sourcing flexibility for the refinery and enable Toledo to run a more cost-advantaged crude oil slate. Its East Coast refineries at Delaware City and Paulsboro have a combined refining capacity of 370,000 bpd and Nelson Complexity Indices of 11.3 and 13.2, respectively. These high conversion refineries have historically processed primarily medium and heavy, sour crudes and have historically received the bulk of their feedstock via ships and barges on the Delaware River. The Delaware City and Paulsboro refineries also receive light crude oil via the DCR Rail Terminal which commenced operations in February 2013, enhancing the flexibility and profitability of both refineries.

PBF Energy is the sole managing member of PBF LLC and operates and controls all of its business and affairs and consolidates the financial results of PBF LLC and its subsidiaries, including PBF Holding. PBF LLC is a holding company for the companies that directly or indirectly own and operate PBF Energy s business. As of October 15, 2015, PBF Energy s sole asset is a controlling economic interest of approximately 95.0% in PBF LLC, with the remaining 5.0% of the economic interests in PBF LLC held by certain of PBF Energy s current and former executive officers and directors and certain employees and others. See Information Regarding PBF Energy Company LLC Recent Developments.

As of October 15, 2015, PBF LLC held a 53.7% limited partner interest in us, a non-economic general partner interest and all of our IDRs, with the remaining 46.3% limited partner interest held by public unitholders. We believe PBF Energy will promote and support the successful execution of our business strategies given its significant ownership in us, the importance of our assets to PBF Energy s refining operations and its stated intention to use us as a primary vehicle to grow its logistics business.

Partnership Structure and Management

PBF Logistics LP is a Delaware limited partnership formed in February 2013. Our general partner is PBF Logistics GP LLC, a Delaware limited liability company. PBF GP owns a non-economic general partner interest in us, and we are managed and operated by its board of directors and executive officers. PBF Energy (through its ownership in PBF LLC) owns all of the ownership interests in our general partner and is entitled to appoint the entire board of directors of our general partner.

PBF Logistics Finance Corporation, our wholly-owned subsidiary, has no material assets or any liabilities other than as a co-issuer or guarantor of some of our indebtedness. Its activities are limited to co-issuing or guaranteeing our indebtedness and engaging in other activities incidental thereto. Each of our existing subsidiaries other than PBF Logistics Finance Corporation, and certain of our future subsidiaries, guarantee the notes.

Our principal executive offices are located at One Sylvan Way, Second Floor, Parsippany, New Jersey 07054, and our telephone number is (973) 455-7500. Our website is located at http://www.pbflogistics.com. We make available our periodic reports and other information filed with or furnished to the SEC, free of charge through our website, as soon as reasonably practicable after those reports and other information is electronically filed with or furnished to the SEC. Information on or accessible through our website or any other website is not incorporated by reference herein and does not constitute a part of this prospectus.

PBF Energy Company LLC

PBF LLC is a holding company for the companies that directly or indirectly own and operate PBF Energy s business. PBF LLC provides a limited guarantee of collection of the principal amount of the notes. PBF LLC also provides a similar limited guarantee of collection under our Revolving Credit Facility and our three-year $300 million collateralized term loan facility, or the Term Loan. Under the PBF LLC limited guarantee, holders will not be entitled to obtain any recovery of principal from PBF LLC after an event of default unless and until holders have first exhausted their remedies against the issuers and guarantors. See Risk Factors Risks Related to the Notes Payment of principal and interest on the notes is effectively subordinated to our senior secured debt to the extent of the value of the assets securing the debt and structurally subordinated as to the indebtedness of any of our subsidiaries that do not guarantee the notes and Information Regarding PBF Energy Company LLC.

PBF LLC s principal executive offices are located at One Sylvan Way, Second Floor, Parsippany, New Jersey 07054, and PBF LLC s telephone number is (973) 455-7500.

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Organizational Structure

The following simplified diagram depicts our organizational structure as of October 15, 2015:

(1) PBF LLC provides a limited guarantee of collection of the principal amount of the notes. See Description of Notes Brief Description of the Notes and the Guarantees The Note Guarantees.

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The Exchange Offer

On May 12, 2015, we completed a private offering of $330,090,000 aggregate principal amount of the old notes. We entered into a registration rights agreement with the initial purchasers in connection with the offering in which we agreed to deliver to you this prospectus and to use commercially reasonable efforts to consummate the exchange offer not later than 365 days after the date of original issuance of the old notes.

Exchange Offer	We are offering to exchange new notes for old notes. The terms of the new notes are substantially identical to the terms of the old notes that were issued on May 12, 2015, except that the new notes will be registered under the Securities Act and will not contain restrictions on transfer, registration rights or provisions for payments of additional interest included in the registration rights agreement relating to the old notes.
	You may only exchange notes in denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Expiration Date	The exchange offer will expire at 12:00 a.m. midnight, New York City time, on December 2, 2015, unless we decide to extend it. We do not currently intend to extend the expiration date.
Resale	Based on an interpretation by the staff of the SEC set forth in no-action letters issued to third parties, we believe that the new notes issued pursuant to the exchange offer in exchange for old notes may be offered for resale, resold and otherwise transferred by you (unless you are our affiliate within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act; provided that:
	you are acquiring the new notes in the ordinary course of your business; and
	you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, a distribution of the new notes.
	Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading

activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See Plan of Distribution.

Any holder of old notes who:

- is our affiliate;
- does not acquire new notes in the ordinary course of its business; or
- tenders its old notes in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of new notes,

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	cannot rely on the position of the staff of the SEC enunciated in *Morgan Stanley & Co. Incorporated* (available June 5, 1991) and *Exxon Capital Holdings Corporation* (available May 13, 1988), as interpreted in the SEC s letter to Shearman & Sterling (available July 2, 1993), or similar no-action letters and, in the absence of an exemption therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the new notes.
Procedures for Tendering Old Notes	If you hold old notes that were issued in book-entry form and are represented by global certificates held for the account of The Depository Trust Company (DTC), in order to participate in the exchange offer, you must follow the procedures established by DTC for tendering notes held in book-entry form. These procedures, which we call ATOP, require that (i) the exchange agent receive, prior to the expiration date of the exchange offer, a computer generated message known as an agent s message that is transmitted through DTC s automated tender offer program, and (ii) DTC confirms that:
	DTC has received your instructions to exchange your old notes, and
	you agree to be bound by the terms of the letter of transmittal for holders of global notes.
	If you hold old notes that were issued in definitive, certificated form, in order to participate in the exchange offer, you must deliver the certificates representing your notes, together with a properly completed and duly executed letter of transmittal for holders of definitive notes to the exchange agent.
	For more information on tendering your old notes, please refer to the section in this prospectus entitled Exchange Offer Terms of the Exchange Offer, Procedures for Tendering, and Description of Notes Book Entry; Delivery and Form.
Guaranteed Delivery Procedures	If you wish to tender your old notes and your old notes are not immediately available or you cannot deliver your old notes, the letter of transmittal or any other required documents, or you cannot comply with the procedures under ATOP for transfer of book-entry interests, prior to the expiration date, you must tender your old notes according to the guaranteed delivery procedures set forth in this prospectus under Exchange Offer Guaranteed Delivery Procedures.

Withdrawal of Tenders	You may withdraw your tender of old notes at any time prior to the expiration date. To withdraw tenders of notes held in global form, you must submit a notice of withdrawal to the exchange agent using ATOP procedures before 12:00 a.m. midnight, New York City time, on the expiration date of the exchange offer. To withdraw tenders of notes held in definitive form, you must submit a written or facsimile notice of withdrawal to the exchange agent before 12:00 a.m.

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	midnight, New York City time, on the expiration date of the exchange offer. Please refer to the section in this prospectus entitled Exchange Offer Withdrawal of Tenders.
Acceptance of Old Notes and Delivery of New Notes	If you fulfill all conditions required for proper acceptance of old notes, we will accept any and all old notes that you properly tender in the exchange offer before 12:00 a.m. midnight New York City time on the expiration date. We will return any old note that we do not accept for exchange to you without expense promptly after the expiration or termination of the exchange offer. Please refer to the section in this prospectus entitled Exchange Offer Terms of the Exchange Offer.
Fees and Expenses	We will bear expenses related to the exchange offer. Please refer to the section in this prospectus entitled Exchange Offer Fees and Expenses.
Use of Proceeds	The issuance of the new notes will not provide us with any new proceeds. We are making this exchange offer solely to satisfy our obligations under the registration rights agreement.
Consequences of Failure to Exchange Old Notes	If you do not exchange your old notes in this exchange offer, you will no longer be able to require us to register the old notes under the Securities Act except in limited circumstances provided under the registration rights agreement. In addition, you will not be able to resell, offer to resell or otherwise transfer the old notes unless we have registered the old notes under the Securities Act, or unless you resell, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act.
U.S. Federal Income Tax Consequences	The exchange of new notes for old notes pursuant to the exchange offer will not be a taxable event for U.S. federal income tax purposes. Please read Material United States Federal Income Tax Consequences.
Exchange Agent	We have appointed Deutsche Bank Trust Company Americas as the exchange agent for the exchange offer. You should direct questions and requests for assistance, requests for additional copies of this prospectus, the letter of transmittal or the notice of guaranteed delivery to the exchange agent as follows:

Deutsche Bank Trust Company Americas

c/o DB Services Americas, Inc.

5022 Gate Parkway, Suite 200

Jacksonville, Florida 32256

Attn: Reorg Dept

For telephone assistance, please call (877) 843-9767.

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The Terms of the New Notes

The new notes will be substantially identical to the old notes except that the new notes are registered under the Securities Act and will not have restrictions on transfer, registration rights or provisions for additional interest. The new notes will evidence the same debt as the old notes, and the same indenture will govern the new notes and the old notes.

The following summary contains basic information about the notes and is not intended to be complete. It does not contain all of the information that is important to you. For a more complete understanding of the notes, please refer to the section entitled Description of Notes.

Issuers	PBF Logistics LP and PBF Logistics Finance Corporation.
	PBF Logistics Finance Corporation is a wholly-owned subsidiary of PBF Logistics LP that has no material assets and was formed for the sole purpose of being a co-issuer or guarantor of certain of our indebtedness.
Securities	$330,090,000 aggregate principal amount of 6.875% Senior Notes due 2023 (the new notes). The exchange offer does not cover the private placement notes.
Maturity date	May 15, 2023.
Interest payment dates	May 15 and November 15 of each year, commencing on November 15, 2015. Interest on each new note accrues from the last interest payment date on which interest was paid on the surrendered old note or, if no interest has been paid on such old note, from May 12, 2015.
Ranking	The new notes will be our general senior unsecured obligations. The new notes will:
	rank equally in right of payment with all of our existing and future senior indebtedness, including amounts outstanding under our Revolving Credit Facility and Term Loan;
	be effectively subordinated to any of our secured indebtedness, including our obligations in respect of our Revolving Credit Facility and Term Loan, to the extent of the value of the collateral securing such indebtedness;

- rank senior in right of payment to any of our future subordinated indebtedness; and

- be structurally subordinated to all indebtedness and obligations of our subsidiaries that do not guarantee the new notes.

As of June 30, 2015, we have $24.5 million of secured indebtedness and $2.0 million of letters of credit outstanding under our Revolving Credit Facility, $234.2 million of secured indebtedness outstanding under our Term Loan (all of which is fully cash collateralized at all times by cash or U.S. treasury securities) and $350.0 million of

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unsecured indebtedness consisting of the notes, and an additional $298.5 million of total unused borrowing capacity under the Revolving Credit Facility.

Guarantees	The new notes will be jointly and severally guaranteed by all of our existing subsidiaries (other than PBF Logistics Finance Corporation) and by certain of our future subsidiaries, which we refer to as the guarantors. The guarantors own substantially all of our consolidated assets. Each guarantee of the new notes will:

- be a general unsecured obligation of the subsidiary guarantor;
- rank equally in right of payment with all existing and future senior indebtedness of that subsidiary guarantor, including its guarantee of indebtedness under our Revolving Credit Facility and the Term Loan;
- be effectively subordinated to any secured indebtedness of that subsidiary guarantor, including its secured guarantee of indebtedness under the Revolving Credit Facility and the Term Loan, to the extent of the value of the collateral securing such indebtedness;
- rank senior in right of payment to any future subordinated indebtedness of that subsidiary guarantor; and
- be structurally subordinated to all future liabilities of any guarantor s subsidiary that does not guarantee the new notes.

A guarantor s guarantee of the new notes will be released under certain circumstances, including if such guarantor s guarantee of the Revolving Credit Facility and Term Loan is released. See Description of Notes Brief Description of the Notes and the Guarantees Note Subsidiary Guarantees for a description of other circumstances in which a guarantor s guarantee of the new notes may be released.

PBF LLC, the majority owner of our limited partnership interests, will provide a limited guarantee of collection of the principal amount of the new notes. Under the PBF LLC limited guarantee, PBF LLC would not have any obligation to make principal payments with respect to the notes unless all remedies, including in the context of bankruptcy proceedings, have first been fully exhausted against us with respect to such payment obligation, and holders of the notes are still owed amounts in respect of the principal of the notes. PBF LLC is not otherwise subject to the covenants of the indenture governing the notes. See Description of Notes Brief Description of the Notes and the Guarantees The Note Guarantees.

Optional redemption	At any time prior to May 15, 2018, we may on any one or more occasions redeem up to 35% of the aggregate principal amount of the new notes in an amount not greater than the net cash proceeds of

	certain equity offerings at a redemption price equal to 106.875% of the principal amount of the new notes, plus any accrued and unpaid interest to the date of redemption.
	On or after May 15, 2018, we may redeem all or part of the new notes, in each case at the redemption prices described under Description of Notes Optional Redemption, together with any accrued and unpaid interest to the date of redemption.
	In addition, prior to May 15, 2018, we may redeem all or part of the new notes at a make-whole redemption price described under Description of Notes Optional Redemption, together with any accrued and unpaid interest to the date of redemption.
Mandatory offers to purchase	If we undergo certain change of control events, holders of the new notes will have the right to require us to purchase all or any part of the notes at a price equal to 101% of the aggregate principal amount of the notes, together with any accrued and unpaid interest to the date of purchase. See Description of Notes Repurchase at the Option of Holders Change of Control Triggering Event. In connection with certain asset dispositions, we will be required to use the net cash proceeds of the asset dispositions (subject to our right to reinvest such net cash proceeds) to make an offer to purchase the new notes at 100% of the principal amount, together with any accrued and unpaid interest to the date of purchase. See Description of Notes Repurchase at the Option of Holders Asset Sales.
Certain covenants	The indenture governing the notes, among other things, limits our ability and the ability of our restricted subsidiaries to:
	make investments;
	incur additional indebtedness or issue preferred units;
	pay dividends or make distributions on units or redeem or repurchase our subordinated debt;
	create liens;
	incur dividend or other payment restrictions affecting subsidiaries;

sell assets;

merge or consolidate with other entities; and

enter into transactions with affiliates.

These covenants are subject to important exceptions and qualifications. In addition, many of the covenants will terminate before the notes mature if both Moody s and Standard & Poor s assign the notes an investment grade rating in the future and no events of default exist under the indenture. Any covenants that cease to apply to us as a result of achieving an investment grade rating will not

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	be restored, even if the credit rating assigned to the notes later falls below an investment grade rating. See Description of Notes Certain Covenants Covenant Termination.
Transfers; Absence of a Public Market for the New Notes	The new notes generally will be freely transferable, but will also be new securities for which there will not initially be a market. There can be no assurance as to the development or liquidity of any market for the new notes. We do not intend to apply for a listing of the new notes on any securities exchange or any automated dealer quotation system. See Risk Factors Risks Related to the Exchange Offer Your ability to transfer the new notes may be limited by the absence of a trading market.
Risk factors	You should carefully consider all the information in the prospectus prior to exchanging your old notes. See Risk Factors for a description of some of the risks you should consider in evaluating whether or not to tender your old notes.

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RISK FACTORS

An investment in the new notes involves risks. In addition to the risks described below, you should carefully read all of the other information included in this prospectus and the documents we have incorporated by reference into this prospectus before deciding whether to participate in the exchange offer (including Management s Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and related notes in our 2014 Annual Report, March Quarterly Report and June Quarterly Report, as well as Description of Notes in this prospectus). If any of these risks were to occur, our business, financial condition, results of operations or prospects could be materially adversely affected. In that case, our ability to fulfill our obligations under the notes and the trading price of the notes could be materially affected, and you could lose all or part of your investment.

The risks described below and in such documents incorporated by reference into this prospectus are not the only ones that we face. Additional risks not presently known to us or that we currently deem immaterial individually or in the aggregate may also impair our business operations.

This prospectus and the documents we have incorporated by reference into this prospectus also contain forward-looking statements that involve risks and uncertainties, some of which are described in the documents incorporated by reference into this prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks and uncertainties faced by us described below or incorporated by reference into this prospectus. See Cautionary Note Regarding Forward-Looking Statements.

Risks Related to the Exchange Offer

If you choose not to exchange your old notes in the exchange offer, the transfer restrictions currently applicable to your old notes will remain in force and the market price of your old notes could decline.

If you do not exchange your old notes for new notes in the exchange offer, then you will continue to be subject to the transfer restrictions on the old notes as set forth in the offering memorandum distributed in connection with the private offering of the old notes. In general, the old notes may not be offered or sold unless they are registered or exempt from registration under the Securities Act and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the old notes under the Securities Act.

If you do not exchange your old notes for new notes in the exchange offer and other holders of old notes tender their old notes in the exchange offer, the total principal amount of the old notes remaining after the exchange offer will be less than it was prior to the exchange offer, which may have an adverse effect upon and increase the volatility of, the market price of the old notes due to reduction in liquidity.

Your ability to transfer the new notes may be limited by the absence of a trading market.

The new notes will be new securities for which currently there is no trading market. We do not currently intend to apply for listing of the new notes on any securities exchange or stock market. Although the initial purchasers informed us that they intended to make a market in the notes, they are not obligated to do so. In addition, they may discontinue any such market making at any time without notice. The liquidity of any market for the new notes will depend on the number of holders of those notes, the interest of securities dealers in making a market in those notes and other factors. Accordingly, we cannot assure you as to the development or liquidity of any market for the new notes. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the new notes. We cannot assure you that the market, if any, for the new notes will be free from similar disruptions. Any such disruption may adversely affect the note holders.

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Future trading prices of the new notes will depend on many factors, including:

- our subsidiaries operating performance and financial condition;
- the interest of the securities dealers in making a market in the new notes; and
- the market for similar securities.

You may not receive the new notes in the exchange offer if the exchange offer procedures are not properly followed.

We will issue the new notes in exchange for your old notes only if you properly tender the old notes before expiration of the exchange offer. Neither we nor the exchange agent are under any duty to give notification of defects or irregularities with respect to the tenders of the old notes for exchange. If you are the beneficial holder of old notes that are held through your broker, dealer, commercial bank, trust company or other nominee, and you wish to tender such notes in the exchange offer, you should promptly contact the person or entity through which your old notes are held and instruct that person or entity to tender on your behalf.

Broker-dealers may become subject to the registration and prospectus delivery requirements of the Securities Act and any profit on the resale of the new notes may be deemed to be underwriting compensation under the Securities Act.

Any broker-dealer that acquires new notes in the exchange offer for its own account in exchange for old notes which it acquired through market-making or other trading activities must acknowledge that it will comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction by that broker-dealer. Any profit on the resale of the new notes and any commission or concessions received by a broker-dealer may be deemed to be underwriting compensation under the Securities Act.

Risks Related to the Notes

Debt we incur in the future may limit our flexibility to obtain financing and to pursue other business opportunities.

We and our subsidiaries may be able to incur substantial indebtedness in the future. Our future level of debt could have important consequences to us, including the following:

- our ability to obtain additional financing, if necessary, for working capital, capital expenditures or other purposes may be impaired, or such financing may not be available on favorable terms;
- our funds available for operations, future business opportunities and distributions to unitholders will be reduced by that portion of our cash flow required to make interest payments on our debt;

- we may be more vulnerable to competitive pressures or a downturn in our business or the economy generally; and

- our flexibility in responding to changing business and economic conditions may be limited.

Our ability to service our debt will depend upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. If our operating results are not sufficient to service any future indebtedness, we will be forced to take actions such as reducing distributions, reducing or delaying our business activities, acquisitions, organic growth projects, investments or capital expenditures, selling assets or issuing equity. We may not be able to effect any of these actions on satisfactory terms or at all.

We have sold, and expect to continue to sell, our U.S. Treasury or other investment grade securities currently used to secure our obligations under the Term Loan over time to fund our capital expenditures, and immediately prior to selling such securities, we expect to continue to repay an equal amount of Term Loan borrowings with borrowings under our Revolving Credit Facility. We may also rely on external sources including other borrowings under our Revolving Credit Facility, and issuances of equity and debt securities to fund any significant future expansion. During the six months ended June 30, 2015 we borrowed an additional $24.5 million under our Revolving Credit Facility to partially fund the acquisition of the Delaware City Products Pipeline and Delaware City Truck Rack and to repay $0.7 million of our Term Loan in order to release the $0.7 million in marketable securities to fund capital expenditures and acquisitions. During the year ended December 31, 2014, we borrowed an additional $65.1 million under our Revolving Credit Facility to repay $65.1 million of our Term Loan in order to release the $65.1 million in marketable securities to fund capital expenditures and acquisitions.

Any borrowings and letters of credit issued under our Revolving Credit Facility will be secured, and as a result, effectively senior to the notes and the guarantees of the notes by the guarantors, to the extent of the value of the collateral securing that indebtedness. The Term Loan is also fully cash collateralized at all times by cash, U.S. Treasuries or other investment grade securities. In addition, the holders of any future debt we may incur that ranks equally with the notes will be entitled to share ratably with the holders of the notes in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of us. This may have the effect of reducing the amount of proceeds paid to you.

Our debt levels may limit our flexibility in obtaining additional financing and in pursuing other business opportunities.

As of June 30, 2015, we have $24.5 million of secured indebtedness and $2.0 million of letters of credit outstanding under our Revolving Credit Facility, $234.2 million of secured indebtedness outstanding under our Term Loan (all of which is fully cash collateralized at all times by cash or U.S. treasury securities), $350.0 million of unsecured indebtedness consisting of the notes, and an additional $298.5 million of total unused borrowing capacity under the Revolving Credit Facility. Our level of indebtedness could have important consequences to us, including the following:

- our ability to obtain additional financing, if necessary, for working capital, capital expenditures, acquisitions or other purposes may be impaired or such financing may not be available on favorable terms;
- covenants contained in our existing and future credit and debt arrangements will require us to meet financial tests that may affect our flexibility in planning for and reacting to changes in our business, including possible acquisition opportunities;
- we will need a substantial portion of our cash flow to make principal and interest payments on our indebtedness, reducing the funds that would otherwise be available for operations, future business opportunities and payments of our debt obligations, including the notes; and
- our debt level will make us more vulnerable than our competitors with less debt to competitive pressures or a downturn in our business or the economy generally.

Any of these factors could result in a material adverse effect on our business, financial condition, results of operations, business prospects and ability to satisfy our obligations under the notes.

Our ability to service our indebtedness will depend upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. If our operating results are not sufficient to service our current or future indebtedness, we will be forced to take actions such as reducing distributions to our unitholders, reducing or delaying our business activities, acquisitions, investments and/or capital expenditures, selling assets, restructuring or refinancing our indebtedness, or seeking additional equity capital or bankruptcy protection. We may not be able to effect any of these remedies on satisfactory terms, or at all.

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We do not have the same flexibility as other types of organizations to accumulate cash which may limit cash available to service the notes or to repay them at maturity.

Subject to the limitations on restricted payments contained in the indenture governing the notes and in our Revolving Credit Facility and any other indebtedness, we distribute all of our available cash each quarter to our unitholders of record on the applicable record date. Available cash generally means, for any quarter, all cash on hand at the end of that quarter:

- *less*, the amount of cash reserves established by our general partner to:
  - provide for the proper conduct of our business (including cash reserves for our future capital expenditures and anticipated future debt service requirements subsequent to that quarter);
  - comply with applicable law, any of our debt instruments or other agreements; or
  - provide funds for distributions to our unitholders and to our general partner for any one or more of the next four quarters (provided that our general partner may not establish cash reserves for distributions if the effect of the establishment of such reserves will prevent us from distributing the minimum quarterly distribution on all common units and any cumulative arrearages on such common units for the current quarter);
- *plus*, if our general partner so determines, all or any portion of the cash on hand on the date of determination of available cash for the quarter resulting from working capital borrowings made subsequent to the end of such quarter.

The purpose and effect of the last bullet point above is to allow our general partner, if it so decides, to use cash from working capital borrowings made after the end of the quarter but on or before the date of determination of available cash for that quarter to pay distributions to unitholders. Under our partnership agreement, working capital borrowings are generally borrowings that are made under a credit facility, commercial paper facility or similar financing arrangement, and in all cases are used solely for working capital purposes or to pay distributions to unitholders, and with the intent of the borrower to repay such borrowings within twelve months with funds other than from additional working capital borrowings.

As a result, we do not accumulate significant amounts of cash and thus do not have the same flexibility as corporations or other entities that do not pay dividends or have complete flexibility regarding the amounts they will distribute to their equity holders. The timing and amount of our distributions could significantly reduce the cash available to pay the principal, premium (if any) and interest on the notes. The board of directors of our general partner will determine the amount and timing of such distributions and has broad discretion to establish and make additions to our reserves or the reserves of our operating subsidiaries as it determines are necessary or appropriate.

Although our payment obligations to our unitholders are subordinate to our payment obligations with respect to the notes, the value of our units will decrease in correlation with decreases in the amount we distribute per unit. Accordingly, if we experience a liquidity problem in the future, we may not be able to issue equity to recapitalize.

Payment of principal and interest on the notes is effectively subordinated to our senior secured debt to the extent of the value of the assets securing the debt and structurally subordinated as to the indebtedness of any of our subsidiaries that do not guarantee the notes.

The notes are our senior unsecured debt and rank equally in right of payment with all of our other existing and future unsubordinated debt. The notes are effectively junior to all our existing and future secured debt, including our Revolving Credit Facility and Term Loan, to the extent of the value of the assets securing the debt, to any debt of our future subsidiaries that do not guarantee the notes and to the existing and future secured debt of any subsidiaries that guarantee the notes to the extent of the value of the assets securing the debt. Holders of our secured obligations, including obligations under our Revolving Credit Facility and Term Loan, will have claims that are prior to claims of holders of the notes with respect to the assets securing those obligations. In the event of liquidation, dissolution, reorganization, bankruptcy or any similar proceeding, our assets and those of our subsidiaries will be available to pay obligations on the notes and the guarantees only after holders of our senior secured debt have been paid the value of the assets securing such debt.

In addition, although all of our existing subsidiaries, other than PBF Logistics Finance Corporation, guarantee the notes, in the future, under certain circumstances, the guarantees are subject to release and we may have subsidiaries that are not guarantors. In that case, the notes would be structurally junior to the claims of all creditors, including trade creditors and tort claimants, of our subsidiaries that are not guarantors. In the event of the liquidation, dissolution, reorganization, bankruptcy or similar proceeding of the business of a subsidiary that is not a guarantor, creditors of that subsidiary would generally have the right to be paid in full before any distribution is made to us or the holders of the notes. Accordingly, there may not be sufficient funds remaining to pay amounts due on all or any of the notes.

Further, although PBF LLC provides a limited guarantee of collection of the principal amount of the notes, under the terms of such guarantee, PBF LLC will generally not have any obligation to make principal payments with respect to the notes unless and until all remedies, including in the context of bankruptcy proceedings, have first been fully exhausted against us with respect to such payment obligations, and holders of the notes are still owed amounts in respect of the principal of the notes. In addition, PBF LLC is not subject to any of the covenants under the indenture governing the notes.

The subsidiary guarantees could be deemed fraudulent conveyances under certain circumstances, and a court may try to subordinate or void the subsidiary guarantees.

Under U.S. bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee can be voided, or claims under a guarantee may be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee:

- received less than reasonably equivalent value or fair consideration for the incurrence of the guarantee and was insolvent or rendered insolvent by reason of such incurrence;

- was engaged in a business or transaction for which the guarantor s remaining assets constituted unreasonably small capital; or

- intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they mature.

In addition, any payment by that guarantor under a guarantee could be voided and required to be returned to the guarantor or to a fund for the benefit of the creditors of the guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a subsidiary guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;

- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability, including contingent liabilities, on its existing debts as they become absolute and mature; or

- it could not pay its debts as they became due.

We cannot assure you as to what standard for measuring insolvency a court would apply or that a court would agree with our conclusions.

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We may not be able to repurchase the notes upon a change of control triggering event and a change of control triggering event could result in us facing substantial repayment obligations under our Revolving Credit Facility, our Term Loan and the notes.

Upon occurrence of a change of control triggering event, the indenture provides that you will have the right to require us to repurchase all or any part of your notes with a cash payment equal to 101% of the aggregate principal amount of notes repurchased, plus accrued and unpaid interest. Additionally, our ability to repurchase the notes upon such a change of control triggering event would be limited by our access to funds at the time of the repurchase and the terms of our other debt agreements. In addition, our Revolving Credit Facility and our Term Loan contain provisions relating to change of control of our general partner, our partnership and our operating subsidiaries. Upon a change of control triggering event, we may be required immediately to repay the outstanding principal, any accrued and unpaid interest on and any other amounts owed by us under our Revolving Credit Facility, our Term Loan, the notes and any other outstanding indebtedness. The source of funds for these repayments would be our available cash or cash generated from other sources. However, we cannot assure you that we will have sufficient funds available or that we will be permitted by our other debt instruments to fulfill these obligations upon a change of control in the future, in which case the lenders under our Revolving Credit Facility and our Term Loan would have the right to foreclose on our assets, which would have a material adverse effect on us. Furthermore, certain change of control events would constitute an event of default under the agreement governing our Revolving Credit Facility and our Term Loan and we might not be able to obtain a waiver of such defaults. There is no restriction in our partnership agreement on the ability of our general partner to enter into a transaction which would trigger the change of control provisions of our Revolving Credit Facility, our Term Loan or the indenture governing the notes.

Many of the covenants in the indenture will terminate if the notes are rated investment grade by Moody s and Standard & Poor s.

Many of the covenants in the indenture governing the notes will terminate if the notes are rated investment grade by Moody s and Standard & Poor s, provided at such time no default under the indenture has occurred and is continuing. These covenants will restrict, among other things, our ability to pay distributions, incur debt, and to enter into certain other transactions. There can be no assurance that the notes will ever be rated investment grade, or that if they are rated investment grade, that the notes will maintain these ratings. However, termination of these covenants would allow us to engage in certain transactions that would not be permitted while these covenants were in force. See Description of Notes Certain Covenants.

The indenture governing the notes, our Revolving Credit Facility and our Term Loan contain restrictions which could adversely affect our business, financial condition, results of operations and our ability to service our indebtedness.

We are dependent upon the earnings and cash flow generated by our operations in order to meet our debt service obligations. The indenture governing the notes, our Revolving Credit Facility and our Term Loan contain, and any future financing agreements may contain, operating and financial restrictions and covenants that could restrict our ability to finance future operations or capital needs, or to expand or pursue our business activities, which may, in turn, limit our ability to service our indebtedness. For example, our Revolving Credit Facility and the indenture that governs the notes restrict our ability to, among other things:

- make investments;

incur or guarantee additional indebtedness or issue preferred units;

pay dividends or make distributions on units or redeem or repurchase our subordinated debt;

create liens;

incur dividend or other payment restrictions affecting subsidiaries;

sell assets;

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merge or consolidate with other entities; and

enter into transactions with affiliates.

Furthermore, our Revolving Credit Facility contains covenants requiring us to maintain certain financial ratios. Our Term Loan also contains affirmative and negative covenants that, among other things, limit our use of the proceeds from the loan and restrict our ability to incur liens and enter into burdensome agreements.

The provisions of our Revolving Credit Facility and our Term Loan may affect our ability to obtain future financing and pursue attractive business opportunities and our flexibility in planning for, and reacting to, changes in business conditions. In addition, a failure to comply with the provisions of our existing debt could result in an event of default that could enable our lenders, subject to the terms and conditions of such debt, to declare the outstanding principal, together with accrued interest, to be immediately due and payable. If we were unable to repay the accelerated amounts, our lenders could proceed against the collateral granted to them to secure such debt. If the payment of our debt is accelerated, defaults under our other debt instruments, if any, may be triggered, and 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.

The trading price of the notes may be volatile and can be directly affected by many factors, including our credit rating.

The trading price of the notes could be subject to significant fluctuation in response to, among other factors, changes in our operating results, interest rates, the market for non-investment grade securities, general economic conditions and securities analysts recommendations, if any, regarding our securities. Credit rating agencies continually revise their ratings for companies they follow, including us. Any ratings downgrade could adversely affect the trading price of the notes, or the trading market for the notes, to the extent a trading market for the notes develops. The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future and any fluctuation may impact the trading price of the notes.

Tax Risks Related to the Notes

Our tax treatment depends on our status as a partnership for U.S. federal income tax purposes, as well as our not being subject to a material amount of entity-level taxation by individual states. If the Internal Revenue Service treats us as a corporation for U.S. federal income tax purposes or we become subject to material additional amounts of entity-level taxation for state tax purposes, it would substantially reduce the amount of cash available for payments on the notes and our other debt obligations.

Despite the fact that we are a limited partnership under Delaware law, it is possible in certain circumstances for a publicly traded partnership such as ours to be treated as a corporation rather than a partnership for U.S. federal income tax purposes. Although we do not believe based upon our current operations that we are so treated, a change in our business or a change in current law could cause us to be treated as a corporation for U.S. federal income tax purposes or otherwise subject us to taxation as an entity.

If we were treated as a corporation for U.S. federal income tax purposes, we would pay U.S. federal tax on our taxable income at the corporate tax rate, which is currently a maximum of 35%, and would likely pay state income tax at varying rates. Therefore, our treatment as a corporation would result in a material reduction in our anticipated cash flow and could materially adversely affect our ability to make payments on the notes and our other debt obligations.

Current law may change so as to cause us to be treated as a corporation for U.S. federal income tax purposes or otherwise subject us to entity-level taxation. For example, from time to time, members of the U.S. Congress propose and consider substantive changes to the federal income tax laws that affect publicly traded partnerships. One such legislative proposal would have eliminated the exception upon which we rely for our treatment as a partnership for U.S. federal income tax purposes. We are unable to predict whether any of these changes, or other proposals, will be reconsidered or will ultimately be enacted. Any such changes could negatively impact the amount of cash available for payments on the notes and our other debt obligations.

In addition, changes in current state laws may subject us to additional entity-level taxation by individual states. Several states are evaluating ways to subject partnerships to entity-level taxation through the imposition of state income, franchise and other forms of taxation because of widespread state budget deficits. Imposition of any such taxes on us may reduce the cash available for payments on the notes and our other debt obligations.

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USE OF PROCEEDS

The exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any proceeds from the issuance of the new notes in the exchange offer. In consideration for issuing the new notes as contemplated by this prospectus, we will receive old notes in a like principal amount. The form and terms of the new notes are substantially identical in all respects to the form and terms of the old notes, except the new notes will be registered under the Securities Act and will not contain restrictions on transfer, registration rights or provisions for additional interest. Old notes surrendered in exchange for the new notes will be retired and cancelled and will not be reissued. Accordingly, the issuance of the new notes will not result in any change in our capitalization.

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RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth information regarding our ratio of earnings to fixed charges for the periods shown. For purposes of determining the ratio of earnings to fixed charges, earnings consist of income from continuing operations before income taxes and fixed charges (excluding interest capitalized during the period). Fixed charges consist of interest expense (including interest capitalized during the period), deferred financing costs and the portion of rental expense that is representative of the interest factor in these rentals. You should read the ratio of earnings to fixed charges in conjunction with our consolidated financial statements and the related notes thereto which are incorporated by reference into this prospectus.

	Six Months Ended June 30, 2015	Year Ended December 31, 2014	2013 [2]	2012 [2]
Ratio of earnings to fixed charges [1]	5.6x	5.1x	[3]	[3]

(1) Represents results of operations of the predecessor for periods prior to May 14, 2014, the date of our initial public offering. As the acquisitions from PBF LLC represented the transfer of assets between entities under common control, the consolidated financial statements of us and our predecessor have been retrospectively adjusted to present results as if the assets have been owned by us historically.

(2) Represents results of operations of our predecessor prior to May 14, 2014, the date of our initial public offering, and our historical results of operations thereafter. Prior to our initial public offering, our assets were operated as a part of the integrated operations of PBF Holding, and our predecessor recognized only the costs and did not record revenue, with the exception of the Delaware City Products Pipeline, associated with transportation, terminaling, or storage services provided on an intercompany basis.

(3) Earnings were inadequate to cover fixed charges for the years ended December 31, 2013 and 2012 by $14.4 million and $6.4 million, respectively.

EXCHANGE OFFER

Purpose and Effect of the Exchange Offer

At the closing of the offering of the old notes, we entered into a registration rights agreement with the initial purchasers of the notes pursuant to which we agreed, for the benefit of the holders of the old notes, at our cost, to file an exchange offer registration statement with the SEC with respect to the exchange offer for the new notes, and use commercially reasonable efforts to consummate the exchange offer not later than 365 days after the date of original issuance of the old notes.

Upon the SEC s declaring the exchange offer registration statement effective, we agreed to offer the new notes in exchange for surrender of the old notes. We agreed to keep the exchange offer open for a period of not less than 20 business days after the date notice thereof is sent to the holders of the old notes.

For each old note surrendered to us pursuant to the exchange offer, the holder of such old note will receive a new note having a principal amount equal to that of the surrendered old note. Interest on each new note will accrue from the last interest payment date on which interest was paid on the surrendered old note or, if no interest has been paid on such old note, from May 12, 2015. The registration rights agreement also provides that we shall use commercially reasonable efforts to keep the registration statement effective and to amend and supplement this prospectus in order to permit this prospectus to be lawfully delivered by all persons subject to the prospectus delivery requirements of the Securities Act for such period of time as such persons must comply with such requirements in order to resell the new notes; provided, however, that (i) in the case where this prospectus and any amendment or supplement thereto must be delivered by a broker-dealer who holds notes that were acquired for its own account as a result of market making activities or other trading activities or an initial purchaser, such period shall be the lesser of 180 days and the date on which all broker-dealers and the initial purchasers have sold all new notes held by them (unless such period is extended), and (ii) upon request we shall make this prospectus and any amendment or supplement thereto available to any broker-dealer for use in connection with any resale of new notes for a period of not less than 90 days after the consummation of the exchange offer.

Based on interpretations by the SEC set forth in no-action letters issued to third parties, we believe that you may resell or otherwise transfer new notes issued in the exchange offer without complying with the registration and prospectus delivery provisions of the Securities Act, if:

- you are not our affiliate or an affiliate of any guarantor within the meaning of Rule 405 under the Securities Act;
- you do not have an arrangement or understanding with any person to participate in a distribution of the new notes;
- you are not engaged in, and do not intend to engage in, a distribution of the new notes; and
- you are acquiring the new notes in the ordinary course of your business.

If you are an affiliate of ours or an affiliate of any guarantor, or are engaging in, or intend to engage in, or have any arrangement or understanding with any person to participate in, a distribution of the new notes, or are not acquiring the new notes in the ordinary course of your business:

- you cannot rely on the position of the SEC set forth in *Morgan Stanley & Co. Incorporated* (available June 5, 1991) and *Exxon Capital Holdings Corporation* (available May 13, 1988), as interpreted in the SEC s letter to Shearman & Sterling (available July 2, 1993), or similar no-action letters; and

- in the absence of an exception from the position stated immediately above, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the new notes.

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This prospectus may be used for an offer to resell, resale or other transfer of new notes only as specifically set forth in this prospectus. With regard to broker-dealers, only broker-dealers that acquired the old notes as a result of market-making activities or other trading activities may participate in the exchange offer.

Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of the new notes. See Plan of Distribution for more details regarding the transfer of new notes.

Under the circumstances set forth below, we will use commercially reasonable efforts to cause the SEC to declare effective (unless it becomes effective automatically) a shelf registration statement with respect to the resale of the notes within the time periods specified in the registration rights agreement and keep the statement effective for one year (unless such period is extended) from the effective date of such shelf registration statement or such shorter period that will terminate when all the notes covered by the shelf registration statement have been sold pursuant thereto or are no longer restricted securities as defined in Rule 144 under the Securities Act. These circumstances include:

- if any changes in law or applicable interpretations thereof by the SEC do not permit us to effect an exchange offer as contemplated by the registration rights agreement;

- if an exchange offer is not consummated within 365 days after the date of original issuance of the old notes;

- if any initial purchaser so requests with respect to the old notes not eligible to be exchanged for the new notes and held by it following the consummation of the exchange offer; or

- if any holder, other than a broker-dealer, is not eligible to participate in the exchange offer, or if any holder, other than a broker-dealer, that participates in the exchange offer does not receive freely tradeable new notes in exchange for tendered old notes, other than due solely to the status of such holder as an affiliate of the Company within the meaning of the Securities Act.

Under the registration rights agreement, subject to certain exceptions, if (i) the exchange offer has not been consummated or a shelf registration statement has not been declared effective by the SEC, in each case, on or prior to the 365th day after the date of original issuance of the old notes, or (ii) if applicable, a shelf registration statement has been declared effective but thereafter ceases to be effective at any time (other than because of the sale of all of the notes registered thereunder), then additional interest will accrue on the principal amount of the old notes at a rate of 0.25% per annum (which rate will be increased by an additional 0.25% per annum for each subsequent 90-day period that such additional interest continues to accrue), up to a maximum of 1.00% per annum of additional interest, beginning on the 366th day after the date of original issuance of the old notes, in the case of clause (i) above, or the day such shelf registration statement ceases to be effective in the case of clause (ii) above, until the exchange offer is completed or the shelf registration statement, if required, becomes effective.

Holders of the old notes will be required to make certain representations to us in order to participate in the exchange offer and will be required to deliver information to be used in connection with the shelf registration statement in order to have their old notes included in the shelf registration statement. See Your Representations to Us.

This summary of certain provisions of the registration rights agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the registration rights agreement, a copy of which is filed as an exhibit to the registration statement which includes this prospectus.

Except as set forth above, after consummation of the exchange offer, holders of old notes which are the subject of the exchange offer have no registration or exchange rights and are not entitled to additional interest under the registration rights agreement. See Consequences of Failure to Exchange.

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Terms of the Exchange Offer

Subject to the terms and conditions described in this prospectus and in the letters of transmittal, we will accept for exchange any old notes properly tendered and not withdrawn prior to 12:00 a.m. midnight New York City time on the expiration date. We will issue new notes in principal amount equal to the principal amount of old notes surrendered in the exchange offer. Old notes may be tendered only for new notes and only in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The exchange offer is not conditioned upon any minimum aggregate principal amount of old notes being tendered for exchange.

As of the date of this prospectus, $330,090,000 in aggregate principal amount of the old notes is outstanding. This prospectus and the letters of transmittal are being sent to all registered holders of old notes. There will be no fixed record date for determining registered holders of old notes entitled to participate in the exchange offer.

We intend to conduct the exchange offer in accordance with the provisions of the registration rights agreement, the applicable requirements of the Securities Act and the Exchange Act, and the rules and regulations of the SEC. Old notes that the holders thereof do not tender for exchange in the exchange offer will remain outstanding and continue to accrue interest. These old notes will continue to be entitled to the rights and benefits such holders have under the indenture relating to the notes.

We will be deemed to have accepted for exchange properly tendered old notes when we have given oral or written notice of the acceptance to the exchange agent and complied with the applicable provisions of the registration rights agreement. The exchange agent will act as agent for the tendering holders for the purposes of receiving the new notes from us.

If you tender old notes in the exchange offer, you will not be required to pay brokerage commissions or fees or, subject to the instructions in the letters of transmittal, transfer taxes with respect to the exchange of old notes. We will pay all charges and expenses, other than certain applicable taxes described below, in connection with the exchange offer. It is important that you read the section labeled Fees and Expenses for more details regarding fees and expenses incurred in the exchange offer.

We will return any old notes that we do not accept for exchange for any reason without expense to their tendering holder promptly after the expiration or termination of the exchange offer.

Expiration Date

The exchange offer will expire at 12:00 a.m. midnight, New York City time, on December 2, 2015, unless, in our sole discretion, we extend it. If we, in our sole discretion, extend the period of time for which the exchange offer is open, the term expiration date will mean the latest time and date to which we shall have extended the expiration of the exchange offer.

Extensions, Delays in Acceptance, Termination or Amendment

We expressly reserve the right, at any time or various times, to extend the period of time during which the exchange offer is open. We may delay acceptance of any old notes by giving oral or written notice of such extension to their holders. During any such extensions, all old notes previously tendered will remain subject to the exchange offer, and we may accept them for exchange.

In order to extend the exchange offer, we will notify the exchange agent orally or in writing of any extension. We will notify the registered holders of old notes of the extension no later than 9:00 a.m., New York City time, on the first business day following the previously scheduled expiration date.

We reserve the right, in our sole discretion:

- to delay accepting for exchange any old notes (only in the case that we amend or extend the exchange offer);
- to extend the exchange offer or to terminate the exchange offer if any of the conditions set forth below under Conditions to the Exchange Offer have not been satisfied, by giving oral or written notice of such delay, extension or termination to the exchange agent; and
- subject to the terms of the registration rights agreement, to amend the terms of the exchange offer in any manner.

Any extension, termination or amendment will be followed promptly by oral or written notice thereof to the registered holders of old notes. If we amend the exchange offer in a manner that we determine to constitute a material change, we will promptly disclose such amendment by means of a prospectus supplement. The supplement will be distributed to the registered holders of the old notes. Depending upon the significance of the amendment and the manner of disclosure to the registered holders, we may extend the exchange offer. In the event of a material change in the exchange offer, including the waiver by us of a material condition, we will extend the exchange offer period if necessary so that at least five business days remain in the exchange offer following notice of the material change.

Conditions to the Exchange Offer

We will not be required to accept for exchange, or exchange any new notes for, any old notes and we may terminate or amend the exchange offer as provided in this prospectus prior to the expiration date if, in our reasonable judgment, (i) the exchange offer, or the making of any exchange by a holder of old notes, would violate applicable law or any applicable interpretation of the staff of the SEC, or (ii) any action or proceeding has been instituted or threatened in writing in any court or by or before any governmental agency with respect to the exchange offer that, in our judgment, would reasonably be expected to impair our ability to proceed with the exchange offer. Similarly, we may terminate the exchange offer as provided in this prospectus before accepting old notes for exchange in the event of such a potential violation.

In addition, we will not be obligated to accept for exchange the old notes of any holder that has not made to us the representations described under Purpose and Effect of the Exchange Offer, Procedures for Tendering, Your Representations to Us and Plan of Distribution and such other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to allow us to use an appropriate form to register the new notes under the Securities Act.

We expressly reserve the right at any time or from time to time to extend the period of time during which the exchange offer is open. Consequently, we may delay acceptance of any old notes by giving written notice of the extension to the holders. We will return any old notes that we do not accept for exchange for any reason without expense to the tendering holder promptly after the expiration or termination of the exchange offer.

We expressly reserve the right to amend or terminate the exchange offer, and to reject for exchange any old notes not previously accepted for exchange, upon the occurrence of any of the conditions to the exchange offer specified above. We will give oral or written notice of any extension, amendment, non-acceptance or termination to the holders of the old notes as promptly as practicable. In the case of any extension, such notice will be issued no later than 9:00 a.m, New York City time, on the next business day after the previously scheduled expiration date.

These conditions are for our sole benefit, and we may assert them or waive them in our sole discretion, in whole or in part, at any time at or before the expiration of the exchange offer. If we fail at any time to exercise any of these rights, this failure will not mean that we have waived our rights. Each such right will be deemed an ongoing right that we may assert at any time or at various times.

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In addition, we will not accept for exchange any old notes tendered, and will not issue new notes in exchange for any such old notes, if at such time any stop order has been threatened or is in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indenture relating to the notes under the Trust Indenture Act of 1939.

Procedures for Tendering

In order to participate in the exchange offer, you must properly tender your old notes to the exchange agent as described below. It is your responsibility to properly tender your notes. We have the right to waive any defects. However, we are not required to waive defects and are not required to notify you of defects in your tender. If you are the beneficial holder of old notes that are held through your broker, dealer, commercial bank, trust company or other nominee, and you wish to tender such notes in the exchange offer, you should promptly contact the person or entity through which your old notes are held and instruct that person or entity to tender on your behalf. If you have any questions or need help in exchanging your notes, please call the exchange agent, whose contact information is set forth in Prospectus Summary The Exchange Offer Exchange Agent.

Procedures for Tendering Notes Represented by Global Notes Held in Book-Entry Form

All of the old notes were issued in book-entry form and are currently represented by global certificates held for the account of DTC. We have confirmed with DTC that the old notes issued in book-entry form and represented by global certificates held for the account of DTC may be tendered using the ATOP procedures. The exchange agent will establish an account with DTC for purposes of the exchange offer promptly after the commencement of the exchange offer, and DTC participants may electronically transmit their acceptance of the exchange offer by causing DTC to transfer their old notes to the exchange agent using the ATOP procedures. In connection with the transfer, DTC will send an agent s message to the exchange agent. The agent s message will state that DTC has received instructions from the participant to tender old notes and that the participant agrees to be bound by the terms of the letter of transmittal, or in the case of an agent s message relating to guaranteed delivery, that such participant agrees to be bound by the notice of guaranteed delivery.

By using the ATOP procedures to exchange old notes, you will not be required to deliver a letter of transmittal for holders of global notes to the exchange agent. However, you will be bound by its terms just as if you had signed it.

Guaranteed delivery procedures are set forth below under Exchange Offer Guaranteed Delivery Procedures.

Procedures for Tendering Notes Held in Definitive Form

If you hold your notes in definitive certificated form, you are required to physically deliver your notes to the exchange agent, together with a properly completed and duly executed copy of the letter of transmittal for holders of definitive notes, prior to 12:00 a.m. midnight, New York time, on the expiration date of the exchange offer or follow the guaranteed delivery procedures set forth below under Exchange Offer Guaranteed Delivery Procedures.

Determinations Under the Exchange Offer

We will determine in our sole discretion all questions as to the validity, form, eligibility, time of receipt, acceptance of tendered old notes and withdrawal of tendered old notes. Our determination will be final and binding. We reserve the absolute right to reject any old notes not properly tendered or any old notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defect, irregularities or conditions of tender as to particular old notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letters of transmittal, will be final and binding on all parties. Unless waived, all defects or irregularities in connection with tenders of old notes must be cured

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within such time as we shall determine. Although we intend to notify holders of defects or irregularities with respect to tenders of old notes, neither we, the exchange agent nor any other person will incur any liability for failure to give such notification. Tenders of old notes will not be deemed made until such defects or irregularities have been cured or waived. Any old notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned to the tendering holder, unless otherwise provided in the applicable letter of transmittal, promptly following the expiration date.

When We Will Issue New Notes

In all cases, we will issue new notes for old notes that we have accepted for exchange under the exchange offer only after the exchange agent timely receives:

- in the case of old notes issued in book-entry form and represented by global certificates held for the account of DTC, (1) a book-entry confirmation of such old notes into the exchange agent s account at DTC and (2) a properly transmitted agent s message; or

- in the case of old notes held in definitive form, (1) the certificates representing such notes and (2) a properly completed and duly executed letter of transmittal relating to such definitive notes.

Return of Old Notes Not Accepted or Exchanged

If we do not accept any tendered old notes for exchange or if old notes are submitted for a greater principal amount than the holder desires to exchange, the unaccepted or non-exchanged old notes will be returned without expense to their tendering holder. Such non-exchanged old notes will be credited to an account maintained with DTC. These actions will occur promptly after the expiration or termination of the exchange offer.

Your Representations to Us

By agreeing to be bound by the applicable letter of transmittal, you will represent to us that, among other things:

- any new notes that you receive will be acquired in the ordinary course of your business;

- you have no arrangement or understanding with any person or entity to participate in the distribution of the new notes;

- you are not our affiliate (as defined in Rule 405 of the Securities Act) or an affiliate of any guarantor;

- if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, a distribution of new notes; and

- if you are a broker-dealer that will receive new notes for your own account in exchange for old notes, you acquired those notes as a result of market-making activities or other trading activities and you will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. See Plan of Distribution.

Guaranteed Delivery Procedures

If you wish to tender your old notes but your old notes are not immediately available or you cannot deliver your old notes, the letter of transmittal or any other required documents to the exchange agent or comply with the procedures under DTC s ATOP system in the case of old notes, prior to the expiration date, you may still tender if:

- the tender is made through an eligible guarantor institution;

- prior to the expiration date, the exchange agent receives from such eligible guarantor institution either a properly completed and duly executed notice of guaranteed delivery, by facsimile transmission, mail, or hand delivery or a properly transmitted agent s message and notice of guaranteed delivery, that

(1) sets forth your name and address, the certificate number(s) of such old notes and the principal amount of old notes tendered; (2) states that the tender is being made thereby; and (3) guarantees that, within three New York Stock Exchange trading days after the expiration date, the letter of transmittal, or facsimile thereof, together with the old notes or a book-entry confirmation, and any other documents required by the letter of transmittal, will be deposited by the eligible guarantor institution with the exchange agent; and

the exchange agent receives the properly completed and executed letter of transmittal or facsimile thereof, as well as certificate(s) representing all tendered old notes in proper form for transfer or a book-entry confirmation of transfer of the old notes into the exchange agent s account at DTC and documents required by the letter of transmittal within three New York Stock Exchange trading days after the expiration date.

Upon request, the exchange agent will send to you a notice of guaranteed delivery if you wish to tender your old notes according to the guaranteed delivery procedures.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, you may withdraw your tender at any time prior to 12:00 a.m. midnight, New York City time, on the expiration date. For a withdrawal to be effective with respect to notes held in book-entry form and represented by global certificates you must comply with the appropriate procedures of DTC s ATOP system. Any notice of withdrawal must specify the name and number of the account at DTC to be credited with withdrawn old notes and otherwise comply with the procedures of DTC. To withdraw tenders of notes held in definitive form, you must submit a written or facsimile notice of withdrawal to the exchange agent before 12:00 a.m. midnight, New York City time, on the expiration date of the exchange offer.

We will determine all questions as to the validity, form, eligibility and time of receipt of notice of withdrawal. Our determination shall be final and binding on all parties. We will deem any old notes so withdrawn not to have been validly tendered for exchange for purposes of the exchange offer.

Any old notes in global form that have been tendered for exchange but are not exchanged for any reason will be credited to an account maintained with DTC for the old notes. This crediting will take place as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. You may retender properly withdrawn old notes by following the procedures described under Procedures for Tendering above at any time prior to 12:00 a.m. midnight, New York City time, on the expiration date.

Fees and Expenses

We may make solicitation by mail, facsimile, telephone, electronic mail or in person by our officers and regular employees and those of our affiliates.

We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to broker-dealers or others soliciting acceptances of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and reimburse it for its related reasonable out-of-pocket expenses.

We will pay the cash expenses to be incurred in connection with the exchange offer. They include:

all registration and filing fees and expenses;

all fees and expenses of compliance with federal securities and state blue sky or securities laws;

accounting fees, legal fees incurred by us, disbursements and printing, messenger and delivery services, and telephone costs; and

related fees and expenses.

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We will pay all transfer taxes, if any, applicable to the exchange of old notes under the exchange offer. The tendering holder, however, will be required to pay any transfer taxes, whether imposed on the registered holder or any other person, if:

- new notes or old notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of the old notes tendered,

- tendered old notes are registered in the name of any person other than the person signing the letter of transmittal, or

- a transfer tax is imposed for any reason other than the exchange of old notes pursuant to the exchange offer.

If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the applicable letter of transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

Consequences of Failure to Exchange

If you do not exchange new notes for your old notes under the exchange offer, you will remain subject to the existing restrictions on transfer of the old notes. In general, you may not offer or sell the old notes unless the offer or sale is either registered under the Securities Act or exempt from the registration under the Securities Act and applicable state securities laws. No holder who was eligible to exchange such holder s old notes at the time the exchange offer was pending and consummated and failed to validly tender such old notes for exchange pursuant to the exchange offer shall be entitled to receive any additional interest that would otherwise accrue subsequent to the date the exchange offer is consummated. Except as required by the registration rights agreement, we do not intend to register resales of the old notes under the Securities Act.

Accounting Treatment

We will record the new notes in our accounting records at the same carrying value as the old notes. This carrying value is the aggregate principal amount of the old notes less any bond discount, as reflected in our accounting records on the date of exchange. Accordingly, we will not recognize any gain or loss for accounting purposes in connection with the exchange offer.

Other

Participation in the exchange offer is voluntary, and you should carefully consider whether to accept. You are urged to consult your financial and tax advisors in making your own decision on what action to take.

We may in the future seek to acquire untendered old notes in open market or privately negotiated transactions, through subsequent exchange offers or otherwise. We have no present plans to acquire any old notes that are not tendered in the exchange offer or to file a registration statement to permit resales of any untendered old notes.

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DESCRIPTION OF NOTES

You can find the definitions of certain terms used in this description under the subheading Certain Definitions. In this description, the terms *PBFX*, *our* or *we* refer only to PBF Logistics LP and not to any of its subsidiaries, the term *Finance Corp.* refers to PBF Logistics Finance Corporation and the term *Issuers refers to PBFX and Finance Corp.*

The Issuers issued $350.0 million in aggregate principal amount of 6.875% senior notes due May 15, 2023 (the notes) pursuant to an indenture dated May 12, 2015 among themselves, the Subsidiary Guarantors and Deutsche Bank Trust Company Americas, as trustee, of which $19.9 million in aggregate principal amount of notes were issued in a concurrent private placement. All of the notes (including old notes and new notes) are the same class and the old notes were issued in private transactions that were not subject to the registration requirements of the Securities Act. The terms of the notes include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended (the *Trust Indenture Act*).

The following description is a summary of the certain provisions of the indenture relating to the notes. It does not purport to be complete, and is qualified in its entirety by reference to all of the provisions of those agreements. We urge you to read the indenture because it, and not this description, defines your rights as holders of the notes. Copies of the indenture are available as set forth below under Additional Information. Certain defined terms used in this description but not defined below under Certain Definitions have the meanings assigned to them in the indenture and this prospectus.

The registered holder of a note will be treated as the owner of it for all purposes. Only registered holders will have rights under the indenture.

Brief Description of the Notes and the Guarantees

The Notes

The notes:

- are general unsecured obligations of the Issuers;
- are *pari passu* in right of payment with all existing and future senior Indebtedness of the Issuers, including the Indebtedness outstanding under the Credit Agreements;
- are senior in right of payment to any future subordinated Indebtedness of the Issuers;
- are unconditionally guaranteed by the Subsidiary Guarantors on a senior unsecured basis;
- benefit from a guarantee of collection from PBF Energy Company LLC (*PBF LLC* and, such guarantee of collection, the *PBF LLC limited guarantee*);

are effectively subordinated to all of our secured Indebtedness (including Indebtedness under the Credit Agreements), to the extent of the value of the collateral securing such Indebtedness; and

are structurally subordinated to any of liabilities of our Subsidiaries that are not Subsidiary Guarantors.

As of June 30, 2015, we have $24.5 million of secured indebtedness and $2.0 million of letters of credit outstanding under our Revolving Credit Agreement, $234.2 million of secured indebtedness outstanding under our Collateralized Term Loan Credit Agreement (all of which is fully cash collateralized at all times by cash or U.S. treasury securities) and $350.0 million of unsecured indebtedness consisting of the notes, and an additional $298.5 million of total unused borrowing capacity under the Revolving Credit Agreement. See Risk Factors Risks Related to the Notes Payment of principal and interest on the notes is effectively subordinated to our senior secured debt to the extent of the value of the assets securing the debt and structurally subordinated as to the indebtedness of any of our subsidiaries that do not guarantee the notes.

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The Note Guarantees

Each guarantee of the notes by a Subsidiary Guarantor:

- are a general unsecured obligation of the Subsidiary Guarantor;
- are *pari passu* in right of payment with all existing and future senior Indebtedness of that Subsidiary Guarantor, including such Subsidiary Guarantor s guarantee of Indebtedness under the Credit Agreements;
- are senior in right of payment to any future subordinated Indebtedness of that Subsidiary Guarantor;
- are effectively subordinated to all secured Indebtedness of the Subsidiary Guarantor (including its guarantees of Indebtedness under the Credit Agreements), to the extent of the value of the collateral securing such Indebtedness; and
- are structurally subordinated to any liabilities of any Subsidiaries of the Subsidiary Guarantor that are not Subsidiary Guarantors.

The notes are guaranteed by all of our Domestic Subsidiaries (other than Finance Corp.). In addition, PBF LLC, the majority owner of our limited partnership interests, provides the PBF LLC limited guarantee. Under the PBF LLC limited guarantee, PBF LLC does not have any obligation to make principal payments with respect to the notes unless all remedies, including in the context of bankruptcy proceedings, have first been fully exhausted against us with respect to such payment obligation, and holders of the notes are still owed amounts in respect of the principal of the notes. PBF LLC is not otherwise subject to the covenants in the indenture governing the notes. See Risk Factors Risks Related to the Notes Payment of principal and interest on the notes is effectively subordinated to our senior secured debt to the extent of the value of the assets securing the debt and structurally subordinated as to the indebtedness of any of our subsidiaries that do not guarantee the notes. Under certain circumstances described below under the subheading Certain Covenants Additional Guarantors, in the future one or more of our newly created or acquired Subsidiaries may not guarantee the notes. In the event of a bankruptcy, liquidation or reorganization of any of our non-guaranteeing Subsidiaries, such Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to us.

As of the date of this prospectus, all of our Subsidiaries are Restricted Subsidiaries. However, under the circumstances described below under the subheading Certain Covenants Designation of Restricted and Unrestricted Subsidiaries, we are permitted to designate certain of our Subsidiaries as Unrestricted Subsidiaries. Our Unrestricted Subsidiaries will not be subject to the restrictive covenants in the indenture and will not guarantee the notes.

Finance Corp.

Finance Corp. is a Delaware corporation and a wholly-owned subsidiary of PBFX that has been formed for the purpose of acting as co-issuer of the notes. Finance Corp. is nominally capitalized, does not have material assets and does not have any operations or revenues. As a result, investors should not expect Finance Corp. to participate in servicing the interest and principal obligations on the notes. See Certain Covenants Limitations on Finance Corp.

Activities.

Principal, Maturity and Interest

The Issuers issued $350.0 million in aggregate principal amount of notes, of which $19.9 million in aggregate principal amount of notes were issued in a concurrent private placement to certain of PBF Energy Inc. s officers and directors and their affiliates and family members. The Issuers may issue additional notes under the indenture from time to time. Any issuance of additional notes is subject to all of the covenants in the indenture, including the covenant described below under the caption Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock. The notes and any additional notes subsequently issued under the indenture will be treated as a single class of notes for all purposes under the indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. Unless the context otherwise requires, references to notes for all purposes of the indenture and this Description of Notes include any additional notes that are actually issued. The Issuers will issue notes in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The notes will mature on May 15, 2023.

Interest on the notes accrues at the rate of 6.875% per annum and will be payable semi-annually in arrears on May 15 and November 15, commencing on November 15, 2015. The Issuers will make each interest payment to the holders of record on the immediately preceding May 1 and November 1. Interest on the notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

If an interest payment date falls on a day that is not a business day, the interest payment to be made on such interest payment date will be made on the next succeeding business day with the same force and effect as if made on such interest payment date, and no additional interest will accrue solely as a result of such delayed payment.

Methods of Receiving Payments on the Notes

If a holder of notes has given wire transfer instructions to PBFX, the Issuers will pay all principal, interest and premium, if any, on that holder s notes in accordance with those instructions. All other payments on the notes will be made at the office or agency of the paying agent and registrar within the City and State of New York unless the Issuers elect to make interest payments by check mailed to the noteholders at their address set forth in the register of holders.

Paying Agent and Registrar for the Notes

The trustee currently acts as paying agent, registrar and transfer agent. The Issuers may change the paying agent or registrar without prior notice to the holders of the notes, and PBFX, Finance Corp. or any of PBFX s other Subsidiaries may act as paying agent or registrar.

Transfer and Exchange

A holder may transfer or exchange notes in accordance with the provisions of the indenture. The registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of notes. Holders will be required to pay all taxes due on transfer or exchange. The Issuers will not be required to transfer or exchange any note selected for redemption. Also, the Issuers will not be required to transfer or exchange any note for a period of 15 days before a selection of notes to be redeemed.

Note Subsidiary Guarantees

All of our existing Subsidiaries (other than Finance Corp.) jointly and severally, guarantee the notes on a senior unsecured basis. Additional Domestic Subsidiaries of PBFX will be required to guarantee the notes under the circumstances described under Certain Covenants Additional Guarantors. These Note Subsidiary Guarantees are joint and several obligations of the Subsidiary Guarantors. The obligations of each Subsidiary Guarantor under its Note Subsidiary Guarantee are limited as necessary to prevent that Note Subsidiary Guarantee from constituting a fraudulent conveyance under applicable law. See Risk Factors Risks Related to the Notes The subsidiary guarantees could be deemed fraudulent conveyances under certain circumstances, and a court may try to subordinate or void the subsidiary guarantees.

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Except as set forth in the next paragraph, a Subsidiary Guarantor may not sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Subsidiary Guarantor is the resulting, transferee or surviving Person), another Person, other than PBFX or another Subsidiary Guarantor, unless:

(1) immediately after giving effect to that transaction, no Default or Event of Default exists; and

(2) either:

(a) the Person acquiring the assets in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (if other than PBFX or another Subsidiary Guarantor) assumes all obligations of that Subsidiary Guarantor under the indenture and its Note Subsidiary Guarantee via a supplemental indenture; or

(b) the transaction does not violate the Asset Sale provisions of the indenture.

The Note Subsidiary Guarantee of a Subsidiary Guarantor will be released:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) PBFX or a Subsidiary Guarantor, if the sale or other disposition does not violate the Asset Sale provisions of the indenture;

(2) in connection with any sale or other disposition of the Capital Stock of that Subsidiary Guarantor after which the applicable Subsidiary Guarantor is no longer a Subsidiary of PBFX, if the sale or other disposition does not violate the Asset Sale provisions of the indenture;

(3) if PBFX designates any Restricted Subsidiary that is a Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the indenture;

(4) upon the release or discharge of the guarantee by such Subsidiary Guarantor with respect to the Indebtedness under the Credit Agreements or the guarantee that resulted in the creation of such Subsidiary Guarantee; *provided*, *however*, that if, at any time following such release, that Subsidiary Guarantor later guarantees Indebtedness of any Issuer under the Credit Agreements, then such Subsidiary Guarantor shall provide a Note Subsidiary Guarantee at such time if required in accordance with the covenant described under the caption Certain Covenants Additional Guarantors ;

(5) upon the merger, amalgamation or consolidation of such Subsidiary Guarantor with and into an Issuer or another Subsidiary Guarantor that is the surviving Person in such merger, amalgamation or consolidation, or upon the liquidation or dissolution of such Subsidiary Guarantor;

(6) upon Legal Defeasance or Covenant Defeasance as described below under the caption Legal Defeasance and Covenant Defeasance or upon satisfaction and discharge of the indenture as described below under the caption Satisfaction and Discharge ; or

(7) as described under Amendment, Supplement and Waiver .

Optional Redemption

At any time prior to May 15, 2018, the Issuers may on any one or more occasions redeem up to 35% of the aggregate principal amount of the outstanding notes (including any additional notes) issued under the indenture at a redemption price of 106.875% of the principal amount with an amount equal to or less than the net cash proceeds of one or more Equity Offerings, *plus* accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the redemption date); *provided* that:

(1) at least 65% of the aggregate principal amount of notes originally issued under the indenture (excluding notes held by PBFX and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

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(2) the redemption occurs within 180 days of the date of the closing of such Equity Offering.

On or after May 15, 2018, the Issuers may, on one or more occasions, redeem all or a part of the notes at the redemption prices (expressed as percentages of principal amount) set forth below *plus* accrued and unpaid interest, if any, on the notes redeemed, to, but excluding, the applicable redemption date, if redeemed during the twelve-month period beginning on May 15 of each year indicated below, subject to the rights of holders of notes on the relevant record date to receive interest on the relevant interest payment date:

Year	**Percentage**
2018	105.156%
2019	103.438%
2020	101.719%
2021 and thereafter	100.000%

At any time prior to May 15, 2018, the Issuers may, on one or more occasions, also redeem all or a part of the notes at a redemption price equal to 100% of the principal amount of notes redeemed *plus* the Applicable Premium as of, and accrued and unpaid interest, if any, thereon to, but excluding, the redemption date, subject to the rights of holders of notes on the relevant record date to receive interest due on the relevant interest payment date. The notice need not set forth the Applicable Premium but only the manner of calculation of the redemption price. The indenture will provide that, with respect to any such redemption, the Issuers will notify the trustee of the Applicable Premium with respect to the notes promptly after the calculation and that the trustee will not be responsible for such calculation.

Mandatory Redemption; Open Market Purchases

Neither of the Issuers is required to make mandatory redemption or sinking fund payments with respect to the notes. The Issuers are not prohibited from acquiring the notes by means other than a redemption, whether pursuant to a tender offer, open market purchase or otherwise, so long as the acquisition does not violate the terms of the indenture.

Selection and Notice

If less than all of the notes are to be redeemed at any time, the trustee will select notes for redemption on a *pro rata* basis, by lot or such other similar method in accordance with the procedures of DTC.

No notes of $2,000 or less can be redeemed in part. Notices of redemption will be mailed by first class mail or delivered via electronic transmission at least 30 days but not more than 60 days before the redemption date to each holder of notes to be redeemed at its registered address, except that redemption notices may be mailed or delivered via electronic transmission more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the notes or a satisfaction and discharge of the indenture. Notice of any redemption of the notes (including upon an Equity Offering, in connection with a transaction (or series of related transactions) that constitute a Change of Control or otherwise) may, at the Issuers discretion, be given prior to the completion thereof and be subject to one or more conditions precedent, including, but not limited to, completion of the related Equity Offering, Change of Control or such other transaction. In addition, if such redemption is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the Issuers discretion, the redemption date may be delayed until such time (including more than 60 days after the date the notice of redemption was delivered) as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed, or such notice may be rescinded at any time in the Issuers discretion if in the good faith judgment of the Issuers any or all of such conditions will not be satisfied. In addition, the Issuers may provide in such notice that payment of the redemption price and performance of the Issuers obligations with respect to such redemption may be performed by another Person.

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If any note is to be redeemed in part only, the notice of redemption that relates to that note will state the portion of the principal amount of that note that is to be redeemed. A new note in principal amount equal to the unredeemed portion of the original note will be issued in the name of the holder of notes upon cancellation of the original note. Notes called for redemption become due on the date fixed for redemption, unless the redemption is subject to a condition precedent that is not satisfied or waived. On and after the redemption date, interest ceases to accrue on notes or portions of notes called for redemption.

Unless the Issuers default in the payment of the redemption price, interest will cease to accrue on the notes or portions thereof called for redemption on the applicable redemption date.

Repurchase at the Option of Holders

Change of Control Triggering Event

If a Change of Control Triggering Event occurs, the Issuers will make an offer to each holder of notes to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of that holder s notes pursuant to the offer described below (the *Change of Control Offer*) on the terms set forth in the indenture. In the Change of Control Offer, the Issuers will offer a payment in cash equal to 101% (or, at our election, a higher percentage) of the aggregate principal amount of notes repurchased, *plus* accrued and unpaid interest, if any, on the notes repurchased to, but excluding, the date of purchase (the *Change of Control Payment*), subject to the rights of holders of notes on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control Triggering Event, the Issuers will mail or deliver via electronic transmission a notice to each holder with a copy to the trustee describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase notes on the *Change of Control Payment Date* specified in the notice, which date will be no earlier than 20 business days and no later than 60 days from the date such notice is mailed or delivered via electronic transmission, pursuant to the procedures required by the indenture and described in such notice. The Issuers will comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the *Exchange Act*), and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Triggering Event provisions of the indenture, the Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control Triggering Event provisions of the indenture by virtue of such compliance.

On the Change of Control Payment Date, the Issuers will, to the extent lawful:

(1) accept for payment all notes or portions of notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered pursuant to the Change of Control Offer; and

(3) deliver or cause to be delivered to the trustee the notes accepted for purchase together with an officers certificate stating the aggregate principal amount of notes or portions of notes being purchased by the Issuers.

The paying agent will promptly mail to each holder of notes properly tendered the Change of Control Payment for such notes (or, if all the notes are then in global form, it will make such payment through the facilities of DTC), and the trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new note equal in principal amount to any unpurchased portion of the notes surrendered, if any; *provided*, that each new note will be in a principal amount of $2,000 or an integral multiple of $1,000 in excess thereof. The Issuers will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

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Except as described above with respect to a Change of Control Triggering Event, the indenture does not contain provisions that permit the holders of the notes to require that the Issuers repurchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

The Issuers will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the indenture applicable to a Change of Control Offer made by the Issuers and purchases all notes properly tendered and not withdrawn under the Change of Control Offer, (2) notice of redemption has been given pursuant to the indenture as described above under the caption Optional Redemption, unless and until there is a default in payment of the applicable redemption price or (3) in connection with, or in contemplation of, any publicly announced Change of Control, PBFX or a third party has made an offer to purchase (an *Alternate Offer*) any and all notes properly tendered at a cash price equal to or higher than the Change of Control Payment and has purchased all notes properly tendered in accordance with the terms of such Alternate Offer.

A Change of Control Offer may be made with respect to the notes in advance of a Change of Control Triggering Event, and conditioned upon the occurrence of such Change of Control Triggering Event, if a definitive agreement for the Change of Control Triggering Event is in place at the time of making the Change of Control Offer.

In the event that Holders of not less than 90% of the aggregate principal amount of the outstanding notes tender and do not withdraw such notes in a Change of Control Offer or Alternate Offer and PBFX (or the third party making the Change of Control Offer or Alternate Offer as provided above) purchases all of the notes validly tendered and not withdrawn by such holders, PBFX or such third party will have the right, upon not less than 30 days nor more than 60 days prior notice, given not more than 30 days following the purchase pursuant to the Change of Control Offer or Alternate Offer described above, to redeem all of the notes that remain outstanding following such purchase at a redemption price equal to the Change of Control Payment or Alternate Offer price, *plus*, to the extent not included in the Change of Control Payment or Alternate Offer price, accrued and unpaid interest on the notes that remain outstanding to the date of redemption (subject to the right of Holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the redemption date).

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of the properties or assets of PBFX and its Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require the Issuers to repurchase its notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of PBFX and its Subsidiaries taken as a whole to another Person or group may be uncertain.

Asset Sales

PBFX will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) PBFX (or the Restricted Subsidiary, as the case may be) receives consideration at least equal to the Fair Market Value (such Fair Market Value to be determined on the date of contractually agreeing to such Asset Sale and which shall give effect to the assumption by another Person of any liabilities as provided for in clause (a) of the following paragraph) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the aggregate consideration received by PBFX or such Restricted Subsidiary, as the case may be, from such Asset Sale and all other Asset Sales since the Issue Date, on a cumulative basis, is in the form of cash or Cash Equivalents.

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For purposes of the preceding clause (2) of this provision, each of the following will be deemed to be cash or Cash Equivalents:

(a) any liabilities, as shown on PBFX s most recent consolidated balance sheet or in the footnotes thereto, or if incurred or increased subsequent to the date of such balance sheet, such liabilities that would have been shown on PBFX s consolidated balance sheet or footnotes thereto if such incurrence or increase had taken place on the date of such balance sheet as determined by PBFX, of PBFX or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the notes or any Note Subsidiary Guarantees) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases PBFX or such Restricted Subsidiary from further liability;

(b) any securities, notes or other obligations received by PBFX or any such Restricted Subsidiary in connection with such transaction that within 180 days after the Asset Sale (subject to ordinary settlement periods) are converted by PBFX or such Restricted Subsidiary into cash or Cash Equivalents, to the extent of the cash or Cash Equivalents received in that conversion;

(c) any stock or assets of the kind referred to in clauses (2) or (4) of the next succeeding paragraph received by PBFX or any such Restricted Subsidiary in connection with such transaction;

(d) accounts receivable of a business retained by PBFX or any of its Restricted Subsidiaries, as the case may be, following the sale of such business, *provided* such accounts receivable (x) are not past due more than 60 days and (y) do not have a payment date greater than 90 days from the date of the invoices creating such accounts receivable; and

(e) any Designated Non-Cash Consideration received by PBFX or any of its Restricted Subsidiaries in such Asset Sale having an aggregate fair market value (as determined in good faith by PBFX), taken together with all other Designated Non-Cash Consideration received pursuant to this clause (e), not to exceed the greater of (i) $50.0 million and (ii) 10.0% of Consolidated Net Tangible Assets (with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value).

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, PBFX (or any Restricted Subsidiary) may apply such Net Proceeds at its option to any combination of the following:

(1) to prepay, repay, redeem or repurchase Senior Indebtedness (including the notes) of PBFX and/or its Restricted Subsidiaries (or to make an offer to repurchase or redeem such Indebtedness, provided that such repurchase or redemption closes within 45 days after the end of such 365-day period or any permitted extension thereof as contemplated by the proviso to this paragraph);

(2) to acquire a controlling interest in another business or all or substantially all of the assets of, or any Capital Stock or operating line of, another business, in each case engaged in a Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of PBFX;

(3) to make capital expenditures; or

(4) to acquire other assets or make Investments that are not classified as current assets under GAAP and that are used or useful in a Permitted Business;

provided that, in the case of clauses (2), (3) and (4) above, a binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment so long as PBFX (or the applicable Restricted Subsidiary, as the case may be) enters into such commitment with the good faith expectation that such Net Proceeds will be applied to satisfy such commitment within 180 days of such commitment (an *Acceptable Commitment*) and such Net Proceeds are actually applied in such manner within the later of 365 days from the consummation of the Asset Sale and 180 days from the date of the Acceptable Commitment, and in the event any Acceptable Commitment is later cancelled or terminated for any reason before the Net Proceeds are applied in connection therewith, PBFX (or the applicable Restricted Subsidiary, as the case may be) enters into another

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Acceptable Commitment (a *Second Commitment*) within 180 days of such cancellation or termination and such Net Proceeds are actually applied in such manner within 180 days from the date of the Second Commitment, it being understood that if a Second Commitment is later cancelled or terminated for any reason before such Net Proceeds are applied, then such Net Proceeds shall constitute Excess Proceeds.

Pending the final application of any Net Proceeds, PBFX or the applicable Restricted Subsidiary may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this covenant will constitute *Excess Proceeds.* Within five days after the date on which the aggregate amount of Excess Proceeds exceeds $50.0 million (or, at the Issuers option, any earlier date), the Issuers will make an offer (an *Asset Sale Offer*) to purchase or redeem debt in an amount equal to such Excess Proceeds to (x) all holders of notes and (y) to the extent any other Indebtedness that is *pari passu* in right of payment with the notes contains provisions similar to those set forth in the indenture with respect to offers to purchase or redeem such Indebtedness with the proceeds of sales of assets to purchase the maximum principal amount of notes, to all holders of such other Indebtedness. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount (or accreted value) thereof *plus* accrued and unpaid interest, if any, to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, PBFX or any Restricted Subsidiary may use those Excess Proceeds for any purpose not otherwise prohibited by the indenture. If the aggregate principal amount of notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the trustee will select the notes and the representative of such other *pari passu* Indebtedness will select such other *pari passu* Indebtedness to be purchased on a *pro rata* basis. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

PBFX will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the indenture, PBFX will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the indenture by virtue of such compliance.

The Credit Agreements and the agreements governing PBFX s other Indebtedness contain, and future agreements governing PBFX s Indebtedness may contain, prohibitions of certain events, including events that would constitute a Change of Control Triggering Event or an Asset Sale and including repurchases of or other prepayments in respect of the notes. The exercise by the holders of notes of their right to require the Issuers to repurchase the notes upon a Change of Control Triggering Event or an Asset Sale could cause a default under these other agreements, even if the Change of Control Triggering Event or Asset Sale itself does not, due to the financial effect of such repurchases on PBFX or other circumstances. In the event a Change of Control Triggering Event or Asset Sale occurs at a time when PBFX is prohibited from purchasing notes, PBFX could seek the consent of the lenders of the borrowings or the counterparties to agreements containing such prohibition to the purchase of notes or could attempt to refinance such borrowings. If PBFX does not obtain a consent or repay those borrowings, PBFX will remain prohibited from purchasing notes. In that case, PBFX s failure to purchase tendered notes would constitute an Event of Default under the indenture which could, in all likelihood, constitute a default under the other indebtedness. Finally, the Issuers ability to pay cash to the holders of notes upon a repurchase may be limited by PBFX s then existing financial resources. See Risk Factors Risks Related to the Notes We may not be able to repurchase the notes upon a change of control triggering event, and a change of control triggering event could result in us facing substantial repayment obligations under our Revolving Credit Facility, our Term Loan and the notes.

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Certain Covenants

Covenant Termination

If at any time (a) the notes are assigned an Investment Grade Rating from both Rating Agencies and (b) no Default or Event of Default has occurred and is continuing under the indenture (the *Termination Date*), PBFX and its Restricted Subsidiaries will no longer be subject to the provisions of the indenture described above under the caption Repurchase at the Option of Holders Asset Sales and under the following headings under the caption Certain Covenants :

Restricted Payments ;

Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock ;

Dividend and Other Payment Restrictions Affecting Subsidiaries ;

clause (4) of the covenant described below under the caption Merger, Consolidation or Sale of Assets ;

Transactions with Affiliates ; and

Additional Guarantors.

However, PBFX and its Restricted Subsidiaries will remain subject to the provisions of the indenture described above under the caption Repurchase at the Option of Holders Change of Control Triggering Event, and the following provisions of the indenture described in:

Certain Covenants Liens ;

Certain Covenants Merger, Consolidation or Sale of Assets (other than clause (4) of such covenant); and

Certain Covenants Reports.

No Subsidiary may be designated as an Unrestricted Subsidiary after the Termination Date. There can be no assurance that the notes will ever achieve or maintain an Investment Grade Rating. The Issuers will use commercially reasonable efforts to give the trustee written notice of the occurrence of the Termination Date no later than five (5) business days thereafter. In the absence of the delivery of such written notice, the trustee will assume the Termination Date has not occurred and that such covenants are in full force and effect; provided, however, that PBFX and its Restricted Subsidiaries shall not be required to comply with such covenants upon the occurrence of the Termination Date notwithstanding the failure to give such notice thereof to the trustee.

Restricted Payments

PBFX will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of PBFX s or any of its Restricted Subsidiaries Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving PBFX or any of its Restricted Subsidiaries) or to the direct or indirect holders of PBFX s or any of its Restricted Subsidiaries Equity Interests in their capacity as such (other than distributions or dividends payable solely in Equity Interests of PBFX (other than Disqualified Stock) and other than distributions or dividends payable solely to PBFX or a Restricted Subsidiary);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving PBFX) any Equity Interests of PBFX or any direct or indirect parent of PBFX;

(3) make any payment to purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of PBFX or any Subsidiary Guarantor that is contractually subordinated to the notes or to any

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Note Subsidiary Guarantee (excluding (a) any intercompany Indebtedness between or among PBFX and any of its Restricted Subsidiaries and (b) the payment of principal, purchase, repurchase or other acquisition of Indebtedness that is subordinated in right of payment to the notes or the Note Subsidiary Guarantees acquired in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case, due within one year of the date of payment, purchase, repurchase or other acquisition); or

(4) make any Restricted Investment

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as *Restricted Payments*), unless, at the time of and after giving effect to such Restricted Payment, no Default (except a Reporting Default) or Event of Default has occurred and is continuing and either:

(1) if the Fixed Charge Coverage Ratio for PBFX s Reference Period is not less than 1.75 to 1.00, such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by PBFX and its Restricted Subsidiaries (excluding Restricted Payments permitted by clauses (2), (3), (4), (5), (6), (7), (8), (9), (10), (11) and (12) of the next succeeding paragraph) during the quarter in which such Restricted Payment is made, is less than the sum, without duplication, of:

(a) Available Cash from Operating Surplus as of the end of the immediately preceding fiscal quarter; *plus*

(b) 100% of the aggregate net proceeds, or the Fair Market Value of assets or property, received by PBFX (including the Fair Market Value of any Permitted Business or long-term assets that are used or useful in a Permitted Business to the extent acquired in consideration of Equity Interests of PBFX (other than Disqualified Stock)) since the Issue Date as a contribution to its common equity capital or from the issue or sale of (A) Equity Interests of PBFX (other than Disqualified Stock) or (B) convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of PBFX that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of PBFX); *plus*

(c) to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or Cash Equivalents or otherwise liquidated or repaid for cash or Cash Equivalents, the return of capital or similar payment made in cash or Cash Equivalents with respect to such Restricted Investment (less the cost of disposition, if any); *plus*

(d) the net reduction in Restricted Investments made after the Issue Date resulting from dividends, repayments of loans or advances, or other transfers of assets in each case to PBFX or any of its Restricted Subsidiaries from any Person (including, without limitation, Unrestricted Subsidiaries) or from redesignations of Unrestricted Subsidiaries as Restricted Subsidiaries, to the extent such amounts have not been included in Available Cash from Operating Surplus for any period commencing on or after the Issue Date (items (b), (c) and (d) being referred to as *Incremental Funds*); *minus*

(e) the aggregate amount of Incremental Funds previously expended pursuant to this clause (1) and clause (2) below; or

(2) if the Fixed Charge Coverage Ratio for PBFX s Reference Period is less than 1.75 to 1.00, such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by PBFX and its Restricted Subsidiaries (excluding Restricted Payments permitted by clauses (2), (3), (4), (5), (6), (7), (8), (9), (10), (11) and (12) of the next succeeding paragraph) during the quarter in which such Restricted Payment is made (such Restricted Payments for purposes of this clause (2) meaning only distributions on common units and subordinated units of PBFX, *plus* the related distribution, if any, to the General Partner), is less than the sum, without duplication, of:

(a) $100.0 million less the aggregate amount of all Restricted Payments made by PBFX and its Restricted Subsidiaries pursuant to this clause (2)(a) since the Issue Date; *plus*

(b) Incremental Funds to the extent not previously expended pursuant to this clause (2) or clause (1) above.

The preceding provisions will not prohibit:

(1) the payment of any dividend or distribution or the consummation of an irrevocable redemption of Subordinated Obligations within 60 days after the date of the declaration of such dividend or the delivery of the irrevocable notice of redemption, as the case may be, if at the date of declaration or the date on which such irrevocable notice is delivered, such dividend or redemption would have complied with the provisions of the indenture (assuming, in the case of a redemption payment, the giving of the notice of such redemption payment would have been deemed to be a Restricted Payment at such time and such deemed Restricted Payment would have been permitted at such time);

(2) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of, a substantially concurrent (a) capital contribution to PBFX from any Person (other than a Restricted Subsidiary of PBFX) or (b) sale or issuance (other than to a Restricted Subsidiary of PBFX) of Equity Interests (other than Disqualified Stock) of PBFX, with a sale or issuance being deemed substantially concurrent if such Restricted Payment occurs not more than 120 days after such sale; *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded or deducted from the calculation of Available Cash from Operating Surplus and Incremental Funds;

(3) the making of any principal payment on, or the defeasance, redemption, repurchase, retirement or other acquisition of, any Subordinated Obligation with the net cash proceeds from an incurrence of, or in exchange for, Permitted Refinancing Indebtedness;

(4) the payment of any distribution or dividend by a Restricted Subsidiary of PBFX to the holders of such Restricted Subsidiary s Equity Interests (other than Disqualified Stock) on a *pro rata* basis;

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of PBFX or any Restricted Subsidiary of PBFX held by any current or former officer, director, consultant or employee (seconded or otherwise) of the General Partner, PBFX or any of their respective Subsidiaries pursuant to any equity subscription agreement or plan, stock or unit option agreement, shareholders agreement, employment agreement or similar agreement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed $5.0 million in any calendar year (with unused amounts in any calendar year to be carried forward to successive calendar years and added to such amount); *provided*, *further*, that such amount in any calendar year may be increased by an amount not to exceed (a) the cash proceeds received by PBFX or any of its Restricted Subsidiaries from sales of Equity Interests of PBFX to members of management, employees or directors of the General Partner, PBFX or their respective Subsidiaries that occurs after the Issue Date (to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clauses (1)(b) or (2)(b) of the preceding paragraph), *plus* (b) the cash proceeds of key man life insurance policies received by PBFX or any of its Restricted Subsidiaries after the Issue Date;

(6) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of PBFX or any of its Restricted Subsidiaries or any class or series of Preferred Stock of a Restricted Subsidiary issued pursuant to the covenant described under Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock ;

(7) repurchases of Equity Interests deemed to occur upon the cashless exercise of stock options, warrants or other convertible securities if such Equity Interests represent a portion of the exercise price of such options, warrants or other convertible securities;

(8) cash payments in lieu of the issuance of fractional shares or units, or the purchase by PBFX of fractional shares or units, in connection with (a) the exercise of warrants, options or other securities convertible into or exchangeable for

Capital Stock of PBFX or (b) stock or unit dividends, splits or combinations or business combinations;

(9) in connection with an acquisition by PBFX or any of its Restricted Subsidiaries, the return to PBFX or any of its Restricted Subsidiaries of Equity Interests of PBFX or any of its Restricted Subsidiaries constituting a portion of the purchase consideration in settlement of indemnification claims or pursuant to purchase price adjustments under the acquisition agreement;

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(10) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Obligations pursuant to provisions similar to those described under the captions Repurchase at the Option of Holders Change of Control Triggering Event or Asset Sales ; *provided* that all notes tendered by holders and not withdrawn in connection with a Change of Control Offer or Asset Sale Offer, as applicable, have been repurchased, redeemed or acquired for value;

(11) the issuance of common Equity Interests upon the conversion of subordinated Equity Interests; and

(12) any purchases, redemptions or other acquisitions or retirements for value of Equity Interests made in lieu of withholding taxes in connection with any exercise or exchange of warrants, options or rights to acquire Equity Interests;

provided, *further*, that, with respect to clauses (5), (6) and (10), no Default (other than a Reporting Default) shall have occurred and be continuing.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by PBFX or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. For the purposes of determining compliance with this Restricted Payments covenant, in the event that a Restricted Payment or Investment (or a portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in the preceding clauses (1) through (12) and/or one or more of the exceptions contained in the definition of Permitted Investments, or is permitted pursuant to the first paragraph of this covenant, PBFX will be permitted to divide or classify (or later divide, classify or reclassify in whole or in part in its sole discretion) such Restricted Payment or Investment (or portion thereof) among such clauses (1) through (12) and such first paragraph and/or one or more of the exceptions contained in the definition of Permitted Investments, in any manner that complies with this covenant.

The board of directors of the General Partner declared a regular quarterly cash distribution of $0.37 per unit (or $12.9 million) for the quarter ended June 30, 2015, which was paid by PBFX on August 31, 2015. Under the terms of the Partnership Agreement, the minimum quarterly distribution for the quarter ended June 30, 2015 was $10.4 million; or $0.30 per unit.

Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock

PBFX will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, *incur*) any Indebtedness (including Acquired Debt) and PBFX will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any Disqualified Stock or Preferred Stock; *provided*, *however*, that PBFX and any Restricted Subsidiary may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock and any Restricted Subsidiary may issue Preferred Stock, if the Fixed Charge Coverage Ratio for PBFX s Reference Period immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock is issued, as the case may be, would have been at least 2.00 to 1.00, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or Preferred Stock had been issued, as the case may be, at the beginning of such Reference Period.

The first paragraph of this covenant will not apply to the following (collectively, *Permitted Debt*):

(1) the incurrence by PBFX and any Restricted Subsidiary of Indebtedness pursuant to one or more Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) (with letters of credit being deemed to

have a principal amount equal to the maximum potential liability of PBFX and its Restricted Subsidiaries thereunder) not to exceed the sum of (x) the greater of (a) $500.0 million and (b) the sum of $375.0 million and 25.0% of Consolidated Net Tangible Assets (determined as of the date of incurrence and after giving effect to the use of proceeds therefrom) and (y) the aggregate amount of discounts, commissions, premiums, fees and other costs and expenses related to the refinancing of such Credit Facilities;

(2) the incurrence by PBFX, Finance Corp. and its Restricted Subsidiaries of Existing Indebtedness;

(3) the incurrence by PBFX, Finance Corp. and the Subsidiary Guarantors of Indebtedness represented by the old notes and the related Note Subsidiary Guarantees issued on the Issue Date and the new notes and the related Note Subsidiary Guarantees;

(4) the incurrence by PBFX or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, Synthetic Lease Obligations, mortgage financings or purchase money obligations (including any Acquired Debt), the issuance of Disqualified Stock by PBFX or any of its Restricted Subsidiaries or the issuance of Preferred Stock by any Restricted Subsidiary of PBFX, in each case, incurred in connection with the purchase of, or for the purpose of financing all or any part of the purchase price or cost of construction, improvement or development of, property, plant or equipment used or useful in the business of PBFX or any of its Restricted Subsidiaries and related financing costs, and Attributable Debt in respect of sale and leaseback transactions, in an aggregate principal amount at any time outstanding not to exceed the sum of (x) the greater of (a) $75.0 million and (b) 10.0% of PBFX s Consolidated Net Tangible Assets (determined as of the date of incurrence and after giving effect to the use of proceeds therefrom) and (y) the aggregate amount of discounts, commission, premiums, fees and other costs and expenses incurred to renew, refund, refinance, replace, redeem, defease or discharge any Indebtedness incurred, or Disqualified Stock or Preferred Stock issued, pursuant to this clause (4);

(5) the incurrence by PBFX or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, redeem, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the indenture to be incurred under the first paragraph of this covenant or clauses (2), (3), (12) or (13) of this paragraph or this clause (5);

(6) the incurrence by PBFX or any of its Restricted Subsidiaries of intercompany Indebtedness between or among PBFX and any of its Restricted Subsidiaries; *provided*, *however*, that:

(a) if PBFX or any Guarantor is the obligor on such Indebtedness and the payee is not PBFX or a Subsidiary Guarantor, such Indebtedness must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the notes, in the case of PBFX, or the Note Subsidiary Guarantee, in the case of a Subsidiary Guarantor; and

(b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than PBFX or a Restricted Subsidiary of PBFX and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either PBFX or a Restricted Subsidiary of PBFX, will be deemed, in each case, to constitute an incurrence of such Indebtedness by PBFX or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the incurrence by PBFX or any of its Restricted Subsidiaries of Hedging Obligations, including any obligations with respect to letters of credit issued in connection therewith;

(8) the guarantee by PBFX or any of its Restricted Subsidiaries of (i) Indebtedness of PBFX or a Restricted Subsidiary of PBFX to the extent the incurrence of such Indebtedness is not otherwise prohibited by this covenant; *provided* that if the Indebtedness being guaranteed is subordinated to or *pari passu* with the notes or Note Subsidiary Guarantees, then the Subsidiary Guarantee shall be subordinated or *pari passu*, as applicable, to the same extent as the

Indebtedness guaranteed or (ii) Indebtedness incurred by Joint Ventures and/or Unrestricted Subsidiaries to the extent such guarantee of such Indebtedness is not prohibited by the covenant entitled Restricted Payments ;

(9) the incurrence by PBFX or any of its Restricted Subsidiaries of Indebtedness in respect of workers compensation or similar liabilities, health or other types of social security benefits, unemployment or other

insurance or self-insurance obligations, insurance contracts, reclamation, statutory obligations, bankers acceptances, and bid, performance, advance, payment, deposit, appeal and surety bonds in the ordinary course of business, including guarantees and obligations respecting standby letters of credit supporting such obligations, to the extent not drawn (in each case other than an obligation for money borrowed) and replacements of any of the foregoing;

(10) the incurrence by PBFX or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five business days;

(11) the issuance by PBFX or any of its Restricted Subsidiaries of Disqualified Stock or by any Restricted Subsidiary of PBFX of Preferred Stock, in each case, to PBFX or any of its Restricted Subsidiaries, as the case may be; *provided*, *however*, that:

(a) any subsequent issuance or transfer of Equity Interests of a Restricted Subsidiary that results in any such Disqualified Stock or Preferred Stock being held, directly or indirectly, by a Person other than PBFX or a Restricted Subsidiary of PBFX; and

(b) any sale or other transfer of any such Disqualified Stock or Preferred Stock to a Person that is not either PBFX or a Restricted Subsidiary of PBFX,

will be deemed, in each case, to constitute an issuance of such Disqualified Stock by PBFX or such Restricted Subsidiary or issuance of such Preferred Stock by such Restricted Subsidiary that was not permitted by this clause;

(12) Indebtedness, Disqualified Stock or Preferred Stock of (i) PBFX or a Restricted Subsidiary incurred to finance an acquisition or (ii) a Person that is acquired by PBFX or any Restricted Subsidiary or merged with or consolidated into PBFX or any Restricted Subsidiary; *provided* that after giving effect to such transaction on a pro forma basis, either:

(a) PBFX would be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test described under Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock ; or

(b) the Fixed Charge Coverage Ratio of PBFX would be equal to or greater than the Fixed Charge Coverage Ratio for PBFX immediately prior to such transaction.

(13) the incurrence by PBFX of Indebtedness in the ordinary course of business under documentary letters of credit, which are to be repaid in full not more than one year after the date on which such Indebtedness was originally incurred to finance the purchase of goods by PBFX or any of its Restricted Subsidiaries;

(14) the incurrence of Indebtedness arising from agreements with PBFX or any of its Restricted Subsidiaries providing for indemnification, adjustment of purchase price, earn-outs, or similar obligations, in each case, incurred or assumed in connection with the disposition or acquisition of any business, assets or a Subsidiary in accordance with the terms of the indenture, other than guarantees of Indebtedness incurred or assumed by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition;

(15) the incurrence by PBFX or any of its Restricted Subsidiaries of additional Indebtedness, the issuance by PBFX or any of its Restricted Subsidiaries of Disqualified Stock or the issuance by any Restricted Subsidiary of PBFX of Preferred Stock in an aggregate principal amount at any time outstanding not to exceed the sum of (x) the greater of (a) $100.0 million and (b) 12.5% of Consolidated Net Tangible Assets (determined as of the date of incurrence and

after giving effect to the use of proceeds therefrom) and (y) the aggregate amount of discounts, commission, premiums, fees and other costs and expenses incurred to renew, refund, refinance, replace, redeem, defease or discharge any Indebtedness incurred, or Disqualified Stock or Preferred Stock issued, pursuant to this clause (15);

(16) the incurrence by PBFX or any of its Restricted Subsidiaries of obligations relating to net gas balancing positions arising in the ordinary course of business and consistent with past practice;

(17) the incurrence by PBFX or any of its Restricted Subsidiaries of obligations in respect of Treasury Management Arrangements;

(18) the incurrence by PBFX or any of its Restricted Subsidiaries of Indebtedness, the issuance by PBFX or any of its Restricted Subsidiaries of Disqualified Stock or the issuance by any Restricted Subsidiary of PBFX of Preferred Stock incurred in connection with the purchase of, or for the purpose of financing all or any part of the purchase price or cost of construction, improvement or development of the Additional Hydrogen Plant and related financing costs, in an aggregate principal amount at any time outstanding not to exceed the sum of (x) the greater of (a) $75.0 million and (b) 10.0% of PBFX s Consolidated Net Tangible Assets (determined as of the date of incurrence and after giving effect to the use of proceeds therefrom) and (y) the aggregate amount of discounts, commission, premiums, fees and other costs and expenses incurred to renew, refund, refinance, replace, redeem, defease or discharge any Indebtedness incurred, or Disqualified Stock or Preferred Stock issued, pursuant to this clause (18); and

(19) the incurrence by PBFX (and, if applicable, Finance Corp.) or any of its Restricted Subsidiaries of Permitted Term Loan Indebtedness.

PBFX will not incur, and will not permit any Subsidiary Guarantor to incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of PBFX or such Subsidiary Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the notes and the applicable Note Subsidiary Guarantee on substantially identical terms; *provided*, *however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of PBFX solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

For purposes of determining compliance with this Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock covenant, in the event that an item of proposed Indebtedness (including Acquired Debt) meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (19) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, PBFX will be permitted to classify all or a portion of such item of Indebtedness on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant; *provided* that Indebtedness under the Revolving Credit Agreement outstanding on the Issue Date was initially deemed to have been incurred on such date in reliance on the exception provided by clause (1) of the definition of Permitted Debt.

The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock or Preferred Stock in the form of additional shares of the same class of Disqualified Stock or Preferred Stock, as applicable, will not be deemed to be an incurrence of Indebtedness or an issuance of Disqualified Stock or Preferred Stock for purposes of this covenant. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that PBFX or any Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(a) the Fair Market Value of such assets at the date of determination; and

(b) the amount of the Indebtedness of the other Person.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (i) the principal amount of such Indebtedness being refinanced *plus* (ii) the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

Liens

PBFX will not and will not permit any Subsidiary Guarantor to, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind (other than Permitted Liens) securing Indebtedness upon any of their property or assets (other than Term Loan Collateral securing Permitted Term Loan Indebtedness), now owned or hereafter acquired, unless:

(1) in the case of Liens securing Subordinated Obligations of PBFX or a Subsidiary Guarantor, the notes or Note Subsidiary Guarantees, as applicable, are contemporaneously secured by a Lien on such property or assets on a senior basis to the Subordinated Obligations so secured with the same priority that the notes or Note Subsidiary Guarantees, as applicable, have to such Subordinated Obligations until such time as such Subordinated Obligations are no longer so secured by a Lien (other than a Permitted Lien); and

(2) in the case of Liens securing Senior Indebtedness of PBFX or a Subsidiary Guarantor, the notes or Note Subsidiary Guarantees, as applicable, are contemporaneously secured by a Lien on such property or assets on an equal and ratable basis with the Senior Indebtedness so secured until such time as such Senior Indebtedness is no longer so secured by a Lien (other than a Permitted Lien).

Any Lien on property or assets of PBFX or any Subsidiary Guarantor created for the benefit of holders of the notes pursuant to the preceding paragraph shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged at such time as there are no other Liens of any kind (other than Permitted Liens) on such property or assets securing Indebtedness.

Dividend and Other Payment Restrictions Affecting Subsidiaries

PBFX will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary of PBFX (other than Finance Corp.) that is not a Subsidiary Guarantor to:

(1) pay dividends or make any other distributions on its Equity Interests to PBFX or any of its Restricted Subsidiaries that is a Subsidiary Guarantor, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to PBFX or any of its Restricted Subsidiaries that is a Subsidiary Guarantor; *provided* that the priority of any preferred equity or similar Equity Interest in receiving

dividends or liquidating distributions prior to the payment of dividends or liquidating distributions on common equity shall not be deemed to be a restriction on the ability to make distributions on Capital Stock;

(2) make loans or advances to PBFX or any of its Restricted Subsidiaries that is a Subsidiary Guarantor; or

(3) sell, lease or transfer any of its properties or assets to PBFX or any of its Restricted Subsidiaries that is a Subsidiary Guarantor.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements as in effect on the Issue Date, the Credit Agreements and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements or the Indebtedness to which they relate; *provided* that the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend, distribution and other payment restrictions than those contained in those agreements on the Issue Date;

(2) the indenture, the notes and the Note Subsidiary Guarantees;

(3) agreements governing other Indebtedness, Disqualified Stock or Preferred Stock, the incurrence or issuance of which is not prohibited by the covenant described above under the caption Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that, the restrictions therein are not materially more restrictive, taken as a whole, than those contained in the indenture, the notes and the Note Subsidiary Guarantees and, in the good faith judgment of PBFX determined at the time of the incurrence of such Indebtedness, Disqualified Stock or Preferred Stock, the encumbrances and restrictions contained therein will not materially impair PBFX s ability to make payments under the notes when due;

(4) applicable law, rule, regulation or order;

(5) any instrument governing Indebtedness or Equity Interest of a Person acquired by PBFX or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Equity Interest was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the indenture to be incurred;

(6) customary non-assignment provisions in contracts, agreements, licenses and leases entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (3) of the preceding paragraph;

(8) any agreement for the sale or other disposition of a Restricted Subsidiary or assets of such Restricted Subsidiary that contains any such restrictions on that Restricted Subsidiary pending such sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the

agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of the covenant described above under the caption Liens that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements;

(12) any agreement or instrument relating to any property or assets acquired after the Issue Date, so long as such encumbrance or restriction relates only to the property or assets so acquired and is not and was not created in anticipation of such acquisitions;

(13) encumbrances or restrictions contained in, or in respect of, Hedging Obligations permitted under the indenture from time to time;

(14) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business; and

(15) secured Indebtedness that limits the right of the debtor to dispose of the assets securing such Indebtedness and any related encumbrance or restriction contained in security agreements, mortgages or purchase money agreements.

Merger, Consolidation or Sale of Assets

Neither of the Issuers may, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Issuer is the surviving entity) or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuers and the Restricted Subsidiaries, taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) such Issuer is the surviving entity or (b) the Person formed by or surviving any such consolidation or merger (if other than such Issuer) or to which such sale, assignment, transfer, lease, conveyance or other disposition has been made is a Person organized or existing under the laws of the United States, any state of the United States or the District of Columbia; *provided, however*, that Finance Corp. may not consolidate or merge with or into any Person other than a corporation satisfying such requirement so long as PBFX (or any successor entity) is not a corporation;

(2) the Person formed by or surviving any such consolidation or merger (if other than such Issuer) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition has been made assumes all the obligations of such Issuer under the notes and the indenture, via supplemental indenture;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) in the case of a transaction involving PBFX and not Finance Corp., PBFX or the Person formed by or surviving any such consolidation or merger (if other than PBFX), or to which such sale, assignment, transfer, lease, conveyance or other disposition has been made will, (a) on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable Reference Period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described above under the caption Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock ; or (b) have a Fixed Charge Coverage Ratio, on the date of such transaction and after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable Reference Period, not less than the Fixed Charge Coverage Ratio of PBFX immediately prior to such transaction; and

(5) such Issuer has delivered to the trustee an officers certificate and an opinion of counsel, each stating that such consolidation, merger or disposition and such supplemental indenture (if any) comply with the indenture.

Upon any transaction or series of related transactions that are of the type described in, and are effected in accordance with, the foregoing paragraph, the surviving Person (if other than such Issuer) shall succeed to, and be substituted for, and may exercise every right and power of, such Issuer under the indenture and the notes with the same effect as if such surviving Person had been named as such Issuer in the indenture, and when a surviving Person duly assumes all of the obligations and covenants of such Issuer pursuant to the indenture and the notes, the predecessor Person shall be relieved of all such obligations.

This Merger, Consolidation or Sale of Assets covenant will not apply to any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among PBFX and its Restricted Subsidiaries. Clauses (3) and (4) of the first paragraph of this covenant will not apply to any merger or consolidation of either Issuer (1) with or into one of PBFX s Restricted Subsidiaries for any purpose or (2) with or into an Affiliate solely for the purpose of reincorporating such Issuer in another jurisdiction.

Notwithstanding the preceding paragraph, PBFX is permitted to reorganize as any other form of entity in accordance with the procedures established in the indenture; *provided* that:

(1) the reorganization involves the conversion (by merger, sale, contribution or exchange of assets or otherwise) of PBFX into a form of entity other than a limited partnership formed under Delaware law;

(2) the entity so formed by or resulting from such reorganization is an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia;

(3) the entity so formed by or resulting from such reorganization assumes all the Obligations of PBFX under the notes and the indenture, via supplemental indenture;

(4) immediately after such reorganization no Default or Event of Default exists; and

(5) such reorganization is not adverse to the holders of the notes (for purposes of this clause (5) it is stipulated that such reorganization shall not be considered adverse to the holders of the notes solely because the successor or survivor of such reorganization (a) is subject to federal or state income taxation as an entity or (b) is considered to be an includible corporation of an affiliated group of corporations within the meaning of Section 1504(b) of the Code, or any similar state or local law).

Notwithstanding anything in the indenture to the contrary, in the event PBFX becomes a corporation or PBFX or the Person formed by or surviving any consolidation or merger (permitted in accordance with the terms of the indenture) is a corporation, Finance Corp. may be merged into PBFX or it may be dissolved and cease to be an Issuer.

Upon compliance with the foregoing requirements with respect to any consolidation or merger or any sale, assignment, transfer, conveyance, lease or other disposition of all or substantially all of the properties or assets of an Issuer in accordance with the foregoing in which such Issuer is not the surviving entity, the surviving Person formed by such consolidation or into or with which such Issuer is merged or to which such sale, assignment, transfer, conveyance, lease or other disposition is made shall succeed to, and be substituted for, and may exercise every right and power of, such Issuer under the indenture with the same effect as if such surviving Person had been named as such Issuer in the indenture, and thereafter (except in the case of a lease of all or substantially all of such Issuer s properties or assets), such Issuer will be relieved of all obligations and covenants under the indenture and the notes.

Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve all or substantially all of the properties or assets of a Person.

Transactions with Affiliates

PBFX will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of PBFX (each, an *Affiliate Transaction*) if such Affiliate Transaction involves aggregate consideration in excess of $7.5 million, unless:

(1) the Affiliate Transaction is on terms that are no less favorable to PBFX or the relevant Restricted Subsidiary than those that could have been obtained in a comparable transaction by PBFX or such

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Restricted Subsidiary with an unrelated Person or, if no comparable transaction is available with which to compare such Affiliate Transaction, such Affiliate Transaction is otherwise fair to PBFX or the relevant Restricted Subsidiary from a financial point of view; and

(2) PBFX delivers to the trustee with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $50.0 million, a resolution of the Board of Directors of the General Partner set forth in an officers certificate certifying that such Affiliate Transaction or series of related Affiliate Transactions complies with clause (1) above and that such Affiliate Transaction has been approved by either the Conflicts Committee of the Board of Directors of the General Partner (so long as the members of the Conflicts Committee approving the Affiliate Transaction are disinterested) or a majority of the disinterested members of the Board of Directors of the General Partner.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) reasonable fees and compensation paid to or for the benefit of any employee, officer or director of PBFX, any of its Restricted Subsidiaries or the General Partner, and any employment agreement, customary benefit program or arrangement (including vacation plans, health and life insurance plans, deferred compensation plans and retirement or savings and similar plans), equity award, equity option or equity appreciation agreement or plan, officer or director indemnification agreement or any similar arrangement entered into by PBFX, any of its Restricted Subsidiaries or the General Partner existing on the Issue Date, or entered into thereafter in the ordinary course of business, and any indemnities or other transactions permitted or required by bylaw, statutory provisions or any of the foregoing agreements, plans or arrangements;

(2) transactions between or among PBFX and/or its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of PBFX) that is an Affiliate of PBFX solely because PBFX owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) any issuance of Equity Interests (other than Disqualified Stock) of PBFX to Affiliates of PBFX;

(5) Restricted Payments or Permitted Investments that do not violate the provisions of the indenture described above under the caption Restricted Payments ;

(6) customary compensation, indemnification and other benefits made available to officers, directors or employees of PBFX, a Restricted Subsidiary of PBFX or the General Partner, including reimbursement or advancement of out-of-pocket expenses and provisions of officers and directors liability insurance;

(7) in the case of purchases, sales, gathering, transportation, marketing, hedging, production handling, operating, construction, terminalling, processing, fractionation, storage, lease, platform use, or other operational contracts, any such contracts that are entered into in the ordinary course of business on terms substantially similar to those contained in similar contracts entered into by PBFX or any Restricted Subsidiary and third parties, or if neither PBFX nor any Restricted Subsidiary has entered into a similar contract with a third party, that the terms are no less favorable than those available from third parties on an arm s-length basis, as determined by the Board of Directors of the General Partner;

(8) loans or advances to employees in the ordinary course of business not to exceed $5.0 million in the aggregate at any one time outstanding;

(9) the existence of, or the performance by PBFX or any Restricted Subsidiary of its obligations under the terms of, any written agreement in effect on the Issue Date, as such agreement may be amended, modified or supplemented from time to time and any similar agreements which it may enter into thereafter; *provided*, *however*, that the existence of, or the performance by PBFX or any Restricted Subsidiary of its obligations under, any future amendment to such agreements or under any such similar agreements shall only be permitted by this clause (9) to the extent that the terms of any such amendment or new agreement, taken as a whole, are not less favorable to PBFX or such Restricted Subsidiary in any material respect as compared to the terms of the agreement in effect on the Issue Date;

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(10) any transaction in which PBFX or any of its Restricted Subsidiaries, as the case may be, has obtained an opinion from an Independent Financial Advisor to the effect that such transaction is fair to PBFX or such Restricted Subsidiary from a financial point of view or that such transaction meets the requirements of clause (1) of the preceding paragraph;

(11) guarantees of performance by PBFX or any of its Restricted Subsidiaries in the ordinary course of business, except for guarantees of Indebtedness in respect of borrowed money;

(12) (a) guarantees by PBFX or any of its Restricted Subsidiaries of performance of obligations of Unrestricted Subsidiaries or Joint Ventures in the ordinary course of business and (b) pledges by PBFX or any Restricted Subsidiary of Capital Stock in Unrestricted Subsidiaries or Joint Ventures for the benefit of lenders or other creditors of Unrestricted Subsidiaries or Joint Ventures as contemplated by clause (13) of the definition of Permitted Liens with respect to clause (b) so long as any such transaction, if involving aggregate consideration in excess of $50.0 million, has been approved by a majority of the disinterested members of the Board of Directors of the General Partner;

(13) any transactions between PBFX or any Restricted Subsidiary and any Person, a director of which is also a director of PBFX or a Restricted Subsidiary or any direct or indirect parent company of PBFX; *provided* that such director abstains from voting as a director of PBFX or the Restricted Subsidiary or any direct or indirect parent company of PBFX, as applicable, in connection with the approval of the transaction; and

(14) any purchase or other acquisition or related transaction pursuant to the Omnibus Agreement.

Limitations on Finance Corp. Activities

Finance Corp. may not incur Indebtedness unless (1) PBFX is a borrower, issuer, co-issuer or guarantor of such Indebtedness or (2) the net proceeds of such Indebtedness are loaned to PBFX, used to acquire outstanding debt securities issued by PBFX or used to repay Indebtedness of PBFX as permitted under the covenant described above under the caption Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock. Finance Corp. may not engage in any business not related directly or indirectly to obtaining money or arranging financing for PBFX or its Restricted Subsidiaries.

Additional Guarantors

If, after the Issue Date, any Domestic Subsidiary (other than Finance Corp.) of PBFX that is not already a Subsidiary Guarantor, guarantees any other Indebtedness of either of the Issuers under a Credit Facility in an aggregate principal amount in excess of $25.0 million, then that Subsidiary will become a Subsidiary Guarantor by executing and delivering a supplemental indenture to the trustee within 30 business days of the date on which it guaranteed or incurred such Indebtedness; *provided* that the preceding shall not apply to Subsidiaries of PBFX that have been properly designated as Unrestricted Subsidiaries in accordance with the indenture for so long as they continue to constitute Unrestricted Subsidiaries. Notwithstanding the preceding, any Subsidiary Guarantee of a Restricted Subsidiary that was incurred pursuant to this paragraph will be released in the circumstances described under Note Subsidiary Guarantees.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the General Partner may designate any Subsidiary of PBFX to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by PBFX and its Restricted Subsidiaries in the

Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the covenant described above under the caption Restricted Payments or under one or more clauses of the definition of Permitted Investments, as determined by PBFX; *provided* that any designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

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Any designation of a Subsidiary of PBFX as an Unrestricted Subsidiary will be evidenced to the trustee by filing with the trustee a certified copy of a resolution of the Board of Directors of the General Partner giving effect to such designation and an officers certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption Restricted Payments. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of PBFX as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock, PBFX will be in default of such covenant. The Board of Directors of the General Partner may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of PBFX; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of PBFX of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock, calculated on a pro forma basis and (2) no Default or Event of Default would be in existence following such designation.

Reports

Whether or not required by the rules and regulations of the SEC, so long as any notes are outstanding, PBFX will furnish (whether through hard copy or Internet access) to the holders of notes or cause the trustee to furnish to the holders of notes, within the time periods specified in the SEC s rules and regulations applicable to non-accelerated filers:

(1) all quarterly and annual reports that would be required to be filed with the SEC on Forms 10-Q and 10-K if PBFX were required to file such Forms, including a Management s Discussion and Analysis of Financial Condition and Results of Operations ; and

(2) all current reports that would be required to be filed with the SEC on Form 8-K if PBFX were required to file such reports.

All such reports will be prepared in all material respects in accordance with all of the rules and regulations applicable to such reports. Each annual report on Form 10-K will include a report on PBFX s consolidated financial statements by PBFX s independent registered public accounting firm. In addition, PBFX will file a copy of each of the reports referred to in clauses (1) and (2) above with the SEC for public availability within the time periods specified in the rules and regulations applicable to such reports (unless the SEC will not accept such a filing) and will post the reports on its website within those time periods.

If, at any time PBFX is no longer subject to the periodic reporting requirements of the Exchange Act for any reason, PBFX will nevertheless continue filing the reports specified in the preceding paragraphs of this covenant with the SEC within the time periods specified above unless the SEC will not accept such a filing; *provided* that, for so long as PBFX is not subject to the periodic reporting requirements of the Exchange Act for any reason, the time period for filing reports on Form 8-K shall be five business days after the event giving rise to the obligation to file such report. If the SEC will not accept PBFX s filings for any reason, PBFX will post the reports referred to in the preceding paragraphs on its website within the time periods that would apply if PBFX were required to file those reports with the SEC.

If PBFX has designated any of its Subsidiaries as Unrestricted Subsidiaries and such Subsidiaries individually or collectively would be Significant Subsidiaries, then, to the extent material, the quarterly and annual financial information required by the preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, or in Management s Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of PBFX and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of PBFX.

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In addition, the Issuers and the Subsidiary Guarantors agree that, for so long as any notes remain outstanding, if at any time they are not required to file with the SEC the reports required by the preceding paragraphs, they will furnish to the holders of notes and to securities analysts and prospective investors in the notes, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

PBFX will be deemed to have furnished such reports to the trustee and the holders of the notes if it has filed such reports with the SEC using the EDGAR filing system (or any successor thereto) and such reports are publicly available.

The trustee shall have no obligation to determine if and when PBFX s financial statements or reports are publicly available and accessible electronically. Delivery of these reports, information and documents to the trustee is for informational purposes only and the trustee s receipt of them will not constitute constructive notice of any information contained therein or determinable from information contained therein, including the PBFX s compliance with any of its covenants in the indenture (as to which the trustee is entitled to rely exclusively on officers certificates).

Events of Default and Remedies

Each of the following is an Event of Default :

(1) default for 30 days in the payment when due of interest, with respect to the notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the notes;

(3) failure by PBFX or any of its Restricted Subsidiaries for 30 days after written notice to PBFX by the trustee or holders of at least 25% in aggregate principal amount of the notes then outstanding voting as a single class to make a Change of Control Offer within the time periods set forth, or consummate a purchase of notes when required pursuant to the terms described, under the captions Repurchase at the Option of Holders Change of Control Triggering Event or comply with the provisions described under the caption Certain Covenants Merger, Consolidation or Sale of Assets ;

(4) failure by PBFX for 180 days after written notice to PBFX by the trustee or the holders of at least 25% in aggregate principal amount of notes then outstanding voting as a single class to comply with the covenant described under Certain Covenants Reports ;

(5) failure by PBFX or any of its Restricted Subsidiaries for 60 days after notice to PBFX by the trustee or the holders of at least 25% in aggregate principal amount of notes then outstanding voting as a single class to comply with any of the other agreements in the indenture;

(6) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by PBFX or any of its Restricted Subsidiaries (or the payment of which is guaranteed by PBFX or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, if that default:

(a) is caused by a failure to pay principal on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness (a *Payment Default*); or

(b) results in the acceleration of such Indebtedness prior to its express maturity, and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates, without duplication, $50.0 million or more;

(7) failure by an Issuer or any of PBFX s Restricted Subsidiaries that is a Significant Subsidiary to pay final judgments entered by a court or courts of competent jurisdiction aggregating in excess of $50.0 million

(excluding amounts covered by insurance policies issued by reputable and creditworthy insurance companies for which coverage has not been disclaimed), which judgments are not paid, discharged or stayed for a period of 60 days;

(8) except as permitted by the indenture, any Note Subsidiary Guarantee from a Subsidiary Guarantor that is a Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Subsidiary Guarantor that is a Significant Subsidiary, or any Person acting on behalf of any Subsidiary Guarantor that is a Significant Subsidiary, denies or disaffirms its Obligations under its Note Subsidiary Guarantee; and

(9) certain events of bankruptcy or insolvency described in the indenture with respect to Finance Corp., PBFX or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to Finance Corp., PBFX or any Restricted Subsidiary of PBFX that is a Significant Subsidiary or any group of Restricted Subsidiaries of PBFX that, taken together, would constitute a Significant Subsidiary, all outstanding notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the trustee or the holders of at least 25% in aggregate principal amount of the then outstanding notes may declare all the notes to be due and payable immediately.

Subject to certain limitations, holders of a majority in aggregate principal amount of the then outstanding notes may direct the trustee in its exercise of any trust or power. The trustee may withhold from holders of the notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest, or premium, if any.

In the case of an Event of Default specified in clause (6) of the first paragraph under this caption, such Event of Default and all consequences thereof (excluding, however, any resulting payment default) will be annulled, waived and rescinded with respect to the notes, automatically and without any action by the trustee or the holders of such notes, if within 60 days after such Event of Default first arose PBFX delivers an officers certificate to the trustee stating that (a) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged, (b) the holders of the Indebtedness that is the basis for such Event of Default have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default or (c) the default that is the basis for such Event of Default has been cured.

The trustee shall not be charged with knowledge of any Default or Event of Default with respect to the notes unless a written notice of such Default or Event of Default shall have been given to an officer of the trustee with direct responsibility for the administration of the indenture and the notes by PBFX or any of its Restricted Subsidiaries or any holder of notes.

Subject to the provisions of the indenture relating to the duties of the trustee, in case an Event of Default occurs and is continuing, the trustee will be under no obligation to exercise any of the rights or powers under the indenture at the request or direction of any holders of notes unless such holders have provided to the trustee indemnity and/or security satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest, when due, no holder of a note may pursue any remedy with respect to the indenture or the notes unless:

(1) such holder has previously given the trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in aggregate principal amount of the then outstanding notes have requested the trustee to pursue the remedy;

(3) such holders have provided the trustee security and/or indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the trustee has not complied with such request within 60 days after the receipt of the request and the provision of any such security and indemnity; and

(5) holders of a majority in aggregate principal amount of the then outstanding notes have not given the trustee a direction inconsistent with such request within such 60-day period.

The holders of a majority in aggregate principal amount of the then outstanding notes by notice to the trustee may, on behalf of the holders of all of the notes, rescind an acceleration or waive any existing Default or Event of Default and its consequences under the indenture except a continuing Default or Event of Default in the payment of interest, or premium, if any, on, or the principal of, the notes.

The Issuers and the Subsidiary Guarantors are required to deliver to the trustee annually a statement regarding compliance with the indenture. Within ten business days of becoming aware of any Default or Event of Default, the Issuers and the Subsidiary Guarantors are required to deliver to the trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Unitholders and No Recourse to General Partner

Subject to the PBF LLC limited guarantee, none of the General Partner or any director, officer, partner, member, employee, incorporator, manager or unitholder or other owner of Equity Interest of the Issuers, PBF LLC, the General Partner or any of their Subsidiaries, as such, will have any liability for any obligations of the Issuers or any Subsidiary Guarantor under the notes, the indenture, the Note Subsidiary Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes and the Note Subsidiary Guarantees. The waiver may not be effective to waive liabilities under the federal securities laws.

Legal Defeasance and Covenant Defeasance

The Issuers may at their option and at any time, elect to have all of the Issuers obligations discharged with respect to the outstanding notes and all Obligations of the Subsidiary Guarantors discharged with respect to their Note Subsidiary Guarantees (*Legal Defeasance*) except for:

(1) the rights of holders of outstanding notes to receive payments in respect of the principal of, or interest, or premium, if any, on, such notes when such payments are due from the trust referred to below;

(2) the Issuers obligations with respect to the notes concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the trustee, and the Issuers and the Subsidiary Guarantors Obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the indenture.

In addition, PBFX may, at its option and at any time, elect to have the Obligations of the Issuers and the Subsidiary Guarantors released with respect to certain covenants (including its obligation to make Change of Control Offers and Asset Sale Offers) that are described in the indenture (*Covenant Defeasance*) and all Obligations of the Subsidiary Guarantor with respect to their Note Subsidiary Guarantees discharged, and thereafter any omission to comply with those covenants or Note Subsidiary Guarantees will not constitute a Default or Event of Default with respect to the notes or the Note Subsidiary Guarantees. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events relating to PBFX) described under Events of Default and Remedies will no longer constitute an Event of Default with respect to the notes. If the Issuers exercise either their Legal Defeasance or Covenant Defeasance option, each Subsidiary Guarantor will be released and relieved of any obligations under its Note Subsidiary Guarantee and any security for the notes (other than the trust) will be released.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuers must irrevocably deposit with the trustee or its designee, in trust, for the benefit of the holders of the notes, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium, if any, on the outstanding notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Issuers must specify whether the notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuers must deliver to the trustee an opinion of counsel reasonably acceptable to the trustee confirming that (a) the Issuers have received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the Issue Date, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such opinion of counsel will confirm that, the holders of the outstanding notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuers must deliver to the trustee an opinion of counsel reasonably acceptable to the trustee confirming that the holders of the outstanding notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the incurrence of Indebtedness or other borrowing of funds or the grant of Liens securing such Indebtedness or other borrowing, all or a portion of the proceeds of which will be applied to such deposit);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the indenture) to which PBFX or any of its Subsidiaries is a party or by which PBFX or any of its Subsidiaries is bound, or if such breach, violation or default would occur, which is not waived as of, and for all purposes, on and after, the date of such deposit;

(6) the Issuers must deliver to the trustee an officers certificate stating that the deposit was not made by the Issuers with the intent of preferring the holders of notes over the other creditors of the Issuers with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuers or others; and

(7) the Issuers must deliver to the trustee an officers certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Satisfaction and Discharge

The indenture will be discharged and will cease to be of further effect as to all notes issued thereunder, when:

(1) either:

(a) all notes that have been authenticated, except lost, stolen or destroyed notes that have been replaced or paid and notes for whose payment money has been deposited in trust and thereafter repaid to the Issuers, have been delivered to the trustee for cancellation; or

(b) all notes that have not been delivered to the trustee for cancellation have become due and payable by reason of the mailing or delivery via electronic transmission of a notice of redemption or otherwise, will become due and payable within one year and the Issuers or any Subsidiary Guarantor have irrevocably deposited or caused to be deposited with the trustee as trust funds in trust solely for the benefit of the applicable holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof in such amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the notes not delivered to the trustee for cancellation for principal, premium, if any, and accrued interest, to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and such deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which any Issuer or any Subsidiary Guarantor is a party or by which any Issuer or any Subsidiary Guarantor is bound;

(3) the Issuers or any Subsidiary Guarantor has paid or caused to be paid all sums payable by it under the indenture; and

(4) the Issuers have delivered irrevocable instructions to the trustee under the indenture to apply the deposited money toward the payment of the notes at maturity or on the redemption date, as the case may be.

In addition, the Issuers must deliver to the trustee (a) an officers certificate, stating that all conditions precedent set forth in clauses (1) through (4) above have been satisfied and (b) an opinion of counsel (which opinion of counsel may be subject to customary assumptions and qualifications), stating that all conditions precedent to satisfaction and discharge set forth in clauses (2) and (4) above have been satisfied; *provided* that the opinion of counsel with respect to clause (2) above may be to the knowledge of such counsel.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the indenture, the notes or the Note Subsidiary Guarantees may be amended or supplemented with the consent of the holders of at least a majority in aggregate principal amount of the notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, notes), and any existing Default or Event of Default or compliance with any provision of the indenture or such notes or the Note Subsidiary Guarantees may be waived with the consent of the holders of a majority in aggregate principal amount of the then outstanding notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, notes).

Without the consent of each holder of notes affected, an amendment, supplement or waiver may not (with respect to any notes held by a non-consenting holder):

(1) reduce the principal amount of notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any note or alter any of the provisions with respect to the redemption of the notes; *provided, however*, that any purchase or repurchase of notes, including pursuant to the covenants described above under the caption Repurchase at the Option of Holders, shall not be deemed a redemption of the notes;

(3) reduce the rate of or change the time for payment of interest on any note;

(4) waive a Default or Event of Default in the payment of principal of, interest or premium, if any, on, the notes (except a rescission of acceleration of the notes by the holders of at least a majority in aggregate principal amount of the then outstanding notes and a waiver of the payment default that resulted from such acceleration);

(5) make any note payable in currency other than that stated in the notes;

(6) make any change in the provisions of the indenture relating to waivers of past Defaults or the rights of holders of notes to receive payments of principal of, interest or premium, if any, on, the notes (other than as permitted by clause (7) below);

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(7) waive a redemption payment with respect to any note (other than a payment required by one of the covenants described above under the caption Repurchase at the Option of Holders);

(8) release any Subsidiary Guarantor with respect to its Note Subsidiary Guarantee of notes from any of its obligations under its Note Subsidiary Guarantee or the indenture, except in accordance with the terms of the indenture; or

(9) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of notes, the Issuers, the Subsidiary Guarantors and the trustee may amend or supplement the indenture, the notes or the Note Subsidiary Guarantees:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated notes in addition to or in place of certificated notes;

(3) to provide for the assumption of the Issuers or a Subsidiary Guarantor s obligations to holders of notes and Note Subsidiary Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Issuers or such Subsidiary Guarantor s assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the holders of notes or that does not adversely affect the legal rights under the indenture of any such holder;

(5) to comply with requirements of the SEC in order to effect or maintain the qualification of the indenture under the Trust Indenture Act;

(6) to conform the text of the indenture or the Note Subsidiary Guarantees to any provision of this Description of Notes section to the extent that such provision was intended to reflect such provision of this Description of Notes ;

(7) to provide for the issuance of additional notes in accordance with the limitations set forth in the indenture;

(8) to allow any Subsidiary Guarantor to execute a supplemental indenture and/or a Note Subsidiary Guarantee with respect to the notes or to reflect the release of a Note Subsidiary Guarantee in accordance with the indenture;

(9) to secure the notes and/or the Note Subsidiary Guarantees;

(10) to comply with the rules of any applicable securities depository;

(11) to provide for the reorganization of PBFX as any other form of entity, in accordance with the last paragraph of Certain Covenants Merger, Consolidation or Sale of Assets ; or

(12) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof.

Concerning the Trustee

If the trustee becomes a creditor of the Issuers or any Subsidiary Guarantor, the indenture limits the right of the trustee to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest (as defined in the Trust Indenture Act) it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee (if the indenture has been qualified under the Trust Indenture Act) or resign.

The holders of a majority in aggregate principal amount of the then outstanding notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the trustee, subject to certain exceptions. The indenture provides that in case an Event of Default occurs and is continuing, the trustee will be required, in the exercise of its power, to use the degree of care and skill of a prudent person in the conduct of his or her own affairs. Subject to such provisions, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of notes, unless such holder has provided to the trustee security and/or indemnity satisfactory to the trustee against any loss, liability or expense.

Governing Law

The indenture, the notes and the Guarantees are governed by, and construed in accordance with, the laws of the State of New York.

Additional Information

Anyone who receives this prospectus may obtain a copy of the indenture without charge by writing to PBF Logistics GP LLC, One Sylvan Way, 2nd Floor, Parsippany, NJ 07054, Attention: General Counsel.

Certain Definitions

Set forth below are certain defined terms used in the indenture. Reference is made to the indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

Acquired Debt means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Restricted Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person, but excluding Indebtedness which is extinguished, retired or repaid in connection with such Person merging with or becoming a Restricted Subsidiary of such specific Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person, but excluding Indebtedness which is extinguished, retired or repaid in connection with such asset being acquired by such Person.

Additional Hydrogen Plant means an additional hydrogen plant at the Delaware City refinery for the purpose of providing increased hydrogen for refining operations.

Affiliate of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, *control*, as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms *controlling*, *controlled by* and *under common control with* have correlative meanings.

Applicable Premium means,

with respect to any note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the note; and

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the note at May 15, 2018 (such redemption price being set forth in the table appearing above under the caption Optional Redemption) *plus* (ii) all required interest payments due on the note through

May 15, 2018 (excluding accrued and unpaid interest to, but excluding, the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date *plus* 50 basis points; *over*

(b) the principal amount of the note.

Asset Sale means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of PBFX and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the indenture described above under the caption Repurchase at the Option of Holders Change of Control Triggering Event and/or the provisions described above under the caption Certain Covenants Merger, Consolidation or Sale of Assets and not by the provisions of the Asset Sale covenant; and

(2) the issuance of Equity Interests in any of PBFX s Restricted Subsidiaries or the sale of Equity Interests in any of its Restricted Subsidiaries.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any sale, assignment, lease, license, transfer, abandonment or other disposition of (A) damaged, worn-out, unserviceable or other obsolete or excess equipment or other property or assets or (B) other property or assets no longer necessary for the proper conduct of the business of PBFX or any of its Subsidiaries;

(2) any single transaction or series of related transactions that involves property or assets having a Fair Market Value of less than $25.0 million;

(3) a transfer of properties or assets between or among PBFX and its Restricted Subsidiaries;

(4) an issuance of Equity Interests by a Restricted Subsidiary of PBFX to PBFX or to a Restricted Subsidiary of PBFX;

(5) the sale, lease or other disposition of products, equipment, services, accounts receivable, inventory or other properties or assets in the ordinary course of business;

(6) the trade, sale, exchange or other disposition of cash or Cash Equivalents, Hedging Obligations or other financial instruments;

(7) a Restricted Payment that does not violate the covenant described above under the caption Certain Covenants Restricted Payments or a Permitted Investment;

(8) any lease of assets entered into in the ordinary course of business and with respect to which PBFX or any Restricted Subsidiary of PBFX is the lessor and the lessee has no option to purchase such assets for less than fair market value at any time the right to acquire such asset occurs;

(9) any trade or exchange by PBFX or any Restricted Subsidiary of properties or assets of any type for properties or assets of any type owned or held by another Person, including any disposition of some or all of the Equity Interests of a Restricted Subsidiary, *provided* that the fair market value of the properties or assets traded or exchanged by PBFX or such Restricted Subsidiary (together with any cash or Cash Equivalent together with the liabilities assumed) is reasonably equivalent to the fair market value of the properties or assets (together with any cash or Cash Equivalent

together with liabilities assumed) to be received by PBFX or such Restricted Subsidiary; and *provided, further,* that any cash received must be applied in accordance with the provisions described above under the caption Repurchase at the Option of Holders Asset Sales ;

(10) the disposition of assets received in settlement of debts accrued in the ordinary course of business;

(11) the creation or perfection of a Lien that is not prohibited by the covenant described above under the caption Certain Covenants Liens ;

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(12) surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

(13) the grant in the ordinary course of business of any non-exclusive license of patents, trademarks, registrations therefor and other similar intellectual property;

(14) any disposition of defaulted receivables that arose in the ordinary course of business for collection;

(15) the sale or other disposition of Capital Stock or Indebtedness of an Unrestricted Subsidiary of PBFX;

(16) any disposition of property or assets pursuant to a condemnation, appropriation or other similar taking, including, without limitation, by deed in lieu of condemnation, or pursuant to the foreclosure or other enforcement of a Permitted Lien or exercise by the related lienholder of rights with respect thereto, including, without limitation, by deed or assignment in lieu of foreclosure; and

(17) any disposition of investments in Joint Ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements.

Attributable Debt in respect of a sale-and-leaseback transaction means, at the time of determination, the present value (discounted at the rate equal to the rate of interest implicit in such transactions, determined in accordance with GAAP) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale-and-leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. As used in the preceding sentence, net rental payments under any lease for any such period shall mean the sum of rental and other payments required to be paid with respect to such period by the lessee thereunder, excluding any amounts required to be paid by such lessee on account of maintenance and repairs, insurance, taxes, assessments, water rates, utilities, operating and labor costs and other items that do not constitute payment for property rights. In the case of any lease that is terminable by the lessee upon payment of penalty, such net rental payment shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated. Notwithstanding the foregoing, if such sale-and-leaseback transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of Capital Lease Obligation .

Available Cash has the meaning assigned to such term in the Partnership Agreement, as in effect on the Issue Date.

Beneficial Owner has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act. The terms *Beneficially Owns* and *Beneficially Owned* have a corresponding meaning.

Board of Directors means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors or Board of Managers of the general partner of the partnership, or in the case of PBFX, the Board of Directors of the General Partner;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

Capital Lease Obligation means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty; *provided* that any obligations of PBFX or its Restricted Subsidiaries or of a special purpose or other entity not consolidated with PBFX and its Restricted Subsidiaries (i) that were not or would not have been included on the consolidated balance sheet of PBFX as capital lease obligations on the Issue Date and (ii) that are subsequently recharacterized as capital lease obligations of PBFX and its Restricted Subsidiaries on a consolidated basis due to a change in accounting treatment or otherwise after the Issue Date, may, in PBFX s sole discretion, be deemed not to be treated as a Capital Lease Obligation or Indebtedness.

Capital Stock means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person;

but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

Cash Equivalents means:

(1) United States dollars;

(2) Canadian dollars and other local or foreign currencies held by PBFX and any of its Restricted Subsidiaries from time to time in the ordinary course of business;

(3) securities issued or fully guaranteed or insured by the United States government or any agency or instrumentality thereof having maturities of not more than twenty-four (24) months from the date of acquisition thereof;

(4) time deposits with, certificates of deposit, bankers acceptances or Eurodollar time deposits of, any commercial bank that (a) is organized under the laws of the United States of America, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States of America, any state thereof or the District of Columbia or any United States branch of a foreign bank, and is a member of the Federal Reserve System, (b) issues long term securities with a rating of at least A- (or then equivalent grade, in each case with a stable outlook) by S&P and A3 (or then equivalent grade, in each case with a stable outlook) by Moody s at the time of acquisition and (c) has combined capital and surplus of at least $250,000,000, in each case with maturities of not more than twenty-four (24) months from the date of acquisition thereof;

(5) commercial paper of an issuer rated at least A-2 (or the then equivalent grade) by S&P or P-2 (or the then equivalent grade) by Moody s at the time of acquisition or guaranteed by a letter of credit issued by a financial institution rated at least A- (or then equivalent grade, in each case with stable outlook) by S&P and A3 (or then equivalent grade, in each case with stable outlook) by Moody s at the time of acquisition and such financial institution

otherwise meets the requirements of subsections (a) and (c) of clause (3) of this definition, in each case having a tenor of not more than 24 months from the date of acquisition thereof;

(6) taxable and tax-exempt municipal securities rated at least A- (or then equivalent grade) by S&P and A3 (or then equivalent grade) by Moody s, including variable rate municipal securities, having maturities or put rights of not more than twenty-four (24) months from the date of acquisition;

(7) corporate or bank debt of an issuer rated at least A- (or then equivalent grade, in each case with a stable outlook) by S&P and A3 (or then equivalent grade, in each case with stable outlook) by Moody s at the time of acquisition and having maturities of not more than twenty-four (24) months from the date of acquisition;

(8) repurchase agreements relating to any of the investments listed in clauses (1) through (7) above with a market value at least equal to the consideration paid in connection therewith, with any Person who regularly engages in the business of entering into repurchase agreements and has a combined capital and surplus of not less than $250,000,000 whose long term securities are rated at least A- (or then equivalent grade) by S&P and A3 (or then equivalent grade) by Moody s at the time of acquisition;

(9) asset-backed securities having as the underlying asset securities issued or guaranteed by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association rated at least A-(or then equivalent grade, in each case with stable outlook) by S&P and A3 (or then equivalent grade, in each case with case with stable outlook) by Moody s at the time of acquisition and having maturities of not more than twenty-four (24) months from the date of acquisition; and

(10) Investments, classified in accordance with GAAP as current assets of PBFX or any of its Subsidiaries, in money market mutual or similar funds having assets in excess of $100,000,000, at least 95% of the assets of which are comprised of assets specified in clauses (1) through (9) above of this definition.

Change of Control means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of PBFX and its Subsidiaries taken as a whole (unless immediately following such sale, lease, transfer, conveyance or other disposition in compliance with the indenture such assets are owned, directly or indirectly, by (A) PBFX or a Subsidiary of PBFX, (B) a Person controlled by PBFX or a Subsidiary of PBFX or (C) a Qualified Owner) to any person (as that term is used in Section 13(d) of the Exchange Act);

(2) the adoption of a plan relating to the liquidation or dissolution of PBFX or the removal of the General Partner by the limited partners of PBFX; or

(3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any person (as defined above), other than a Qualified Owner, becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the General Partner, measured by voting power rather than number of shares.

Notwithstanding the preceding, a conversion of PBFX from a limited partnership to a corporation, limited liability company or other form of entity or an exchange of all of the outstanding limited partnership interests for capital stock in a corporation, for member interests in a limited liability company or for Equity Interests in such other form of entity shall not constitute a Change of Control, so long as following such conversion or exchange either (i) the persons (as defined above) who Beneficially Owned the Capital Stock of PBFX immediately prior to such transactions continue to Beneficially Own in the aggregate more than 50% of the Voting Stock of such entity, or continue to Beneficially Own sufficient Equity Interests in such entity to elect a majority of its directors, managers, trustees or other persons serving in a similar capacity for such entity or (ii) one or more Qualifying Owners in the aggregate own more than 50% of the Voting Stock of such entity.

Change of Control Triggering Event means the occurrence of a Change of Control, which occurrence is followed by a Ratings Decline within 90 days.

Code means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute.

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Consolidated Cash Flow means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period *plus*, without duplication:

(1) an amount (to the extent not included in Consolidated Net Income for such period) equal to the dividends or distributions paid during such period in cash or Cash Equivalents to such Person or any of its Restricted Subsidiaries by a Person that is not a Restricted Subsidiary of such Person or that is accounted for by the equity method of accounting; *plus*

(2) (a) the Fixed Charges of such Person and its Restricted Subsidiaries for such period and (b) all items excluded from the definition of Fixed Charges for such Person and its Restricted Subsidiaries for such period pursuant to clauses (1)(a)(t) through (z) and clause (2) thereof, in each case of clauses (a) and (b), to the extent that any such Fixed Charges or items reduced Consolidated Net Income for such period; *plus*

(3) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes reduced Consolidated Net Income for such period; *plus*

(4) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash losses, charges or expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period, to the extent that such depreciation, amortization and other non-cash losses, charges or expenses reduced Consolidated Net Income for such period; *plus*

(5) all extraordinary, unusual or non-recurring losses, charges or expenses (including any loss realized in connection with (a) any asset sale (including dispositions pursuant to sale-and-leaseback transactions) or (b) the disposition of any securities by such Person or the extinguishment of any Indebtedness (including relating to any premium or penalty paid, write-off of deferred finance costs or other losses, charges or expenses in connection with redeeming or retiring any Indebtedness prior to its Stated Maturity) or Hedging Obligations), to the extent such losses, charges or expenses reduced Consolidated Net Income for such period; *plus*

(6) unrealized non-cash losses, charges or expenses resulting from foreign currency balance sheet adjustments required by GAAP, to the extent such losses, charges or expenses reduced Consolidated Net Income for such period; *plus*

(7) any non-cash compensation losses, charges or expenses arising from any grants of stock appreciation or similar rights, stock options, restricted stock or other rights or equity incentive program, to the extent such losses, charges or expense reduced Consolidated Net Income for such period; *plus*

(8) unrealized losses under Hedging Obligations and/or derivative instruments (including, without limitation, those resulting from the application of Accounting Standards Codification No.815), to the extent such losses reduced Consolidated Net Income for such period; *plus*

(9) any impairment charge or asset write-off pursuant to Accounting Standards Codification No. 350, to the extent such charge or write-off reduced Consolidated Net Income for such period; *minus*

(10) (a) any non-cash gains (other than the accrual of revenue in the ordinary course of business and any non-cash gains to the extent they represent the reversal of an accrual or reserve for a potential cash item that reduced Consolidated Cash Flow in any prior period), (b) any extraordinary, unusual or non-recurring gain, (c) any gains,

together with any related provision for taxes on such gain, realized in connection with (i) any asset sale (including dispositions pursuant to sale-and-leaseback transactions) or (ii) the disposition of any securities by such Person or the extinguishment of any Indebtedness or Hedging Obligations of such Person and (d) unrealized gains under Hedging Obligations and/or derivative instruments, in each case of clauses (a) through (d), to the extent such gain increased Consolidated Net Income for such period;

in each case, on a consolidated basis and determined in accordance with GAAP.

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Consolidated Net Income means, with respect to any specified Person for any period, the aggregate of the Net Income attributable to such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided* that:

(1) the aggregate Net Income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or distributions paid in cash or Cash Equivalents to the specified Person or a Restricted Subsidiary of the Person; and

(2) the cumulative effect of a change in accounting principles will be excluded.

Consolidated Net Tangible Assets means, with respect to any Person at any date of determination, the aggregate amount of total assets included in such Person s most recent quarterly or annual consolidated balance sheet prepared in accordance with GAAP less applicable reserves reflected in such balance sheet, after (i) adding the aggregate incremental amount of total assets that would have resulted from an acquisition of assets from an Affiliate that is accounted for as a transaction between entities under common control within the meaning of, and in accordance with, Accounting Standards Codification No. 805 had such transactions been accounted for using business combination accounting within the meaning of, and in accordance with, Accounting Standards Codification No. 805 and (ii) deducting the following amounts: (a) all current liabilities reflected in such balance sheet, and (b) all goodwill, trademarks, patents, unamortized debt discounts and expenses and other like intangibles reflected in such balance sheet, with such pro forma adjustments to total assets, reserves, current liabilities, goodwill, trademarks, patents, unamortized debt discounts and expenses and other like intangibles as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Fixed Charge Coverage Ratio.

Credit Agreements means (x) that certain Revolving Credit Agreement, dated as of May 14, 2014 (as amended by that certain Increase Agreement, dated as of December 5, 2014, among PBFX, Wells Fargo Bank, National Association and the lenders party thereto, the *Revolving Credit Agreement*), among the Company, Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and an L/C Issuer, Citigroup Global Markets Inc., as Syndication Agent, Deutsche Bank Securities Inc., as Documentation Agent, and the other lenders party thereto, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case as amended, restated, modified, renewed, refunded, replaced or refinanced from time to time and (y) that certain Collateralized Term Loan Credit Agreement, dated as of May 14, 2014 (the *Collateralized Term Loan Credit Agreement*), among the Company, Wells Fargo Bank, National Association, as Administrative Agent, and the other lenders party thereto, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case as amended, restated, modified, renewed, refunded, replaced or refinanced from time to time.

Credit Facilities means, one or more debt facilities (including, without limitation, the Credit Agreements) or commercial paper facilities or Debt Issuances, in each case, with banks, investment banks, insurance companies, mutual funds, other institutional lenders, institutional investors or any of the foregoing, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders, other financiers or to special purpose entities formed to borrow from (or sell such receivables to) such lenders or other financiers against such receivables), letters of credit, bankers acceptances, other borrowings or Debt Issuances, in each case, as amended, restated, modified, renewed, extended, refunded, replaced or refinanced (in each case, without limitation as to amount), in whole or in part, from time to time (including through one or more Debt Issuances) and any agreements and related documents governing Indebtedness or Obligations incurred to refinance amounts then outstanding or permitted to be outstanding, whether or not with the original administrative agent, lenders, investment banks, insurance companies, mutual funds, other institutional lenders, institutional investors or any of the foregoing and whether provided under the original agreement, indenture or other documentation relating thereto.

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Debt Issuances means, with respect to PBFX or any of its Restricted Subsidiaries, one or more issuances after the Issue Date of Indebtedness evidenced by notes, debentures, bonds or other similar securities or instruments.

Default means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

Designated Non-Cash Consideration means the fair market value (as determined in good faith by PBFX) of non-cash consideration received by PBFX or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to an officers certificate, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of such Designated Non-Cash Consideration.

Disqualified Stock means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the notes mature (except such Capital Stock that is solely redeemable with, or solely exchangeable for, any Capital Stock of such person that is not Disqualified Stock); *provided*, *however*, that only the portion of any Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date will be deemed to be Disqualified Stock. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require PBFX or any of its Restricted Subsidiaries to repurchase or redeem such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that PBFX or such Restricted Subsidiary may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption Certain Covenants Restricted Payments.

Domestic Subsidiary means any Restricted Subsidiary of PBFX that was formed under the laws of the United States or any state of the United States or the District of Columbia.

Equity Interests means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

Equity Offering means any public or private sale of Equity Interests (other than Disqualified Stock) made for cash on a primary basis by PBFX after the Issue Date.

Existing Indebtedness means the aggregate principal amount of Indebtedness of PBFX and its Subsidiaries (other than Indebtedness under the Credit Agreements and the notes and the related Guarantees) in existence on the Issue Date.

Fair Market Value means, with respect to consideration received or to be received, or given or to be given, pursuant to any transaction by PBFX or any Restricted Subsidiary, the fair market value of such consideration as determined in good faith by the Board of Directors of the General Partner in the case of transactions involving $50.0 million or more and otherwise by an officer of PBFX.

Fixed Charge Coverage Ratio means with respect to any specified Person for any period, the ratio of the Consolidated Cash Flow of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock subsequent to the commencement of the period for which the Fixed Charge

Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the *Calculation Date*), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable Reference Period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions (including, without limitation, a single asset, a division or segment or an entire company) or Investments that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers, asset purchase transactions or consolidations and including any related financing transactions during the Reference Period or subsequent to such Reference Period and on or prior to the Calculation Date will be given pro forma effect as if they had occurred on the first day of the Reference Period, including any Consolidated Cash Flow and any pro forma expense and cost reductions and operating improvements that have occurred or are reasonably expected to occur, in the reasonable judgment of the chief financial or accounting officer of PBFX (regardless of whether those cost savings or operating improvements could then be reflected in pro forma financial statements in accordance with Regulation S-X promulgated under the Securities Act or any other regulation or policy of the SEC related thereto);

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the average rate in effect from the beginning of the applicable period to the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months);

(5) if any Indebtedness is incurred or repaid under a revolving credit facility (other than ordinary working capital borrowings) and is being given pro forma effect, the interest on such indebtedness shall be calculated based on the average daily balance of such Indebtedness for the four fiscal quarters subject to the pro forma calculation; and

(6) interest income reasonably anticipated by such Person to be received during the Reference Period from cash or Cash Equivalents held by such Person or any Restricted Subsidiary of such Person, which cash or Cash Equivalents exist on the Calculation Date or will exist as a result of the transaction giving rise to the need to calculate the Fixed Charge Coverage Ratio will be included.

Fixed Charges means, with respect to any specified Person for any period, on a consolidated basis and determined in accordance with GAAP,

(1) the sum, without duplication, of:

(a) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates and excluding

(t) penalties and interest relating to taxes, (u) any additional interest relating to customary registration rights with respect to securities, (v) non-cash interest expense attributable to movement in mark-to-market valuation of Hedging Obligations or other derivatives (in each case permitted hereunder and under GAAP), (w) accretion or accrual of discounts with respect to liabilities not constituting Indebtedness, (x) any expense resulting from the discounting of Indebtedness in connection with the application of recapitalization or purchase accounting, (y) amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses and, with respect to Indebtedness issued in connection with the Transactions, original issue discount and (z) any expensing of bridge, commitment and other financing fees; *plus*

(b) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; *plus*

(c) any interest expense on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries, whether or not such Guarantee or Lien is called upon; *plus*

(d) all dividends, whether paid or accrued and whether or not in cash, on any series of Disqualified Stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable (i) solely in Equity Interests of PBFX (other than Disqualified Stock) or (ii) to PBFX or a Restricted Subsidiary of PBFX; *minus*

(2) to the extent included in (1) above, write-off of non-recurring deferred financing costs of such Person and its Restricted Subsidiaries during such period and any charge related to, or any premium or penalty paid in connection with, paying any such Indebtedness of such Person and its Restricted Subsidiaries prior to its Stated Maturity.

GAAP means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, which are in effect on the Issue Date.

General Partner means PBF Logistics GP LLC, a Delaware limited liability company, and its successors and permitted assigns as general partner of PBFX or as the business entity with the ultimate authority to manage the business and operations of PBFX.

Government Securities means direct obligations of, or obligations guaranteed by, the United States of America for the payment of which guarantee or obligations the full faith and credit of the United States of America is pledged.

Guarantee means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness.

Hedging Obligations means, with respect to any specified Person, the obligations of such Person incurred under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements, interest rate collar agreements and any other agreements or arrangements designed to manage interest rates or interest rate risk so long as the notional principal amount of such obligations does not exceed the aggregate principal amount of the Indebtedness to which such agreements relate at such time;

(2) foreign exchange contracts, currency protection agreements and any other agreements or arrangements designed to manage fluctuations in currency exchange rates; and

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(3) commodity futures contracts, commodity options and any other agreements or arrangements designed to protect against fluctuations in commodity prices;

provided that in the case of clauses (2) and (3) above, such agreements are intended to be economically appropriate to the reduction of risk in the conduct and management of PBFX s and its Restricted Subsidiaries business.

Indebtedness means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent, without duplication:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments;

(3) reimbursement obligations in respect of bankers acceptances or letters of credit;

(4) representing Capital Lease Obligations or Attributable Debt in respect of sale and leaseback transactions;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed, except any earn-out obligations until after becoming due and payable, has not been paid and such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP and if not paid within 30 days after becoming due and payable; or

(6) representing the net amount due under any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit, Attributable Debt and Hedging Obligations), but excluding amounts recorded in accordance with Accounting Standards Codification No. 815, would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term Indebtedness includes all Indebtedness of others secured by a Lien on any asset (other than Liens on and pledges of the Equity Interests of any Unrestricted Subsidiary or any Joint Venture owned by PBFX or any Restricted Subsidiary of PBFX, in each case, securing Indebtedness of such Unrestricted Subsidiary or Joint Venture, as applicable) of the specified Person (whether or not such Indebtedness is assumed by the specified Person), but in an amount not to exceed the lesser of the amount of such Person s obligation or indebtedness and the Fair Market Value of such assets, and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, the following shall not constitute Indebtedness :

(1) accrued expenses and trade accounts payable arising in the ordinary course of business;

(2) the incurrence by PBFX or any of its Restricted Subsidiaries of Indebtedness in respect of bid, performance, surety, appeal, payment, insurance contracts and similar bonds issued for the account of PBFX and any of its Restricted Subsidiaries in the ordinary course of business, including guarantees and obligations of PBFX or any of its Restricted Subsidiaries with respect to letters of credit supporting such obligations (in each case other than an obligation for money borrowed);

(3) any Indebtedness which has been defeased in accordance with GAAP or defeased pursuant to the deposit of cash or Government Securities (in an amount sufficient to satisfy all such Indebtedness obligations at maturity or redemption, as applicable, and all payments of interest and premium, if any) in a trust or account created or pledged

for the sole benefit of the holders of such indebtedness and subject to no other Liens, and the other applicable terms of the instrument governing such Indebtedness;

(4) any obligation arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided*, *however,* that such obligation is extinguished within five business days of its incurrence; and

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(5) any obligation arising from any agreement providing for indemnities, guarantees, purchase price adjustments, holdbacks, contingency payment obligations based on the performance of the acquired or disposed assets or similar obligations (other than guarantees of Indebtedness) incurred by any Person in connection with the acquisition or disposition of assets.

Independent Financial Advisor means a nationally recognized accounting, appraisal or investment banking firm that is, in the reasonable judgment of the Board of Directors of the General Partner, qualified to perform the task for which such firm has been engaged hereunder and disinterested and independent with respect to PBFX and its Affiliates; *provided*, that providing accounting, appraisal or investment banking services to PBFX or any of its Affiliates or having an employee, officer or other representative serving as a member of the Board of Directors of the General Partner or any of its Affiliates will not disqualify any firm from being an Independent Financial Advisor.

Investment Grade Rating of the notes, means that the notes shall have been assigned a Moody s rating of Baa3 or higher or an S&P rating of BBB- or higher, or if either rating agency shall not make a rating on the notes publicly available for reasons outside the control of the Issuers, an equivalent investment grade credit rating from any other nationally recognized statistical rating organization registered under Section 15E of the Exchange Act selected by the Issuers.

Investments means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances (other than advances to customers in the ordinary course of business which are recorded as accounts receivable on the balance sheet of the lender and commissions, moving, travel and similar advances to employees and officers made in the ordinary course of business) or capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP.

Issue Date means the first date on which the old notes were issued, authenticated and delivered under the indenture.

Joint Venture means any Person that is not a direct or indirect Subsidiary of PBFX in which PBFX or any of its Restricted Subsidiaries makes any Investment.

Lien means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction other than a precautionary financing statement respecting a lease not intended as a security agreement. In no event shall a right of first refusal be deemed to constitute a Lien.

Moody s means Moody s Investors Service, Inc., or any successor to the rating agency business thereof.

Net Income means, with respect to any specified Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends.

Net Proceeds means the aggregate cash proceeds received by PBFX or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of:

(1) the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale and any related severance and associated costs, expenses and charges of personnel related to the sold assets and related operations,

(2) taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements,

(3) amounts required to be applied to the repayment of Indebtedness secured by a Lien on the asset or assets that were the subject of such Asset Sale and all distributions and payments required to be made to minority interest holders in Restricted Subsidiaries as a result of such Asset Sale, and

(4) any amounts to be set aside in any reserve established in accordance with GAAP or any amount placed in escrow, in either case for adjustment in respect of the sale price of such properties or assets or for liabilities associated with such Asset Sale and retained by PBFX or any of its Restricted Subsidiaries until such time as such reserve is reversed or such escrow arrangement is terminated, in which case Net Proceeds shall include only the amount of the reserve so reversed or the amount returned to PBFX or its Restricted Subsidiaries from such escrow arrangement, as the case may be.

Non-Recourse Debt means Indebtedness:

(1) as to which neither PBFX nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise, in each case, other than a pledge of the Equity Interests of an Unrestricted Subsidiary that is an obligor on such Indebtedness; and

(2) no default with respect to which (including any rights that the holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any holder of any other Indebtedness of PBFX or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment of the Indebtedness to be accelerated or payable prior to its Stated Maturity.

For purposes of determining compliance with the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock above, in the event that any Non-Recourse Debt of any of PBFX s Unrestricted Subsidiaries ceases to be Non-Recourse Debt of such Unrestricted Subsidiary, such event will be deemed to constitute an incurrence of Indebtedness by a Restricted Subsidiary of PBFX.

Note Subsidiary Guarantee means the Guarantee by each Subsidiary Guarantor of the Issuers obligations under the indenture and the notes, executed pursuant to the provisions of the indenture.

Obligations means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

Omnibus Agreement means the Second Amended and Restated Omnibus Agreement, dated as of December 12, 2014, among PBF Holding Company LLC, PBF Energy Company LLC, PBFX and the General Partner, as may be amended, supplemented or modified from time to time; *provided* such amendment, supplement or modification is not disadvantageous in any material respect to the holders of notes when taken as a whole as compared to the Omnibus Agreement as in effect on the Issue Date, as determined in good faith by PBFX.

Operating Surplus has the meaning assigned to such term in the Partnership Agreement, as in effect on the Issue Date.

Partnership Agreement means the Second Amended and Restated Agreement of Limited Partnership of PBF Logistics LP, dated as of September 15, 2014, as such may be further amended, modified or supplemented from time to time.

Permitted Business means either (1) marketing, gathering, distributing or transporting (by barge, pipeline, ship, truck or other modes of transportation), terminalling, storing, producing, acquiring, developing, exploring for, exploiting, processing, fractionation, treating, dehydrating and otherwise handling crude oil, gas, casinghead gas, drip gasoline, natural gasoline, condensates, distillates, liquid hydrocarbons, asphalt, gaseous hydrocarbons, petrochemicals, lubricants and all other constituents, elements, compounds, feedstocks, blendstocks or products refined or processed (including intermediate products) from any of the foregoing, which activities shall include, for the avoidance of doubt, constructing pipeline, platform, dehydration, processing, fractionation, storing and other energy-related facilities, and activities or services reasonably related or ancillary thereto, including entering into purchase and sale agreements, supply agreements and Hedging Obligations related to these businesses, (2) any other business that generates gross income at least 90% of which constitutes qualifying income under Section 7704(d) of the Code or (3) any activity that is ancillary, complementary or incidental to or necessary or appropriate for the activities described in clauses (1) or (2) of this definition.

Permitted Business Investments means Investments by PBFX or any of its Restricted Subsidiaries in any Unrestricted Subsidiary of PBFX or in any Joint Venture, *provided* that:

(1) either (a) at the time of such Investment and immediately thereafter, PBFX could incur $1.00 of additional Indebtedness under the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock above or (b) such Investment does not exceed the aggregate amount of Incremental Funds (as defined in the covenant described under Certain Covenants Restricted Payments) not previously expended at the time of making such Investment;

(2) if such Unrestricted Subsidiary or Joint Venture has outstanding Indebtedness at the time of such Investment, either (a) all such Indebtedness is Non-Recourse Debt or (b) any such Indebtedness of such Unrestricted Subsidiaries or Joint Venture that is recourse to PBFX or any of its Restricted Subsidiaries could, at such time, be incurred at that time by PBFX and its Restricted Subsidiaries under the covenant described under Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock (other than pursuant to clause (8) thereof); and

(3) such Unrestricted Subsidiary s or Joint Venture s activities are not outside the scope of the Permitted Business.

Permitted Investments means:

(1) any Investment in PBFX or in a Restricted Subsidiary of PBFX;

(2) any Investment in cash and Cash Equivalents or deposit accounts;

(3) any Investment by PBFX or any Restricted Subsidiary of PBFX in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary of PBFX; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, PBFX or a Restricted Subsidiary of PBFX;

(4) any security or other Investment received or Investment made as a result of the receipt of non-cash consideration from:

(a) an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption Repurchase at the Option of Holders Asset Sales ; or

(b) a disposition of assets that does not constitute an Asset Sale;

(5) any Investment in any Person solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of PBFX;

(6) any Investments received in compromise, settlement or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of PBFX or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy

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or insolvency of any trade creditor or customer, or as a result of a foreclosure, perfection or enforcement by PBFX or any of its Restricted Subsidiaries with respect to any secured Investment in default, (b) claims or disputes owed to PBFX or any Restricted Subsidiary of PBFX that arose out of transactions in the ordinary course of business or (c) litigation, arbitration or other disputes with Persons who are not Affiliates;

(7) Investments in the form of intercompany Indebtedness or guarantees of Indebtedness of a Restricted Subsidiary of PBFX permitted under clauses (6) and (11) of the covenant described above under the caption Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock ;

(8) Investments represented by Hedging Obligations permitted to be incurred in accordance with the provisions of the indenture;

(9) loans or advances to employees made in the ordinary course of business of PBFX or any Restricted Subsidiary of PBFX in an aggregate principal amount not to exceed $5.0 million at any one time outstanding;

(10) repurchases of the notes;

(11) any Investments in prepaid expenses, negotiable instruments held for collection and lease, utility, workers compensation and performance and other similar deposits and prepaid expenses made in the ordinary course of business;

(12) Permitted Business Investments;

(13) Investments pursuant to agreements and obligations of PBFX and any Restricted Subsidiary in effect on the Issue Date and any renewals or replacements thereof on terms and conditions not materially less favorable to PBFX or such Restricted Subsidiary, as the case may be, than the terms of the Investment being renewed or replaced;

(14) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (14) that are at the time outstanding, not to exceed the greater of (a) $100.0 million and (b) 12.5% of PBFX s Consolidated Net Tangible Assets;

(15) Investments owned by any Person at the time such Person merges with PBFX or any Restricted Subsidiary thereof; provided that such Investments (a) are not incurred in contemplation of such merger or acquisition and (b) are, in the good faith determination of PBFX, incidental to such merger or acquisition, and in each case renewals or extensions thereof; and

(16) Investments in Joint Ventures and/or Unrestricted Subsidiaries having an aggregate fair market value, when taken together with all other Investments made pursuant to this clause (16) that are at the time outstanding, not to exceed the greater of (a) $75.0 million and (b) 12.5% of PBFX s Consolidated Net Tangible Assets;

provided, *however*, that with respect to any Investment, PBFX may, in its sole discretion, allocate all or any portion of any Investment and later re-allocate all or any portion of any Investment to one or more of the above clauses (1) through (16) so that the entire Investment would be a Permitted Investment (including, without limitation, as a result of any Person becoming a Restricted Subsidiary). The amount of any Permitted Investment outstanding at any time shall be deemed to be the original cost of such Permitted Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment or other amount received in cash by PBFX or a Restricted Subsidiary in respect of such Permitted Investment.

Permitted Liens means:

(1) Liens securing any Indebtedness under any Credit Facility and all Obligations and Hedging Obligations relating to such Indebtedness and all Treasury Management Arrangements;

(2) Liens in favor of PBFX or the Subsidiary Guarantors;

(3) Liens on property of a Person existing at the time (a) such Person is merged with or into or consolidated with PBFX or any Subsidiary of PBFX, (b) such Person becomes a Restricted Subsidiary or (c) such property is otherwise acquired by PBFX or a Restricted Subsidiary; *provided* that such Liens were in existence prior to such merger, consolidation or other acquisition and do not extend to any assets other than those of the Person merged into or consolidated with PBFX or the Subsidiary in the case of a merger or consolidation pursuant to clause (a) or such property in the case of such other acquisition in the case of clause (b) or (c);

(4) Liens and deposits to secure the performance of statutory obligations, surety or appeal bonds, workers compensation obligations, unemployment insurance, reimbursement obligations owed to insurers, bids, performance bonds, leases, statutory obligations, other types of social security or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(5) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by clause (4), (12) or (18) of the second paragraph of the covenant entitled Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock covering only the assets acquired, constructed, improved or developed with, or secured by, such Indebtedness;

(6) Liens existing on the Issue Date (other than Liens securing the Credit Facilities);

(7) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings diligently pursued; *provided* that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(8) Liens imposed by law, such as carriers , warehousemen s, landlord s, repairman s, materialmen s, mechanics and othe like Liens, in each case, incurred in the ordinary course of business;

(9) defects, irregularities and deficiencies in title of any rights-of-way or other property, survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions and other similar encumbrances as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially interfere with the ordinary conduct of the business of PBFX or any of its Subsidiaries and defects, irregularities and deficiencies in title to any property of PBFX or any of its Subsidiaries, which defects, irregularities or deficiencies have been cured by possession under applicable statutes of limitation;

(10) inchoate Liens arising under the Employee Retirement Income Security Act of 1974, and any amendments thereto;

(11) Liens created for the benefit of (or to secure) the notes (or the Note Subsidiary Guarantees);

(12) Liens on any property or asset acquired, constructed or improved by PBFX or any of its Restricted Subsidiaries, which (a) are in favor of the seller of such property or assets, in favor of the Person developing, constructing, repairing or improving such asset or property, or in favor of the Person that provided the funding for the acquisition, development, construction, repair or improvement cost, as the case may be, of such asset or property, (b) are created within 360 days after the acquisition, development, construction, repair or improvement, (c) secure the purchase price or development, construction, repair or improvement cost, as the case may be, of such asset or property in an amount up to 100% of the Fair Market Value of such acquisition, construction or improvement of such asset or property, and

(d) are limited to the asset or property so acquired, constructed or improved (including the proceeds thereof, accessions thereto and upgrades thereof);

(13) Liens on and pledges of the Equity Interests of any Unrestricted Subsidiary or any Joint Venture owned by PBFX or any Restricted Subsidiary of PBFX to the extent securing Non-Recourse Debt or other Indebtedness of such Unrestricted Subsidiary or Joint Venture;

(14) Liens in favor of collecting or payor banks having a right of setoff, revocation, refund or chargeback with respect to money or instruments of PBFX or any of its Subsidiaries on deposit with or in possession of such bank;

(15) Liens to secure performance of Hedging Obligations of PBFX or any of its Restricted Subsidiaries;

(16) Liens on pipelines or pipeline facilities that arise by operation of law, rule or regulation;

(17) Liens incurred in the ordinary course of business of PBFX or any Restricted Subsidiary of PBFX with respect to obligations that at any one time outstanding do not exceed the greater of (a) $100.0 million and (b) 12.5% of Consolidated Net Tangible Assets;

(18) Liens resulting from the deposit of money or other Cash Equivalents or other evidence of Indebtedness in trust for the purpose of defeasing Indebtedness of PBFX or any of its Restricted Subsidiaries;

(19) Liens to secure any Permitted Refinancing Indebtedness permitted to be incurred under the indenture; *provided*, *however*, that:

(a) the new Lien is limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (*plus* improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced, replaced, redeemed, defeased or discharged with such Permitted Refinancing Indebtedness and (y) an amount necessary to pay accrued interest on such Indebtedness and any discounts, commission, premiums, fees and other costs and expenses related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(20) Liens relating to future escrow arrangements securing Indebtedness incurred in accordance with the indenture;

(21) any interest or title of a lessor under any lease entered into by PBFX or any of its Subsidiaries in the ordinary course of its business and covering only the assets so leased;

(22) any Lien securing Indebtedness, neither assumed nor guaranteed by PBFX or any of its Subsidiaries nor on which it customarily pays interest, existing upon real estate or rights in or relating to real estate acquired by PBFX for substation, metering station, pump station, storage, gathering line, transmission line, transportation line, distribution line or for right-of-way purposes, any Liens reserved in leases for rent and for compliance with the terms of the leases in the case of leasehold estates, to the extent that any such Lien referred to in this clause (22) does not materially impair the use of the property covered by such Lien for the purposes of which such property is held by PBFX or any of its Subsidiaries;

(23) any obligations or duties affecting any of the property of PBFX or its Subsidiaries to any municipality or public authority with respect to any franchise, grant, license or permit which do not materially impair the use of such property for the purposes for which it is held;

(24) Liens upon specific items of inventory, accounts receivables or other goods and proceeds of PBFX or any Restricted Subsidiary securing such Person s obligations in respect of bankers acceptances or receivables securitizations issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory, accounts receivables or other goods and proceeds;

(25) any Liens securing industrial development, pollution control or similar bonds;

(26) Liens arising from the deposit of funds or securities in trust for the purpose of decreasing, defeasing or discharging Indebtedness so long as such deposit of funds or securities and such decreasing, defeasing or discharging of Indebtedness are permitted under the covenant described under the caption Certain Covenants Restricted Payments;

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(27) Liens arising under construction contracts, interconnection agreements, operating agreements, joint venture agreements, partnership agreements, contracts for purchase, gathering, processing, sale, transportation, exchange or storage of crude oil, natural gas liquids, condensate and natural gas, real property leases and other agreements arising in the ordinary course of business of PBFX and its Restricted Subsidiaries that are customary in a Permitted Business;

(28) Liens securing Indebtedness equally and ratably with all Obligations due under the notes or any Note Subsidiary Guarantee pursuant to a contractual covenant that limits Liens in a manner substantially similar to the covenant described under the caption Certain Covenants Restricted Payments;

(29) Liens securing any insurance premium financing under customary terms and conditions, provided that no such Lien may extend to or cover any assets or property other than the insurance being acquired with such financing, the proceeds thereof and any unearned or refunded insurance premiums related thereto; and

(30) Liens renewing, extending, refinancing or refunding a Lien permitted by clauses (1) through (29) above; *provided* that (a) the principal amount of Indebtedness secured by such Lien does not exceed the principal amount of such Indebtedness outstanding immediately prior to the renewal, extension, refinance or refund of such Lien, *plus* all accrued interest on the Indebtedness secured thereby and the amount of all fees, expenses and premiums incurred in connection therewith, and (b) no assets encumbered by any such Lien other than the assets permitted to be encumbered immediately prior to such renewal, extension, refinance or refund are encumbered thereby.

Permitted Refinancing Indebtedness means any Indebtedness of PBFX or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of PBFX or any of its Restricted Subsidiaries (other than intercompany Indebtedness), including Indebtedness that extends, refinances, renews, replaces, defeases or refunds Permitted Refinancing Indebtedness; *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount of (or accreted value, if applicable), *plus* accrued and unpaid interest on, the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (*plus* all accrued interest on the Indebtedness and the amount of all discounts, commission, premiums, fees and other costs and expenses incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date equal to or later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the notes or the Note Subsidiary Guarantees, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the notes or the Note Subsidiary Guarantees, on terms at least as favorable to the holders of notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is incurred either by PBFX or by a Restricted Subsidiary who is an obligor on or guarantor of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

Permitted Term Loan Indebtedness means Indebtedness that is secured solely by assets constituting Term Loan Collateral that is incurred for the purpose of consummating a Lakehead structure or substantially similar structure.

Person means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

Preferred Stock means any Capital Stock with preferential rights of payment of dividends or distributions or upon liquidation, dissolution or winding up.

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Qualified Owner means, collectively (a) PBF Energy Inc., (b) each Person of which PBF Energy Inc. is a direct or indirect Subsidiary and (c) each Person which is a direct or indirect Subsidiary of any Person described in clause (a) or (b) of this definition.

Rating Agencies means Moody s and S&P.

Rating Categories means:

(1) with respect to S&P, any of the following categories: AAA, AA, A, BBB, BB, B, CCC, CC, C and D (or equivalent successor categories); and

(2) with respect to Moody s, any of the following categories: Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C and D (or equivalent successor categories).

Rating Decline means a decrease in the rating of the notes by either Moody s or S&P by one or more gradations (including gradations within Rating Categories as well as between Rating Categories). In determining whether the rating of the notes has decreased by one or more gradations, gradations within Ratings Categories, namely + or for S&P, and 1, 2, and 3 for Moody s, will be taken into account; for example, in the case of S&P, a rating decline either from BB+ to BB or BB- to B+ will constitute a decrease of one gradation.

Reference Period means, with respect to any date of determination, the four most recent fiscal quarters of PBFX for which internal financial statements are available.

Reporting Default means a Default described in clause (4) under Events of Default and Remedies.

Restricted Investment means an Investment other than a Permitted Investment.

Restricted Subsidiary of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

S&P means Standard & Poor s Ratings Services, a division of The McGraw-Hill Companies, Inc., or any successor to the rating agency business thereof.

SEC means the Securities and Exchange Commission.

Senior Indebtedness means with respect to any Person, Indebtedness or Hedging Obligations of such Person, unless the instrument creating or evidencing such Indebtedness or Hedging Obligations provides that such Indebtedness or Hedging Obligations is subordinate in right of payment to the notes or the Note Subsidiary Guarantee of such Person, as the case may be.

Significant Subsidiary means any Subsidiary that would be a significant subsidiary as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the Issue Date.

Stated Maturity means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the Issue Date, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

Subordinated Obligation means any Indebtedness of PBFX (whether outstanding on the Issue Date or thereafter incurred) which pursuant to a written agreement is subordinate or junior in right of payment to the notes and any Indebtedness of a Subsidiary Guarantor (whether outstanding on the Issue Date or thereafter incurred) which pursuant to a written agreement is subordinate or junior in right of payment to its Note Subsidiary Guarantee.

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Subsidiary means, with respect to any specified Person:

(1) any corporation, association or other business entity (other than a partnership or limited liability company) of which more than 50% of the total voting power of shares of the Voting Stock is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (whether general or limited) or limited liability company (a) the sole general partner or managing member of which is such Person or a Subsidiary of such Person, or (b) if there are more than a single general partner or member, either (x) the only general partners or managing members of which are such Person or one or more Subsidiaries of such Person (or any combination thereof) or (y) such Person owns or controls, directly or indirectly, a majority of the outstanding general partner interests, member interests or other Voting Stock of such partnership or limited liability company, respectively.

Subsidiary Guarantors means each of:

(1) the Subsidiaries of PBFX, other than Finance Corp., executing the indenture as initial Subsidiary Guarantors;

(2) each of PBFX s Restricted Subsidiaries that becomes a guarantor of the notes pursuant to the covenant described above under Certain Covenants Additional Guarantors ; and

(3) each other Person executing a supplemental indenture in which such Person agrees to be bound by the terms of the indenture;

provided that any Person constituting a Subsidiary Guarantor as described above shall cease to constitute a Subsidiary Guarantor when its respective Subsidiary Guarantee is released in accordance with the terms of the indenture.

Synthetic Lease Obligation means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including sale and leaseback transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any bankruptcy, insolvency, reorganization or similar laws affecting creditors rights generally to such Person, would be characterized as the Indebtedness of such Person (without regard to accounting treatment).

Term Loan Collateral means Collateral as defined in the Collateralized Term Loan Credit Agreement and substantially similar assets (including cash and Cash Equivalents).

Treasury Management Arrangement means any agreement or other arrangement governing the provision of treasury or cash management services, including deposit accounts, overdraft, credit or debit cards, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

Treasury Rate means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to May 15, 2018; *provided*, *however*, that if the period from the redemption date to May 15, 2018 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

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Unrestricted Subsidiary means any Subsidiary of PBFX (other than Finance Corp. or any successor to it) that is designated by the Board of Directors of the General Partner as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) except to the extent permitted by subclause (2)(b) of the definition of Permitted Business Investments (excluding the parenthetical therein), has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by the covenant described above under the caption Certain Covenants Transactions with Affiliates, is not party to any agreement, contract, arrangement or understanding with PBFX or any Restricted Subsidiary of PBFX unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to PBFX or such Restricted Subsidiary than those that might be obtained, in light of the circumstances, at the time from Persons who are not Affiliates of PBFX;

(3) is a Person with respect to which neither PBFX nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person s financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of PBFX or any of its Restricted Subsidiaries.

All Subsidiaries of an Unrestricted Subsidiary shall be also Unrestricted Subsidiaries. Any designation of a Subsidiary of PBFX as an Unrestricted Subsidiary will be evidenced to the trustee by filing with the trustee a Board Resolution giving effect to such designation and an officers certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption Certain Covenants Restricted Payments. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of PBFX as of such date and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Certain Preferred Stock, PBFX will be in default of such covenant.

Voting Stock of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled (without regard to the occurrence of any contingency) to vote in the election of the Board of Directors of such Person.

Weighted Average Life to Maturity means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, *by* (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; *by*

(2) the then outstanding principal amount of such Indebtedness.

Book-Entry; Delivery and Form

Global Notes

In exchange for the old notes that were issued in book-entry form and are represented by global certificates held for the account of DTC, new notes will be issued in the form of one or more fully registered notes in global form, without interest coupons. Each global note will be deposited with the trustee, as custodian for DTC, and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in each global note will be limited to persons who have accounts with DTC (DTC participants) or persons who hold interests through DTC participants. We expect that under procedures established by DTC:

- upon deposit of each global note with DTC s custodian, DTC will credit portions of the principal amount of the global notes to the accounts of the DTC participants designated by the exchange agent; and

- ownership of beneficial interests in each global note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the global notes).

Beneficial interests in the global notes may not be exchanged for notes in physical, certificated form except in the limited circumstances described below.

Book-Entry Procedures for the Global Notes

All interests in the global notes will be subject to the operations and procedures of DTC, including its participants, Euroclear Bank S.A./N.V., as operator of the Euroclear System (Euroclear), and Clearstream Banking S.A. (Clearstream). We provide the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time.

Neither we nor the Trustee is responsible for those operations or procedures.

DTC has advised us that it is a limited purpose trust company created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC s participants include securities brokers and dealers, banks and trust companies, clearing corporations, and other organizations. Indirect access to DTC s system is also available to others such as banks, brokers, dealers, and trust companies. These indirect participants clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC.

So long as DTC s nominee is the registered owner of a global note, that nominee will be considered the sole owner or holder of the notes represented by that global note for all purposes under the indenture. Except as provided below, owners of beneficial interests in a global note:

- will not be entitled to have notes represented by the global note registered in their names;

- will not receive or be entitled to receive physical, certificated notes; and will not be considered the owners or holders of the notes under the indenture for any purpose, including with respect to the giving of any direction, instruction, or approval to the Trustee.

As a result, each investor who owns a beneficial interest in a global note must rely on the procedures of DTC to exercise any rights of a holder of notes under the indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through which the investor owns its interest).

Payments of principal, premium, if any, and interest with respect to the new notes represented by a global note will be made by the Trustee to DTC s nominee, as the registered holder of the global note. Neither we nor the Trustee will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a global note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising, or reviewing any records of DTC relating to those interests.

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Payments by participants and indirect participants in DTC to the owners of beneficial interests in a global note will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC s procedures and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way under the rules and operating procedures of those systems.

Cross market transfers between DTC participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected within DTC through the DTC participants that are acting as depositaries for Euroclear and Clearstream. To deliver or receive an interest in a global note held in a Euroclear or Clearstream account, an investor must send transfer instructions to Euroclear or Clearstream, as the case may be, under the rules and procedures of that system and within the established deadlines of that system. If the transaction meets its settlement requirements, Euroclear or Clearstream, as the case may be, will send instructions to its DTC depositary to take action to effect final settlement by delivering or receiving interests in the relevant global notes in DTC, and making or receiving payment under normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream participants may not deliver instructions directly to the DTC depositaries that are acting for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant that purchases an interest in a global note from a DTC participant will be credited on the business day for Euroclear or Clearstream immediately following the DTC settlement date. Cash received in Euroclear or Clearstream from the sale of an interest in a global note to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account as of the business day for Euroclear or Clearstream following the DTC settlement date.

DTC, Euroclear, and Clearstream have agreed to the above procedures to facilitate transfers of interests in the global notes among participants in those settlement systems. However, the settlement systems are not obligated to perform these procedures and may discontinue or change these procedures at any time. Neither we nor the Trustee will have any responsibility for the performance by DTC, Euroclear, or Clearstream, or their participants or indirect participants, of their obligations under the rules and procedures governing their operations.

Certificated Notes

New notes in physical, certificated form will be issued and delivered to each person that DTC identifies as a beneficial owner of the related notes only if:

- DTC notifies us at any time that it is unwilling or unable to continue as depositary for the global notes and a successor depositary is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days; or
- certain other events provided in the indenture should occur.

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INFORMATION REGARDING PBF ENERGY COMPANY LLC

PBF Energy Company LLC, the majority owner of PBFX s limited partnership interests, provides a limited guarantee of collection of the principal amount of the notes (the PBF LLC limited guarantee). PBF Energy (NYSE: PBF) is the sole managing member of PBF LLC and operates and controls all of its business and affairs. PBF LLC is a holding company for the companies that directly or indirectly own and operate PBF Energy s business. PBF Energy s sole asset is a controlling economic interest of approximately 95.0% in PBF LLC, with the remaining 5.0% of the economic interests in PBF LLC held by certain of PBF Energy s current and former executive officers and directors and certain employees and others, as of October 15, 2015. PBF Holding is a wholly-owned subsidiary of PBF LLC. PBF Finance Corporation is a wholly-owned subsidiary of PBF Holding. Delaware City Refining Company LLC, PBF Power Marketing LLC, PBF Energy Limited, Paulsboro Refining Company LLC, Paulsboro Natural Gas Pipeline Company LLC and Toledo Refining Company LLC are PBF Holding s principal operating subsidiaries and are all wholly-owned subsidiaries of PBF Holding. As of October 15, 2015, PBF LLC holds a 53.7% limited partner interest and all of the incentive distribution rights in PBFX, and wholly-owns PBF GP, the general partner of PBFX.

Unless the context otherwise requires, references in this section of the prospectus to PBF LLC, we, us, our or the Company refer to PBF Energy Company LLC and its consolidated subsidiaries, including PBF Holding and PBFX. Unless the context otherwise requires, references in this section of the prospectus to PBF Energy refer to PBF Energy Inc. and its consolidated subsidiaries.

Overview

We are one of the largest independent petroleum refiners and suppliers of unbranded transportation fuels, heating oil, petrochemical feedstocks, lubricants and other petroleum products in the United States. We sell our products throughout the Northeast and Midwest of the United States, as well as in other regions of the United States and Canada, and are able to ship products to other international destinations. We were formed in 2008 to pursue acquisitions of crude oil refineries and downstream assets in North America. We currently own and operate three domestic oil refineries and related assets, which we acquired in 2010 and 2011. Our refineries have a combined processing capacity, known as throughput, of approximately 540,000 bpd, and a weighted-average Nelson Complexity Index of 11.3. We operate in two reportable business segments: Refining and Logistics.

PBF Energy was formed on November 7, 2011 and is a holding company whose sole asset is a controlling equity interest in PBF LLC. PBF Energy is the sole managing member of PBF LLC and operates and controls all of the business and affairs of PBF LLC. PBF LLC is a holding company for the companies that directly or indirectly own and operate PBF Energy s business. PBF Holding is a wholly-owned subsidiary of PBF LLC and is the parent company for our refining operations. PBF LLC consolidates the financial results of PBFX and records a noncontrolling interest for the economic interests in PBFX held by the public common unit holders of PBFX.

As of October 15, 2015, PBF Energy owned 97,394,850 PBF LLC Series C Units and PBF Energy s current and former executive officers and directors and certain employees and others held 5,111,358 PBF LLC Series A Units (we refer to all of the holders of the PBF LLC Series A Units as the members of PBF LLC other than PBF Energy). As a result, the holders of PBF Energy s issued and outstanding shares of its Class A common stock have approximately 95.0% of the voting power in PBF Energy, and the members of PBF LLC other than PBF Energy through their holdings of Class B common stock have approximately 5.0% of the voting power in PBF Energy.

Recent Developments

Intermediation Agreements

On May 29, 2015, PBF Holding entered into amended and restated inventory intermediation agreements (the A&R Intermediation Agreements) with J. Aron & Company (J. Aron) pursuant to which certain terms of the existing inventory intermediation agreements were amended, including, among other things, pricing and an

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extension of the term for a period of two years from the original expiry date of July 1, 2015, subject to certain early termination rights. In addition, the A&R Intermediation Agreements include one-year renewal clauses by mutual consent of both parties.

Pursuant to each A&R Intermediation Agreement, J. Aron will continue to purchase and hold title to certain of the intermediate and finished products (the Products) produced by the Paulsboro and Delaware City refineries, respectively, and delivered into tanks at the refineries. Furthermore, J. Aron agrees to sell the Products back to Paulsboro Refining Company LLC and Delaware City Refining Company LLC as the Products are discharged out of the refineries tanks. J. Aron has the right to store the Products purchased in tanks under the A&R Intermediation Agreements and will retain these storage rights for the term of the agreements. PBF Holding will continue to market and sell the Products independently to third parties.

Chalmette Refinery Acquisition

On June 17, 2015, PBF Holding entered into a definitive Sale and Purchase Agreement, or the Sale and Purchase Agreement, with ExxonMobil Oil Corporation, Mobil Pipe Line Company and PDV Chalmette, L.L.C. (collectively, the Sellers), to purchase the ownership interests of Chalmette Refining, L.L.C., or Chalmette Refining, which owns the Chalmette refinery and related logistics assets (collectively, the Chalmette Acquisition). The Chalmette refinery, located outside of New Orleans, Louisiana, is a 189,000 bpd, dual-train coking refinery with a Nelson Complexity of 12.7 and is capable of processing both light and heavy crude oil. Upon completion of the Chalmette Acquisition, we will increase our total throughput capacity to over 725,000 bpd.

Chalmette Refining owns 100% of the MOEM Pipeline, providing access to the Empire Terminal, as well as the CAM Connection Pipeline, providing access to the Louisiana Offshore Oil Port facility through a third party pipeline. Chalmette Refining also owns 80% of each of the Collins Pipeline Company and T&M Terminal Company, both located in Collins, Mississippi, which provide a clean products outlet for the refinery to the Plantation and Colonial Pipelines. Also included in the acquisition are a marine terminal capable of importing waterborne feedstocks and loading or unloading finished products; a clean products truck rack which provides access to local markets; and a crude and product storage facility with approximately 7.5 million barrels of shell capacity.

The aggregate purchase price for the Chalmette Acquisition is $322.0 million in cash, plus inventory and working capital to be determined at closing. The purchase price is also subject to other customary purchase price adjustments. The Chalmette Acquisition is expected to close in November 2015, subject to satisfaction of customary closing conditions. Our obligation to consummate the Chalmette Acquisition is not conditioned upon the receipt of financing. In addition, PBF Energy has guaranteed all payment and performance obligations of PBF Holding that relate to or arise out of the Sale and Purchase Agreement related to the Chalmette Acquisition.

Torrance Refinery Acquisition

On September 29, 2015, PBF Holding entered into a definitive Sale and Purchase Agreement with ExxonMobil and Mobil Pacific Pipeline Company to purchase the Torrance refinery and related logistics assets (collectively the Torrance Acquisition). The Torrance refinery, which is situated on 750 acres in Torrance, California, is a high-conversion 155,000 bpd, delayed-coking refinery with a Nelson Complexity of 14.9 and primarily processes heavy and medium crude oils. The facility is strategically positioned in Southern California with advantaged logistics connectivity that offers flexible raw material sourcing and product distribution opportunities primarily in the California, Las Vegas and Phoenix area markets. Assuming the completion of the Chalmette Acquisition and the Torrance Acquisition, we will increase our total throughput capacity to approximately 900,000 bpd.

In addition to refining assets, the Torrance Acquisition includes a number of logistics assets including a sophisticated network of crude and products pipelines, product distribution terminals and refinery crude and product storage facilities. The most significant of the logistics assets is a 171-mile crude gathering and

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transportation system which delivers San Joaquin Valley crude oil directly from the field to the refinery. Additionally, included in the Torrance Acquisition are several pipelines which provide access to sources of crude oil including the Ports of Long Beach and Los Angeles, as well as clean product outlets with a direct pipeline supplying jet fuel to the Los Angeles airport. The refinery also has crude and product storage facilities with approximately 8.6 million barrels of shell capacity.

The purchase price for the assets is $537.5 million plus inventory and working capital to be valued at closing. The purchase price is also subject to other customary purchase price adjustments. The Torrance Acquisition is expected to close no earlier than the second quarter of 2016, subject to satisfaction of customary closing conditions. Additionally, as a condition of the closing, the Torrance refinery is to be restored to full working order with respect to the event that occurred on February 18, 2015 resulting in damage to the electrostatic precipitator and related systems and shall have operated as required under the acquisition agreement for a period of at least fifteen days after such restoration. We expect to finance the transaction with a combination of cash on hand, debt and equity. In addition, PBF Energy has guaranteed all payment and performance obligations of PBF Holding that relate to or arise out of the Sale and Purchase Agreement related to the Torrance Acquisition.

October 2015 Equity Offering

On October 13, 2015, PBF Energy completed a public offering of an aggregate of 11,500,000 shares of Class A common stock, including 1,500,000 shares of Class A common stock that was sold pursuant to the exercise of an over-allotment option, for net proceeds of $344.0 million, after deducting underwriting discounts and commissions and other offering expenses (the October 2015 Equity Offering). In conjunction with the October 2015 Equity Offering, PBF Energy purchased an aggregate of 11,500,000 PBF LLC Series C Units. We intend to use the proceeds to fund a portion of the purchase price for the Torrance Acquisition. However, subject to the timing of the closing of the Torrance Acquisition, we may use the net proceeds of the October 2015 Equity Offering to pay down indebtedness incurred to fund the Chalmette Acquisition (or for capital in lieu of indebtedness we might otherwise borrow).

As a result of the October 2015 Equity Offering, PBF Energy now owns 97,394,850 PBF LLC Series C Units and PBF Energy s executive officers and directors and certain employees beneficially own 5,111,358 PBF LLC Series A Units, and the holders of PBF Energy s issued and outstanding shares of Class A common stock have 95.0% of the voting power in PBF Energy and the members of PBF LLC other than PBF Energy through their holdings of Class B common stock have the remaining 5.0% of the voting power in PBF Energy.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS OF PBF LLC

Certain statements and information in and incorporated by reference into this prospectus may constitute forward-looking statements. You can identify forward-looking statements because they contain words such as believes, expects, may, should, seeks, approximately, intends, plans, estimates, or anticipates or s that relate to our strategy, plans or intentions. All statements we make relating to our estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results or to our expectations regarding future industry trends are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results.

Important factors that could cause actual results to differ materially from our expectations, which we refer to as cautionary statements, are disclosed in this prospectus. All forward-looking information in this prospectus

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and subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our results include:

supply, demand, prices and other market conditions for our products, including volatility in commodity prices;

the effects of competition in our markets;

changes in currency exchange rates, interest rates and capital costs;

adverse developments in our relationship with both our key employees and unionized employees;

our ability to operate our businesses efficiently, manage capital expenditures and costs (including general and administrative expenses) and generate earnings and cash flow;

our substantial indebtedness;

our supply and inventory intermediation arrangements expose us to counterparty credit and performance risk;

termination of our Inventory Intermediation Agreements with J. Aron could have a material adverse effect on our liquidity, as we would be required to finance our intermediate and refined products inventory covered by the agreements. Additionally, we are obligated to repurchase from J. Aron certain intermediates and finished products located at the Paulsboro and Delaware City refineries storage tanks upon termination of these agreements;

restrictive covenants in our indebtedness that may adversely affect our operational flexibility;

payments to the current and former holders of PBF LLC Series A Units and PBF LLC Series B Units under the tax receivable agreement for certain tax benefits PBF Energy may claim;

our assumptions regarding payments arising under the tax receivable agreement and other arrangements relating to our organizational structure are subject to change due to various factors, including, among other factors, the timing of exchanges of PBF LLC Series A Units for shares of PBF Energy s Class A common stock as contemplated by the tax receivable agreement, the price of PBF Energy s Class A common stock at the time of such exchanges, the extent to which such exchanges are taxable, and the amount and timing of our income;

our expectations and timing with respect to our acquisition activity and whether such acquisitions are accretive or dilutive to PBF Energy s shareholders;

our expectations and timing with respect to our capital improvement and turnaround projects;

the status of an air permit to transfer crude through the Delaware City refinery s dock;

the impact of disruptions to crude or feedstock supply to any of our refineries, including disruptions due to problems at PBFX or with third party logistics infrastructure or operations, including pipeline, marine and rail transportation;

the possibility that we might reduce or not make further dividend payments;

the inability of our subsidiaries to freely pay dividends or make distributions to us;

the impact of current and future laws, rulings and governmental regulations, including the implementation of rules and regulations regarding transportation of crude oil by rail;

adverse impacts related to any change by the federal government in the restrictions on exporting U.S. crude oil including relaxing limitations on the export of certain types of crude oil or condensates or the lifting of the restrictions entirely;

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market risks related to the volatility in the price of Renewable Identification Numbers (RINS) required to comply with the Renewable Fuel Standards;

adverse impacts from changes in our regulatory environment or actions taken by environmental interest groups;

our ability to consummate the pending acquisitions, the timing for the closing of such acquisitions and our plans for financing such acquisitions;

our ability to complete the successful integration of the pending acquisitions into our business and to realize the benefits from such acquisitions;

unforeseen liabilities associated with the pending acquisitions;

the costs of PBF Energy being a public company, including Sarbanes-Oxley Act compliance;

risk associated with the operation of PBFX as a separate, publicly-traded entity;

potential tax consequences related to our investment in PBFX; and

receipt of regulatory approvals and compliance with contractual obligations required in connection with PBFX.

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this prospectus may not in fact occur. Accordingly, investors should not place undue reliance on those statements.

Our forward-looking statements speak only as of the date of this prospectus or as of the date which they are made. Except as required by applicable law, including the securities laws of the United States, we undertake no obligation to update or revise any forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing.

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RISK FACTORS RELATING TO PBF LLC

You should carefully read the risks and uncertainties described below. The risks and uncertainties described below are not the only ones facing our company. Additional risks and uncertainties may also impair our business operations. If any of the following risks actually occur, our business, financial condition, results of operations or cash flows would likely suffer.

Risks Relating to Our Business and Industry

The price volatility of crude oil, other feedstocks, blendstocks, refined products and fuel and utility services may have a material adverse effect on our revenues, profitability, cash flows and liquidity.

Our revenues, profitability, cash flows and liquidity from operations depend primarily on the margin above operating expenses (including the cost of refinery feedstocks, such as crude oil, intermediate partially refined petroleum products, and natural gas liquids that are processed and blended into refined products) at which we are able to sell refined products. Refining is primarily a margin-based business and, to increase profitability, it is important to maximize the yields of high value finished products while minimizing the costs of feedstock and operating expenses. When the margin between refined product prices and crude oil and other feedstock costs contracts, our earnings, profitability and cash flows are negatively affected. Refining margins historically have been volatile, and are likely to continue to be volatile, as a result of a variety of factors, including fluctuations in the prices of crude oil, other feedstocks, refined products and fuel and utility services. An increase or decrease in the price of crude oil will likely result in a similar increase or decrease in prices for refined products; however, there may be a time lag in the realization, or no such realization, of the similar increase or decrease in prices for refined products. The effect of changes in crude oil prices on our refining margins therefore depends in part on how quickly and how fully refined product prices adjust to reflect these changes.

In addition, the nature of our business requires us to maintain substantial crude oil, feedstock and refined product inventories. Because crude oil, feedstock and refined products are commodities, we have no control over the changing market value of these inventories. Our crude oil, feedstock and refined product inventories are valued at the lower of cost or market value under the last-in-first-out (LIFO) inventory valuation methodology. If the market value of our crude oil, feedstock and refined product inventory declines to an amount less than our LIFO cost, we would record a write-down of inventory and a non-cash charge to cost of sales. For example, in the fourth quarter of 2014, the Company recorded a non-cash, pre-tax LCM adjustment of $690.1 million to value its inventories to net realizable market values. The effect of this adjustment decreased operating income and net income by $690.1 million for the year ended December 31, 2014.

Prices of crude oil, other feedstocks, blendstocks, and refined products depend on numerous factors beyond our control, including the supply of and demand for crude oil, other feedstocks, gasoline, diesel, ethanol, asphalt and other refined products. Such supply and demand are affected by a variety of economic, market, environmental and political conditions.

Our direct operating expense structure also impacts our profitability. Our major direct operating expenses include employee and contract labor, maintenance and energy. Our predominant variable direct operating cost is energy, which is comprised primarily of fuel and other utility services. The volatility in costs of fuel, principally natural gas, and other utility services, principally electricity, used by our refineries and other operations affect our operating costs. Fuel and utility prices have been, and will continue to be, affected by factors outside our control, such as supply and demand for fuel and utility services in both local and regional markets. Natural gas prices have historically been volatile and, typically, electricity prices fluctuate with natural gas prices. Future increases in fuel and utility prices may have a negative effect on our refining margins, profitability and cash flows.

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Our profitability is affected by crude oil differentials, which fluctuate substantially.

A significant portion of our profitability is derived from the ability to purchase and process crude oil feedstocks that historically have been cheaper than benchmark crude oils, such as the heavy, sour crude oils processed at our Delaware City and Paulsboro refineries and the WTI-based crude oils processed at our Toledo refinery and delivered by rail to our East Coast refineries. These crude oil differentials vary significantly from quarter to quarter depending on overall economic conditions and trends and conditions within the markets for crude oil and refined products. Any change in these crude oil differentials may have an impact on our earnings. Our rail investment and strategy to acquire cost advantaged Mid-Continent and Canadian crude, which are priced based on WTI, could be adversely affected when the Dated Brent/WTI or related differential narrows. For example, the WTI/WCS differential, a proxy for the difference between light U.S. and heavy Canadian crudes, has decreased from $24.62 per barrel in 2013 to $19.45 per barrel for the year ended December 31, 2014, however, this decrease may not be indicative of the differential going forward. Moreover, a further narrowing of the light-heavy differential may reduce our refining margins and adversely affect our profitability and earnings. In addition, while our Toledo refinery benefits from a widening of the Dated Brent/WTI differential, a narrowing of this differential may result in our Toledo refinery losing a portion of its crude price advantage over certain of our competitors, which negatively impacts our profitability. This applies as well to our East Coast strategy of delivering crude by rail. Divergent views have been expressed as to the expected magnitude of changes to these crude differentials in future periods. Any further or continued narrowing of these differentials could have a material adverse effect on our business and profitability.

Our recent historical earnings have been concentrated and may continue to be concentrated in the future.

Our three refineries have similar throughput capacity, however, favorable market conditions due to, among other things, geographic location, crude and refined product slates, and customer demand, may cause an individual refinery to contribute more significantly to our earnings than others for a period of time. For example, our Toledo, Ohio refinery in the past has produced a substantial portion of our earnings. As a result, if there were a significant disruption to operations at this refinery, our earnings could be materially adversely affected (to the extent not recoverable through insurance) disproportionately to Toledo s portion of our consolidated throughput. The Toledo refinery, or one of our other refineries, may continue to disproportionately affect our results of operations in the future. Any prolonged disruption to the operations of such refinery, whether due to labor difficulties, destruction of or damage to such facilities, severe weather conditions, interruption of utilities service or other reasons, could have a material adverse effect on our business, results of operations or financial condition.

A significant interruption or casualty loss at any of our refineries and related assets could reduce our production, particularly if not fully covered by our insurance. Failure by one or more insurers to honor its coverage commitments for an insured event could materially and adversely affect our future cash flows, operating results and financial condition.

Our business currently consists of owning and operating three refineries and related assets. As a result, our operations could be subject to significant interruption if any of our refineries were to experience a major accident, be damaged by severe weather or other natural disaster, or otherwise be forced to shut down or curtail production due to unforeseen events, such as acts of God, nature, orders of governmental authorities, supply chain disruptions impacting our crude rail facilities or other logistical assets, power outages, acts of terrorism, fires, toxic emissions and maritime hazards. Any such shutdown or disruption would reduce the production from that refinery. There is also risk of mechanical failure and equipment shutdowns both in general and following unforeseen events. Further, in such situations, undamaged refinery processing units may be dependent on or interact with damaged sections of our refineries and, accordingly, are also subject to being shut down. In the event any of our refineries is forced to shut down for a significant period of time, it would have a material adverse effect on our earnings, our other results of operations and our financial condition as a whole.

As protection against these hazards, we maintain insurance coverage against some, but not all, such potential losses and liabilities. We may not be able to maintain or obtain insurance of the type and amount we desire at reasonable rates. As a result of market conditions, premiums and deductibles for certain of our insurance policies may increase substantially. In some instances, certain insurance could become unavailable or available only for reduced amounts of coverage. For example, coverage for hurricane damage can be limited, and coverage for terrorism risks can include broad exclusions. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our financial position.

Our insurance program includes a number of insurance carriers. Significant disruptions in financial markets could lead to a deterioration in the financial condition of many financial institutions, including insurance companies and, therefore, we may not be able to obtain the full amount of our insurance coverage for insured events.

Our refineries are subject to interruptions of supply and distribution as a result of our reliance on pipelines and railroads for transportation of crude oil and refined products.

Over the past few years, we expanded and upgraded existing on-site railroad infrastructure at our Delaware City refinery, which significantly increased our capacity to unload crude by rail. Currently, the majority of the crude delivered to this facility is consumed at our Delaware City refinery, although we also transport some of the crude delivered by rail from Delaware City via barge to our Paulsboro refinery. The Delaware City rail unloading facilities allow our East Coast refineries to source WTI-based crudes from Western Canada and the Mid-Continent, which can provide significant cost advantages versus traditional Brent-based international crudes. Any disruptions or restrictions to our supply of crude by rail due to problems with third party logistics infrastructure or operations or as a result of increased regulations, could increase our crude costs and negatively impact our results of operations and cash flows.

Our Toledo refinery receives a substantial portion of its crude oil and delivers a portion of its refined products through pipelines. The Enbridge system is our primary supply route for crude oil from Canada, the Bakken region and Michigan, and supplies approximately 55% to 65% of the crude oil used at our Toledo refinery. In addition, we source domestic crude oil through our connections to the Capline and Mid-Valley pipelines. We also distribute a portion of our transportation fuels through pipelines owned and operated by Sunoco Logistics Partners L.P. and Buckeye Partners L.P. We could experience an interruption of supply or delivery, or an increased cost of receiving crude oil and delivering refined products to market, if the ability of these pipelines to transport crude oil or refined products is disrupted because of accidents, weather interruptions, governmental regulation, terrorism, other third party action or casualty or other events.

In addition, due to the common carrier regulatory obligation applicable to interstate oil pipelines, capacity is prorated among shippers in accordance with the tariff then in effect in the event there are nominations in excess of capacity. Therefore, nominations by new shippers or increased nominations by existing shippers may reduce the capacity available to us. Any prolonged interruption in the operation or curtailment of available capacity of the pipelines that we rely upon for transportation of crude oil and refined products could have a further material adverse effect on our business, financial condition, results of operations and cash flows.

We may have capital needs for which our internally generated cash flows and other sources of liquidity may not be adequate.

If we cannot generate sufficient cash flows or otherwise secure sufficient liquidity to support our short-term and long-term capital requirements, we may not be able to meet our payment obligations or our future debt obligations, comply with certain deadlines related to environmental regulations and standards, or pursue our business strategies, including acquisitions, in which case our operations may not perform as we currently expect. We have substantial short-term capital needs and may have substantial long term capital needs. Our short-term working capital needs are primarily related to financing certain of our refined products inventory not covered by our various supply and Inventory Intermediation Agreements. We terminated our supply agreement with Statoil for our Paulsboro refinery effective March 31, 2013 and our MSCG offtake agreements for our Paulsboro and Delaware City refineries effective July 1, 2013. Concurrent with the termination of our MSCG offtake agreements, we entered into Inventory Intermediation Agreements with J. Aron at our Paulsboro and Delaware City refineries. Pursuant to the Inventory Intermediation Agreements, J. Aron purchases and holds title to certain of the intermediate and finished products produced by the Delaware City and Paulsboro refineries and delivered into the tanks at the refineries (or at other locations outside of the refineries as agreed upon by both parties). Furthermore, J. Aron agrees to sell the intermediate and finished products back to us as they are discharged out of the refineries tanks (or other locations outside of the refineries as agreed upon by both parties). We market and sell the finished products independently to third parties.

If we cannot adequately handle our crude oil and feedstock requirements or if we are required to obtain our crude oil supply at our other refineries without the benefit of the existing supply arrangements or the applicable counterparty defaults in its obligations, our crude oil pricing costs may increase as the number of days between when we pay for the crude oil and when the crude oil is delivered to us increases. Termination of our Inventory Intermediation Agreements with J. Aron would require us to finance our refined products inventory covered by the agreements at terms that may not be as favorable. Additionally, we are obligated to repurchase from J. Aron all volumes of products located at the refineries storage tanks (or at other locations outside of the refineries as agreed upon by both parties) upon termination of these agreements, which may have a material adverse impact on our working capital and financial condition. Further, if we are not able to market and sell our finished products to credit worthy customers, we may be subject to delays in the collection of our accounts receivable and exposure to additional credit risk. Such increased exposure could negatively impact our liquidity due to our increased working capital needs as a result of the increase in the amount of crude oil inventory and accounts receivable we would have to carry on our balance sheet. Our long-term needs for cash include those to support ongoing capital expenditures for equipment maintenance and upgrades during turnarounds at our refineries and to complete our routine and normally scheduled maintenance, regulatory and security expenditures.

In addition, from time to time, we are required to spend significant amounts for repairs when one or more processing units experiences temporary shutdowns. We continue to utilize significant capital to upgrade equipment, improve facilities, and reduce operational, safety and environmental risks. In connection with the Paulsboro acquisition, we assumed certain significant environmental obligations, and may similarly do so in future acquisitions. We will likely incur substantial compliance costs in connection with new or changing environmental, health and safety regulations. See Management s Discussion and Analysis of Financial Condition and Results of Operations of PBF LLC below. Our liquidity condition will affect our ability to satisfy any and all of these needs or obligations.

We may not be able to obtain funding on acceptable terms or at all because of volatility and uncertainty in the credit and capital markets. This may hinder or prevent us from meeting our future capital needs.

Global financial markets and economic conditions have been, and may continue to be, subject to disruption and volatile due to a variety of factors, including uncertainty in the financial services sector, low consumer confidence, continued high unemployment, geopolitical issues and the current weak economic conditions. In addition, the fixed income markets have experienced periods of extreme volatility that have negatively impacted market liquidity conditions. As a result, the cost of raising money in the debt and equity capital markets has increased substantially at times while the availability of funds from those markets diminished significantly. In particular, as a result of concerns about the stability of financial markets generally and the solvency of lending counterparties specifically, the cost of obtaining money from the credit markets may increase as many lenders and institutional investors increase interest rates, enact tighter lending standards, refuse to refinance existing debt on similar terms or at all and reduce or, in some cases, cease to provide funding to borrowers. Due to these factors, we cannot be certain that new debt or equity financing will be available on acceptable terms. If funding is not available when needed, or is available only on unfavorable terms, we may be unable to meet our obligations as they come due. Moreover, without adequate funding, we may be unable to execute our growth strategy, complete future acquisitions, take advantage of other business opportunities or respond to competitive pressures, any of which could have a material adverse effect on our revenues and results of operations.

Competition from companies who produce their own supply of feedstocks, have extensive retail outlets, make alternative fuels or have greater financial and other resources than we do could materially and adversely affect our business and results of operations.

Our refining operations compete with domestic refiners and marketers in regions of the United States in which we operate, as well as with domestic refiners in other regions and foreign refiners that import products into the United States. In addition, we compete with other refiners, producers and marketers in other industries that supply their own renewable fuels or alternative forms of energy and fuels to satisfy the requirements of our industrial, commercial and individual consumers. Certain of our competitors have larger and more complex refineries, and may be able to realize lower per-barrel costs or higher margins per barrel of throughput. Several of our principal competitors are integrated national or international oil companies that are larger and have substantially greater resources than we do and access to proprietary sources of controlled crude oil production. Unlike these competitors, we obtain substantially all of our feedstocks from unaffiliated sources. We are not engaged in the petroleum exploration and production business and therefore do not produce any of our crude oil feedstocks. We do not have a retail business and therefore are dependent upon others for outlets for our refined products. Because of their integrated operations and larger capitalization, these companies may be more flexible in responding to volatile industry or market conditions, such as shortages of crude oil supply and other feedstocks or intense price fluctuations.

Newer or upgraded refineries will often be more efficient than our refineries, which may put us at a competitive disadvantage. We have taken significant measures to maintain our refineries including the installation of new equipment and redesigning older equipment to improve our operations. However, these actions involve significant uncertainties, since upgraded equipment may not perform at expected throughput levels, the yield and product quality of new equipment may differ from design specifications and modifications may be needed to correct equipment that does not perform as expected. Any of these risks associated with new equipment, redesigned older equipment or repaired equipment could lead to lower revenues or higher costs or otherwise have an adverse effect on future results of operations and financial condition. Over time, our refineries may become obsolete, or be unable to compete, because of the construction of new, more efficient facilities by our competitors.

Any political instability, military strikes, sustained military campaigns, terrorist activity, or changes in foreign policy could have a material adverse effect on our business, results of operations and financial condition.

Any political instability, military strikes, sustained military campaigns, terrorist activity, or changes in foreign policy in areas or regions of the world where we acquire crude oil and other raw materials or sell our refined petroleum products may affect our business in unpredictable ways, including forcing us to increase security measures and causing disruptions of supplies and distribution markets. We may also be subject to United States trade and economic sanctions laws, which change frequently as a result of foreign policy developments, and which may necessitate changes to our crude oil acquisition activities. Further, like other industrial companies, our facilities may be the target of terrorist activities. Any act of war or terrorism that resulted in damage to any of our refineries or third-party facilities upon which we are dependent for our business operations could have a material adverse effect on our business, results of operations and financial condition.

Economic turmoil in the global financial system has had and may in the future have an adverse impact on the refining industry.

Our business and profitability are affected by the overall level of demand for our products, which in turn is affected by factors such as overall levels of economic activity and business and consumer confidence and

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spending. Declines in global economic activity and consumer and business confidence and spending during the recent global downturn significantly reduced the level of demand for our products. Reduced demand for our products has had and may continue to have an adverse impact on our business, financial condition, results of operations and cash flows. In addition, downturns in the economy impact the demand for refined fuels and, in turn, result in excess refining capacity. Refining margins are impacted by changes in domestic and global refining capacity, as increases in refining capacity can adversely impact refining margins, earnings and cash flows.

Our business is indirectly exposed to risks faced by our suppliers, customers and other business partners. The impact on these constituencies of the risks posed by economic turmoil in the global financial system have included or could include interruptions or delays in the performance by counterparties to our contracts, reductions and delays in customer purchases, delays in or the inability of customers to obtain financing to purchase our products and the inability of customers to pay for our products. Any of these events may have an adverse impact on our business, financial condition, results of operations and cash flows.

The geographic concentration of our East Coast refineries creates a significant exposure to the risks of the local economy and other local adverse conditions.

Our East Coast refineries are both located in the mid-Atlantic region on the East Coast and therefore are vulnerable to economic downturns in that region. These refineries are located within a relatively limited geographic area and we primarily market our refined products in that area. As a result, we are more susceptible to regional conditions than the operations of more geographically diversified competitors and any unforeseen events or circumstances that affect the area could also materially adversely affect our revenues and profitability. These factors include, among other things, changes in the economy, damages to infrastructure, weather conditions, demographics and population.

We must make substantial capital expenditures on our operating facilities to maintain their reliability and efficiency. If we are unable to complete capital projects at their expected costs and/or in a timely manner, or if the market conditions assumed in our project economics deteriorate, our financial condition, results of operations or cash flows could be materially and adversely affected.

Delays or cost increases related to capital spending programs involving engineering, procurement and construction of new facilities (or improvements and repairs to our existing facilities and equipment) could adversely affect our ability to achieve targeted internal rates of return and operating results. Such delays or cost increases may arise as a result of unpredictable factors in the marketplace, many of which are beyond our control, including:

- denial or delay in obtaining regulatory approvals and/or permits;
- unplanned increases in the cost of construction materials or labor;
- disruptions in transportation of modular components and/or construction materials;
- severe adverse weather conditions, natural disasters or other events (such as equipment malfunctions, explosions, fires or spills) affecting our facilities, or those of vendors and 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; and/or

- non-performance or force majeure by, or disputes with, vendors, suppliers, contractors or sub-contractors involved with a project.

Our refineries contain many processing units, a number of which have been in operation for many years. Equipment, even if properly maintained, may require significant capital expenditures and expenses to keep it

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operating at optimum efficiency. One or more of the units may require unscheduled downtime for unanticipated maintenance or repairs that are more frequent than our scheduled turnarounds for such units. Scheduled and unscheduled maintenance could reduce our revenues during the period of time that the units are not operating.

Our forecasted internal rates of return are also based upon our projections of future market fundamentals, which are not within our control, including changes in general economic conditions, available alternative supply and customer demand. Any one or more of these factors could have a significant impact on our business. 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 financial position, results of operations or cash flows.

Our pending Chalmette Acquisition and/or Torrance Acquisition may not close when we expect, or at all.

The consummation of both the Chalmette Acquisition and the Torrance Acquisition is subject to satisfaction of customary closing conditions. If these conditions are not satisfied or waived with respect to either acquisition, that acquisition will not be consummated. Additionally, as a condition of the closing of the Torrance Acquisition, the Torrance refinery is to be restored to full working order with respect to the event that occurred on February 18, 2015 resulting in damage to the electrostatic precipitator and related systems and shall have operated as required under the acquisition agreement for a period of at least fifteen days after such restoration. The Torrance refinery s ability to restart its FCC unit and thus return to full operation is contingent upon review and approval by the California Division of Occupational Safety and Health (Cal/OSHA). There is no certainty regarding the timing of the approval to restart Torrance s FCC unit or that such approval will be granted at all by Cal/OSHA, which ultimately may affect the timing and/or our ability to close the Torrance Acquisition. There can be no assurance that we will complete the Chalmette Acquisition or the Torrance Acquisition on the timeframes that we anticipate or under the terms set forth in the respective purchase agreements, or at all. Failure to complete the Chalmette Acquisition and/or Torrance Acquisition or any delays in completing the acquisitions could have an adverse impact on our future business and operations. In addition, we will have incurred significant acquisition-related expenses without realizing the expected benefits.

We may not be able to successfully integrate the Chalmette Refinery or the Torrance Refinery into our business, or realize the anticipated benefits of these pending acquisitions.

If the Chalmette Acquisition and Torrance Acquisition are completed, the integration of these businesses into our operations may be a complex and time-consuming process that may not be successful. We currently have no operations in the Gulf Coast or the West Coast, and this may add complexity to effectively overseeing, integrating and operating these refineries and related assets. Even if we successfully integrate these businesses into our operations, there can be no assurance that we will realize the anticipated benefits and operating synergies. Our estimates regarding the earnings, operating cash flow, capital expenditures and liabilities resulting from these pending acquisitions may prove to be incorrect. These acquisitions involve risks, including:

- unexpected losses of key employees, customers and suppliers of the acquired operations;

- challenges in managing the increased scope, geographic diversity and complexity of our operations;

- diversion of management time and attention from our existing business;

liability for known or unknown environmental conditions or other contingent liabilities and greater than anticipated expenditures required for compliance with environmental, safety or other regulatory standards or for investments to improve operating results; and

the incurrence of additional indebtedness to finance acquisitions or capital expenditures relating to acquired assets.

We will be required to incur additional consolidated indebtedness to finance the pending acquisitions. The increased indebtedness may have the effect, among other things, of reducing our flexibility to respond to

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changing business and economic conditions and increasing borrowing costs. The failure to successfully acquire and/or integrate either or both of the pending acquisitions could adversely impact our future business and operations.

In connection with our pending acquisitions, we did not at the time we entered into the respective definitive agreements have access to the type of historical financial information that we will require regarding the prior operation of the refineries. As a result, it may be difficult for investors to evaluate the probable impact of these significant acquisitions on our financial performance until we have operated the acquired refineries for a substantial period of time.

We will be entering into transition services agreements with the sellers of our pending acquisitions. Such services may not be performed timely and effectively, and any significant disruption in such transition services or unanticipated costs related to such services could adversely affect our business and results of operations.

We have not included historical financial statements for Torrance or pro forma financial statements giving effect to the Torrance Acquisition in this prospectus.

The Chalmette Acquisition and the Torrance Acquisition are each probable acquisitions which are individually insignificant, but significant in the aggregate. Accordingly, this prospectus includes (a) the historical financial statements of Chalmette Refining and (b) the unaudited pro forma consolidated financial statements, which constitute financial statements for the mathematical majority of the total assets to be acquired of individually insignificant probable acquisitions for the most recent fiscal year and the latest interim period preceding such probable acquisitions. Therefore, this prospectus does not include historical financial statements of Torrance and the unaudited pro forma consolidated financial statements do not include the impact of the Torrance Acquisition announced on September 30, 2015 because such acquisition is individually insignificant and less significant than the Chalmette Acquisition. As a result, investors do not have financial information regarding Torrance to consider which, if such information was available, may have been important to an investment decision.

Acquisitions that we may undertake in the future involve a number of risks, any of which could cause us not to realize the anticipated benefits.

We may not be successful in acquiring additional assets, and any acquisitions that we do consummate may not produce the anticipated benefits or may have adverse effects on our business and operating results. We may selectively consider strategic acquisitions in the future within the refining and mid-stream sector based on performance through the cycle, advantageous access to crude oil supplies, attractive refined products market fundamentals and access to distribution and logistics infrastructure. Our ability to do so will be dependent upon a number of factors, including our ability to identify acceptable acquisition candidates, consummate acquisitions on acceptable terms, successfully integrate acquired assets and obtain financing to fund acquisitions and to support our growth and many other factors beyond our control. Risks associated with acquisitions include those relating to the diversion of management time and attention from our existing business, liability for known or unknown environmental conditions or other contingent liabilities and greater than anticipated expenditures required for compliance with environmental, safety or other regulatory standards or for investments to improve operating results, and the incurrence of additional indebtedness to finance acquisitions or capital expenditures relating to acquired assets. We may also enter into transition services agreements in the future with sellers of any additional refineries we acquire. Such services may not be performed timely and effectively, and any significant disruption in such transition services or unanticipated costs related to such services could adversely affect our business and results of operations. In addition, it is likely that, when we acquire refineries, we will not have access to the type of historical financial information that we will require regarding the prior operation of the refineries. As a result, it may be difficult for investors to evaluate the probable impact of significant acquisitions on our financial performance until we have operated the acquired refineries for a substantial period of time.

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Our business may suffer if any of our senior executives or other key employees discontinues employment with us. Furthermore, a shortage of skilled labor or disruptions in our labor force may make it difficult for us to maintain labor productivity.

Our future success depends to a large extent on the services of our senior executives and other key employees. Our business depends on our continuing ability to recruit, train and retain highly qualified employees in all areas of our operations, including engineering, accounting, business operations, finance and other key back-office and mid-office personnel. Furthermore, our operations require skilled and experienced employees with proficiency in multiple tasks. The competition for these employees is intense, and the loss of these executives or employees could harm our business. If any of these executives or other key personnel resigns or becomes unable to continue in his or her present role and is not adequately replaced, our business operations could be materially adversely affected.

A portion of our workforce is unionized, and we may face labor disruptions that would interfere with our operations.

At Delaware City and Toledo, most hourly employees are covered by a collective bargaining agreement through the United Steel Workers (USW). While the contracts at these sites were scheduled to expire in February 2015, the Company successfully negotiated early settlements at both locations through February 2018. Similarly, at Paulsboro hourly employees are represented by the Independent Oil Workers (IOW) and while this contract was scheduled to expire in March 2015, the Company also negotiated an early settlement with the IOW to expire in March 2018. Future negotiations after 2018 may result in labor unrest for which a strike or work stoppage is possible. Strikes and/or work stoppages could negatively affect our operational and financial results and may increase operating expenses at the refineries.

Our hedging activities may limit our potential gains, exacerbate potential losses and involve other risks.

We may enter into commodity derivatives contracts to hedge our crude price risk or crack spread risk with respect to a portion of our expected gasoline and distillate production on a rolling basis. Consistent with that policy we or Statoil at our request, may hedge some percentage of future crude supply. We may enter into hedging arrangements with the intent to secure a minimum fixed cash flow stream on the volume of products hedged during the hedge term and to protect against volatility in commodity prices. Our hedging arrangements may fail to fully achieve these objectives for a variety of reasons, including our failure to have adequate hedging arrangements, if any, in effect at any particular time and the failure of our hedging arrangements to produce the anticipated results. We may not be able to procure adequate hedging arrangements due to a variety of factors. Moreover, such transactions may limit our ability to benefit from favorable changes in crude oil and refined product prices. In addition, our hedging activities may expose us to the risk of financial loss in certain circumstances, including instances in which:

- the volumes of our actual use of crude oil or production of the applicable refined products is less than the volumes subject to the hedging arrangement;

- accidents, interruptions in feedstock transportation, inclement weather or other events cause unscheduled shutdowns or otherwise adversely affect our refineries, or those of our suppliers or customers;

- changes in commodity prices have a material impact on collateral and margin requirements under our hedging arrangements, resulting in us being subject to margin calls;
- the counterparties to our futures contracts fail to perform under the contracts; or
- a sudden, unexpected event materially impacts the commodity or crack spread subject to the hedging arrangement.

As a result, the effectiveness of our hedging strategy could have a material impact on our financial results. See Management s Discussion and Analysis of Financial Condition and Results of Operations of PBF LLC Quantitative and Qualitative Disclosures About Market Risk in this section of the prospectus.

In addition, these hedging activities involve basis risk. Basis risk in a hedging arrangement occurs when the price of the commodity we hedge is more or less variable than the index upon which the hedged commodity is based, thereby making the hedge less effective. For example, a NYMEX index used for hedging certain volumes of our crude oil or refined products may have more or less variability than the cost or price for such crude oil or refined products. We may not hedge the basis risk inherent in our hedging arrangements and derivative contracts.

Our commodity derivative activities could result in period-to-period earnings volatility.

We do not apply hedge accounting to all of our commodity derivative contracts and, as a result, unrealized gains and losses will be charged to our earnings based on the increase or decrease in the market value of such unsettled positions. These gains and losses may be reflected in our income statement in periods that differ from when the underlying hedged items (i.e., gross margins) are reflected in our income statement. Such derivative gains or losses in earnings may produce significant period-to-period earnings volatility that is not necessarily reflective of our underlying operational performance.

The adoption of derivatives legislation by the United States Congress could have an adverse effect on our ability to use derivatives contracts to reduce the effect of commodity price, interest rate and other risks associated with our business.

The United States Congress in 2010 adopted the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, which, among other things, established federal oversight and regulation of the over-the-counter derivatives market and entities that participate in that market. In connection with the Dodd-Frank Act, the Commodity Futures Trading Commission, or the CFTC, has proposed rules to set position limits for certain futures and option contracts, and for swaps that are their economic equivalent, in the major energy markets. The legislation may also require us to comply with margin requirements, and with certain clearing and trade-execution requirements if we do not satisfy certain specific exceptions. The legislation may also require the counterparties to our derivatives contracts to transfer or assign some of their derivatives contracts to a separate entity, which may not be as creditworthy as the current counterparty. The legislation and any new regulations could significantly increase the cost of derivatives contracts (including through requirements to post collateral), materially alter the terms of derivatives contracts, reduce the availability of derivatives to protect against risks we encounter, reduce our ability to monetize or restructure our existing derivatives contracts, and increase our exposure to less creditworthy counterparties. If we reduce our use of derivatives as a result of the legislation and regulations, our results of operations may become more volatile and our cash flows may be less predictable, which could adversely affect our ability to plan for and fund capital expenditures. Any of these consequences could have a material adverse effect on us, our financial condition and our results of operations.

Our operations could be disrupted if our critical information systems are hacked or fail, causing increased expenses and loss of sales.

Our business is highly dependent on financial, accounting and other data processing systems and other communications and information systems, including our enterprise resource planning tools. We process a large number of transactions on a daily basis and rely upon the proper functioning of computer systems. If a key system was hacked or otherwise interfered with by an unauthorized access, or was to fail or experience unscheduled downtime for any reason, even if only for a short period, our operations and financial results could be affected adversely. Our systems could be damaged or interrupted by a security breach, cyber-attack, fire, flood, power loss, telecommunications failure or similar event. We have a formal disaster recovery plan in place, but this plan may not prevent delays or other complications that could arise from an information systems failure. Further, our business interruption insurance may not compensate us adequately for losses that may occur. Finally, federal legislation relating to cyber-security threats could impose additional requirements on our operations.

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Product liability claims and litigation could adversely affect our business and results of operations.

Product liability is a significant commercial risk. Substantial damage awards have been made in certain jurisdictions against manufacturers and resellers based upon claims for injuries and property damage caused by the use of or exposure to various products. Failure of our products to meet required specifications or claims that a product is inherently defective could result in product liability claims from our shippers and customers, and also arise from contaminated or off-specification product in commingled pipelines and storage tanks and/or defective fuels. Product liability claims against us could have a material adverse effect on our business or results of operations.

We may incur significant liability under, or costs and capital expenditures to comply with, environmental and health and safety regulations, which are complex and change frequently.

Our operations are subject to federal, state and local laws regulating, among other things, the handling of petroleum and other regulated materials, the emission and discharge of materials into the environment, waste management, and remediation of discharges of petroleum and petroleum products, characteristics and composition of gasoline and distillates and other matters otherwise relating to the protection of the environment. Our operations are also subject to extensive laws and regulations relating to occupational health and safety.

We cannot predict what additional environmental, health and safety legislation or regulations may be adopted in the future, or how existing or future laws or regulations may be administered or interpreted with respect to our operations. Many of these laws and regulations are becoming increasingly stringent, and the cost of compliance with these requirements can be expected to increase over time.

Certain environmental laws impose strict, and in certain circumstances, joint and several, liability for costs of investigation and cleanup of such spills, discharges or releases on owners and operators of, as well as persons who arrange for treatment or disposal of regulated materials at, contaminated sites. Under these laws, we may incur liability or be required to pay penalties for past contamination, and third parties may assert claims against us for damages allegedly arising out of any past or future contamination. The potential penalties and clean-up costs for past or future releases or spills, the failure of prior owners of our facilities to complete their clean-up obligations, the liability to third parties for damage to their property, or the need to address newly-discovered information or conditions that may require a response could be significant, and the payment of these amounts could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, our Delaware City refinery and our light crude oil unloading terminal (which we refer to as our Delaware City Rail Terminal or DCR Rail Terminal) are located in Delaware s coastal zone where certain activities are regulated under the Delaware Coastal Zone Act and closely monitored by environmental interest groups. On June 14, 2013, two administrative appeals were filed by the Sierra Club and Delaware Audubon (collectively the Appellants) regarding a permit Delaware City Refining Company LLC, or DCR, obtained to allow loading of crude oil onto barges. The appeals allege that both the loading of crude oil onto barges and the operation of the Delaware City rail unloading terminal violate Delaware s Coastal Zone Act. The first appeal is Number 2013-1 before the State Coastal Zone Industrial Control Board, or the CZ Board, and the second appeal is before the Environmental Appeals Board (the EAB) and appeals Secretary s Order No. 2013-A-0020. The CZ Board held a hearing on the first appeal on July 16, 2013, and ruled in favor of DCR and the State of Delaware and dismissed the Appellants appeal for lack of standing. Sierra Club and Delaware Audubon appealed that decision to the Delaware Superior Court, New Castle County, Case No. N13A-09-001 ALR, and DCR and the State filed cross-appeals. A hearing on the second appeal before the EAB, case no. 2013-06, was held on January 13, 2014, and the EAB ruled in favor of DCR and the State and dismissed the appeal for lack of jurisdiction. The Appellants also filed a Notice of Appeal with the Superior Court appealing the EAB s decision. On March 31, 2015, the Superior Court affirmed the decisions by both the CZ Board and the EAB stating they both lacked jurisdiction to rule on the Appellants appeals. The Appellants have appealed to the Delaware Supreme Court and oral argument on the case has been scheduled to be held during the fourth quarter of 2015. If the appellants in one or both of these matters ultimately prevail, our ability to conduct or expand our operations may be impaired, or our volumes may decline, any of which would have an adverse effect on our financial condition, results of operations and cash flows.

Environmental clean-up and remediation costs of our sites and environmental litigation could decrease our net cash flow, reduce our results of operations and impair our financial condition.

We are subject to liability for the investigation and clean-up of environmental contamination at each of the properties that we own or operate and at off-site locations where we arrange for the treatment or disposal of regulated materials. We may become involved in future litigation or other proceedings. If we were to be held responsible for damages in any litigation or proceedings, such costs may not be covered by insurance and may be material. Historical soil and groundwater contamination has been identified at each of our refineries. Currently remediation projects are underway in accordance with regulatory requirements at the Paulsboro and Delaware City refineries. In connection with the acquisitions of our refineries, the prior owners have retained certain liabilities or indemnified us for certain liabilities, including those relating to pre-acquisition soil and groundwater conditions, and in some instances we have assumed certain liabilities and environmental obligations, including certain remediation obligations at the Paulsboro refinery. If the prior owners fail to satisfy their obligations for any reason, or if significant liabilities arise in the areas in which we assumed liability, we may become responsible for remediation expenses and other environmental liabilities, which could have a material adverse effect on our financial condition. As a result, in addition to making capital expenditures or incurring other costs to comply with environmental laws, we also may be liable for significant environmental litigation or for investigation and remediation costs and other liabilities arising from the ownership or operation of these assets by prior owners, which could materially adversely affect our financial condition, results of operations and cash flow. See Management s Discussion and Analysis of Financial Condition and Results of Operations of PBF LLC Contractual Obligations and Commitments and Business Environmental, Health and Safety Matters in this section of the prospectus.

We may also face liability arising from current or future claims alleging personal injury or property damage due to exposure to chemicals or other regulated materials, such as asbestos, benzene, silica dust and petroleum hydrocarbons, at or from our facilities. We may also face liability for personal injury, property damage, natural resource damage or clean-up costs for the alleged migration of contamination from our properties. A significant increase in the number or success of these claims could materially adversely affect our financial condition, results of operations and cash flow.

Regulation of emissions of greenhouse gases could force us to incur increased capital and operating costs and could have a material adverse effect on our results of operations and financial condition.

Both houses of Congress have actively considered legislation to reduce emissions of GHGs, such as carbon dioxide and methane, including proposals to: (i) establish a cap and trade system, (ii) create a federal renewable energy or clean energy standard requiring electric utilities to provide a certain percentage of power from such sources, and (iii) create enhanced incentives for use of renewable energy and increased efficiency in energy supply and use. In addition, the EPA is taking steps to regulate GHGs under the existing federal CAA. The EPA has already adopted regulations limiting emissions of GHGs from motor vehicles, addressing the permitting of GHG emissions from stationary sources, and requiring the reporting of GHG emissions from specified large GHG emission sources, including refineries. These and similar regulations could require us to incur costs to monitor and report GHG emissions or reduce emissions of GHGs associated with our operations. In addition, various states, individually as well as in some cases on a regional basis, have taken steps to control GHG emissions, including adoption of GHG reporting requirements, cap and trade systems and renewable portfolio standards. Efforts have also been undertaken to delay, limit or prohibit EPA and possibly state action to regulate GHG emissions, and it is not possible at this time to predict the ultimate form, timing or extent of federal or state regulation. In the event we do incur increased costs as a result of increased efforts to control GHG emissions, we may not be able to pass on any of these costs to our customers. Such requirements also could adversely affect demand for the refined petroleum products that we produce. Any increased costs or reduced demand could materially and adversely affect our business and results of operation.

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Renewable fuels mandates may reduce demand for the refined fuels we produce, which could have a material adverse effect on our results of operations and financial condition. The market prices for RINs has been volatile and may harm our profitability.

Pursuant to the Energy Policy Act of 2005 and the Energy Independence and Security Act of 2007, the EPA has issued Renewable Fuel Standards, or RFS, implementing mandates to blend renewable fuels into the petroleum fuels produced and sold in the United States. Under RFS, the volume of renewable fuels that obligated refineries must blend into their finished petroleum fuels increases annually over time until 2022. In addition, certain states have passed legislation that requires minimum biodiesel blending in finished distillates. On October 13, 2010, the EPA raised the maximum amount of ethanol allowed under federal law from 10% to 15% for cars and light trucks manufactured since 2007. The maximum amount allowed under federal law currently remains at 10% ethanol for all other vehicles. Existing laws and regulations could change, and the minimum volumes of renewable fuels that must be blended with refined petroleum fuels may increase. Because we do not produce renewable fuels, increasing the volume of renewable fuels that must be blended into our products displaces an increasing volume of our refinery s product pool, potentially resulting in lower earnings and profitability. In addition, in order to meet certain of these and future EPA requirements, we must purchase renewable fuel credits, known as RINS, which may have fluctuating costs. We have seen a fluctuation in the cost of RINs required for compliance with the RFS. We incurred approximately $72.9 million and $115.7 million in RINs costs during the six months ended June 30, 2015 and year ended December 31, 2014 as compared to $59.5 million, $126.4 million and $43.7 million during the six months ended June 30, 2014 and years ended December 31, 2013 and 2012, respectively. The fluctuation in our RINs costs are due primarily to volatility in prices for ethanol-linked RINs and increases in our production of on-road transportation fuels since 2012. Our RINs purchase obligation is dependent on our actual shipment of on-road transportation fuels domestically and the amount of blending achieved which can cause variability in our profitability.

Our pipelines are subject to federal and/or state regulations, which could reduce profitability and the amount of cash we generate.

Our transportation activities are subject to regulation by multiple governmental agencies. The regulatory burden on the industry increases the cost of doing business and affects profitability. Additional proposals and proceedings that affect the oil industry are regularly considered by Congress, the states, the Federal Energy Regulatory Commission, the United States Department of Transportation, and the courts. We cannot predict when or whether any such proposals may become effective or what impact such proposals may have. Projected operating costs related to our pipelines reflect the recurring costs resulting from compliance with these regulations, and these costs may increase due to future acquisitions, changes in regulation, changes in use, or discovery of existing but unknown compliance issues.

We are subject to strict laws and regulations regarding employee and process safety, and failure to comply with these laws and regulations could have a material adverse effect on our results of operations, financial condition and profitability.

We are subject to the requirements of the Occupational Safety & Health Administration, or OSHA, and comparable state statutes that regulate the protection of the health and safety of workers. In addition, OSHA requires that we maintain information about hazardous materials used or produced in our operations and that we provide this information to employees, state and local governmental authorities, and local residents. Failure to comply with OSHA requirements, including general industry standards, process safety standards and control of occupational exposure to regulated substances, could have a material adverse effect on our results of operations, financial condition and the cash flows of the business if we are subjected to significant fines or compliance costs.

Compliance with and changes in tax laws could adversely affect our performance.

We are subject to extensive tax liabilities, including federal, state, local and foreign taxes such as income, excise, sales/use, payroll, franchise, property, gross receipts, withholding and ad valorem taxes. New tax laws

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and regulations and changes in existing tax laws and regulations are continuously being enacted or proposed that could result in increased expenditures for tax liabilities in the future. These liabilities are subject to periodic audits by the respective taxing authorities, which could increase our tax liabilities. Subsequent changes to our tax liabilities as a result of these audits may also subject us to interest and penalties. There can be no certainty that our federal, state, local or foreign taxes could be passed on to our customers.

We rely on Statoil, over whom we may have limited control, to provide us with certain volumetric and pricing data used in our inventory valuations.

We rely on Statoil to provide us with certain volumetric and pricing data used in our inventory valuations. Our limited control over the accuracy and the timing of the receipt of this data could materially and adversely affect our ability to produce financial statements in a timely manner.

Changes in our credit profile could adversely affect our business.

Changes in our credit profile could affect the way crude oil suppliers view our ability to make payments and induce them to shorten the payment terms for our purchases or require us to post security or letters of credit prior to payment. Due to the large dollar amounts and volume of our crude oil and other feedstock purchases, any imposition by our suppliers of more burdensome payment terms on us may have a material adverse effect on our liquidity and our ability to make payments to our suppliers. This, in turn, could cause us to be unable to operate one or more of our refineries at full capacity.

Changes in laws or standards affecting the transportation of North American crude oil by rail could significantly impact our operations, and as a result cause our costs to increase.

Investigations into past rail accidents involving the transport of crude oil have prompted government agencies and other interested parties to call for increased regulation of the transport of crude oil by rail including in the areas of crude oil constituents, rail car design, routing of trains and other matters. The Secretary of Transportation issued an Emergency Restriction/Prohibition Order (the Order) that was later amended and restated on March 6, 2014 governing shipments of petroleum crude oil offered in transportation by rail. The Order requires shippers to properly test and classify petroleum crude oil and further requires shippers to treat Class 3 petroleum crude oil transported by rail in tank cars as a Packing Group I or II hazardous material only. To the extent that the Order is applicable, we believe our operations already comply with it and that the Order will not have a material impact on our cash flows. Subsequently, on May 7, 2014, the DOT issued a Safety Advisory warning rail shippers and carriers against the use of older design 111 rail cars for shipments of crude oil from the Bakken region. We do not expect this Safety Advisory will affect our operations because all of the rail cars utilized in crude oil service are the newer designed CPC-1232 rail cars. Also on May 7, 2014, the DOT issued an order requiring rail carriers to provide certain notifications to State agencies along routes utilized by trains over a certain length carrying crude oil. The required notifications do not affect our unloading operations. In addition, in November 2014, the DOT issued a final rule regarding safety training standards under the Rail Safety Improvement Act of 2008. The rule required each railroad or contractor to develop and submit a training program to perform regular oversight and annual written reviews. Recently, on May 1, 2015 the Pipeline and Hazardous Materials Safety Administration and the Federal Railroad Administration issued new final rules for enhanced tank car standards and operational controls for high-hazard flammable trains. While these new rules have just been issued and we are still evaluating the impact of these new rules, we do not believe the new rules will have a material impact on our operations or financial position and we believe we will be able to comply with the new rules without a material impact. If further changes in law, regulations or industry standards occur that result in requirements to reduce the volatile or flammable constituents in crude oil that is transported by rail, alter the design or standards for rail cars, change the routing or scheduling of trains carrying crude oil, or any other changes that detrimentally affect the economics of delivering North American crude oil by rail to our or subsequently to third party refineries, our costs could increase, which could have a material adverse effect on our financial condition, results of operations, cash flows and our ability to service our indebtedness.

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We could incur substantial costs or disruptions in our business if we cannot obtain or maintain necessary permits and authorizations or otherwise comply with health, safety, environmental and other laws and regulations.

Our operations require numerous permits and authorizations under various laws and regulations. These authorizations and permits are subject to revocation, renewal or modification and can require operational changes to limit impacts or potential impacts on the environment and/or health and safety. A violation of authorization or permit conditions or other legal or regulatory requirements could result in substantial fines, criminal sanctions, permit revocations, injunctions, and/or facility shutdowns. In addition, major modifications of our operations could require modifications to our existing permits or upgrades to our existing pollution control equipment. Any or all of these matters could have a negative effect on our business, results of operations and cash flows.

We may incur significant liability under, or costs and capital expenditures to comply with, environmental and health and safety regulations, which are complex and change frequently.

Our operations are subject to federal, state and local laws regulating, among other things, the handling of petroleum, petroleum products and other regulated materials, the emission and discharge of materials into the environment, waste management, and remediation of discharges of petroleum and petroleum products, characteristics and composition of gasoline and distillates and other matters otherwise relating to the protection of the environment. Our operations are also subject to extensive laws and regulations relating to occupational health and safety.

We cannot predict what additional environmental, health and safety legislation or regulations may be adopted in the future, or how existing or future laws or regulations may be administered or interpreted with respect to our operations. Many of these laws and regulations are becoming increasingly stringent, and the cost of compliance with these requirements can be expected to increase over time.

Certain environmental laws impose strict, and in certain circumstances, joint and several, liability for, costs of investigation and cleanup of such spills, discharges or releases on owners and operators of, as well as persons who arrange for treatment or disposal of regulated materials at contaminated sites. Under these laws, we may incur liability or be required to pay penalties for past contamination, and third parties may assert claims against us for damages allegedly arising out of any past or future contamination. The potential penalties and clean-up costs for past or future releases or spills, the failure of prior owners of our facilities to complete their clean-up obligations, the liability to third parties for damage to their property, or the need to address newly-discovered information or conditions that may require a response could be significant, and the payment of these amounts could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, our Delaware City refinery and our DCR Rail Terminal are located in Delaware s coastal zone where certain activities are regulated under the Delaware Coastal Zone Act and closely monitored by environmental interest groups. On June 14, 2013, two administrative appeals were filed by the Appellants regarding a permit DCR obtained to allow loading of crude oil onto barges. The appeals allege that both the loading of crude oil onto barges and the operation of the Delaware City rail unloading terminal violate Delaware s Coastal Zone Act. The first appeal is Number 2013-1 before the CZ Board, and the second appeal is before the EAB and appeals Secretary s Order No. 2013-A-0020. The CZ Board held a hearing on the first appeal on July 16, 2013, and ruled in favor of DCR and the State of Delaware and dismissed the Appellants appeal for lack of standing. Sierra Club and Delaware Audobon appealed that decision to the Delaware Superior Court, New Castle County, Case No. N13A-09-001 ALR, and DCR and the State filed cross-appeals. A hearing on the second appeal before the EAB, case no. 2013-06, was held on January 13, 2014, and the EAB ruled in favor of DCR and the State and dismissed the appeal for lack of jurisdiction. The Appellants also filed a Notice of Appeal with the Superior Court appealing the EAB s decision. On March 31, 2015, the Superior Court affirmed the decisions by both the CZ Board and the EAB stating they both lacked jurisdiction to rule on the Appellants appeals. The Appellants have appealed to the Delaware Supreme Court and oral argument on the case has been

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scheduled to be held during the fourth quarter of 2015. If the appellants in one or both of these matters ultimately prevail, our ability to conduct or expand our operations may be impaired, or our volumes may decline, any of which would have an adverse effect on our financial condition, results of operations and cash flows.

Our operating results are seasonal and generally lower in the first and fourth quarters of the year for our refining operations. We depend on favorable weather conditions in the spring and summer months.

Demand for gasoline products is generally higher during the summer months than during the winter months due to seasonal increases in highway traffic and construction work. Varying vapor pressure requirements between the summer and winter months also tighten summer gasoline supply. As a result, the operating results of our refining segment are generally lower for the first and fourth quarters of each year.

Risks Related to Our Indebtedness

Our substantial indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations under our indebtedness.

Our substantial indebtedness may significantly affect our financial flexibility in the future. As of June 30, 2015, we have total long-term debt including the Delaware Economic Development Authority Loan, of approximately $1.4 billion, and we could have incurred an additional $551.8 million under our Revolving Loan. We may incur additional indebtedness in the future. Our strategy includes executing future refinery acquisitions. Any significant acquisition would likely require us to incur additional indebtedness in order to finance all or a portion of such acquisition. The level of our indebtedness has several important consequences for our future operations, including that:

- a significant portion of our cash flow from operations will be dedicated to the payment of principal of, and interest on, our indebtedness and will not be available for other purposes;
- covenants contained in our existing debt arrangements limit our ability to borrow additional funds, dispose of assets and make certain investments;
- these covenants also require us to meet or maintain certain financial tests, which may affect our flexibility in planning for, and reacting to, changes in our industry, such as being able to take advantage of acquisition opportunities when they arise;
- our ability to obtain additional financing for working capital, capital expenditures, acquisitions, general corporate and other purposes may be limited; and
- we may be at a competitive disadvantage to those of our competitors that are less leveraged; and we may be more vulnerable to adverse economic and industry conditions.

Our substantial indebtedness increases the risk that we may default on our debt obligations, certain of which contain cross-default and/or cross-acceleration provisions. We have significant principal payments due under our debt instruments. Our subsidiaries ability to meet their principal obligations will be dependent upon our future performance, which in turn will be subject to general economic conditions, industry cycles and financial, business and other factors affecting our operations, many of which are beyond our control. Our business may not continue to generate sufficient cash flow from operations to repay our substantial indebtedness. If we are unable to generate sufficient cash flow from operations, we may be required to sell assets, to refinance all or a portion of our indebtedness or to obtain additional financing. Refinancing may not be possible and additional financing may not be available on commercially acceptable terms, or at all.

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Despite our level of indebtedness, we and our subsidiaries may be able to incur substantially more debt, which could exacerbate the risks described above.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future including additional secured debt. Although our debt instruments and financing arrangements contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions could be substantial. To the extent new debt is added to our currently anticipated debt levels, the substantial leverage risks described above would increase. Also, these restrictions do not prevent us from incurring obligations that do not constitute indebtedness.

Restrictive covenants in our debt instruments may limit our ability to undertake certain types of transactions.

Various covenants in our debt instruments and other financing arrangements may restrict our and our subsidiaries financial flexibility in a number of ways. Our indebtedness subjects us to significant financial and other restrictive covenants, including restrictions on our ability to incur additional indebtedness, place liens upon assets, pay dividends or make certain other restricted payments and investments, consummate certain asset sales or asset swaps, conduct businesses other than our current businesses, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of our assets. Some of these debt instruments also require our subsidiaries to satisfy or maintain certain financial condition tests in certain circumstances. Our subsidiaries ability to meet these financial condition tests can be affected by events beyond our control and they may not meet such tests.

Provisions in our indentures could discourage an acquisition of us by a third party.

Certain provisions of our indentures could make it more difficult or more expensive for a third party to acquire us. Upon the occurrence of certain transactions constituting a change in control as defined in the indentures, holders of our notes could require us to repurchase all outstanding notes at 101% of the principal amount thereof, plus accrued and unpaid interest, if any, at the date of repurchase.

Risks Related to Our Organizational Structure

PBF Energy is the managing member of PBF LLC, and its only material asset is its interest in PBF LLC. Accordingly, PBF Energy depends upon distributions from PBF LLC and its subsidiaries to pay its taxes, meet its other obligations and/or pay dividends in the future.

PBF Energy is a holding company and all of its operations are conducted through subsidiaries of PBF LLC. PBF Energy has no independent means of generating revenue and no material assets other than its ownership interest in PBF LLC. PBF Energy and PBF LLC depend on the earnings and cash flow of PBF LLC s subsidiaries to meet their obligations, including their indebtedness, tax liabilities and obligations to make payments under the tax receivable agreement. If PBF Energy or PBF LLC do not receive such cash distributions, dividends or other payments from our subsidiaries, PBF Energy and PBF LLC may be unable to meet their obligations.

PBF Energy, as the sole managing member of PBF LLC, may cause PBF LLC to make distributions to its members in an amount sufficient to enable it to cover all applicable taxes at assumed tax rates, to make payments owed by it under the tax receivable agreement, and to pay other obligations and dividends, if any, declared by PBF Energy. To the extent we need funds and any of our subsidiaries is restricted from making such distributions under applicable law or regulation or under the terms of our financing or other contractual arrangements, or is otherwise unable to provide such funds, such restrictions could materially adversely affect our liquidity and financial condition.

The PBF Holding asset based revolving credit agreement, or the Revolving Loan, 8.25% Senior Secured Notes due 2020 issued by PBF Holding in February 2012, or the Senior Secured Notes, and certain of our other outstanding debt arrangements include a restricted payment covenant, which restricts the ability of PBF Holding to make distributions to us, and we anticipate our future debt will contain a similar restriction. PBFX s Revolving Credit Facility, PBFX s Term Loan and PBFX s indenture also contain covenants that limit or restrict PBFX s ability and the ability of its restricted subsidiaries to make distributions and other restricted payments and restrict PBFX s ability to incur liens and enter into burdensome agreements. In addition, there may be restrictions on payments by our subsidiaries under applicable laws, including laws that require companies to maintain minimum amounts of capital and to make payments to stockholders only from profits. For example, PBF Holding is generally prohibited under Delaware law from making a distribution to a member to the extent that, at the time of the distribution, after giving effect to the distribution, liabilities of the limited liability company (with certain exceptions) exceed the fair value of its assets, and PBFX is subject to a similar prohibition. As a result, we may be unable to obtain that cash to satisfy our obligations.

PBF LLC has obligations to make tax distributions to the members of PBF LLC and these amounts could be material.

PBF LLC is required to make periodic tax distributions to the members of PBF LLC, including PBF Energy, prorated in accordance with their respective percentage interests, subject to the terms and conditions of its limited liability company agreement. These amounts could be material to PBF LLC.

The members of PBF LLC may have influence or control over us.

The interests of the members of PBF LLC may not in all cases be aligned. For example, members may have different tax positions which could influence their positions, including regarding whether and when we dispose of assets and whether and when we incur new or refinance existing indebtedness, especially in light of the existence of the tax receivable agreement. In addition, the structuring of future transactions may take into consideration these tax or other considerations even where no similar benefit would accrue to us. See Certain Relationships and Related Transactions of PBF LLC PBF Energy IPO Related Agreements in this section of the prospectus.

Under a tax receivable agreement, PBF Energy is required to pay the former and current holders of PBF LLC Series A Units and PBF LLC Series B Units for certain realized or assumed tax benefits PBF Energy may claim arising in connection with prior offerings and future exchanges of PBF LLC Series A Units for shares of its Class A common stock and related transactions. The indenture governing the Senior Secured Notes allows us, under certain circumstances, to make distributions sufficient for PBF Energy to pay its obligations arising from the tax receivable agreement, and such amounts are expected to be substantial.

PBF Energy entered into a tax receivable agreement that provides for the payment from time to time (On-Going Payments) by PBF Energy to the former and current holders of PBF LLC Series A Units and PBF LLC Series B Units for certain tax benefits it may claim arising in connection with its prior offerings and future exchanges of PBF LLC Series A Units for shares of its Class A common stock and related transactions, and the amounts it may pay could be significant.

PBF Energy s payment obligations under the tax receivable agreement are PBF Energy s obligations and not obligations of PBF LLC, PBFX, PBF Holding, PBF Finance Corporation, or any of their respective subsidiaries. However, because PBF Energy is primarily a holding company with limited operations of its own, its ability to make payments under the tax receivable agreement is dependent on our ability to make future distributions to it. For example, the indenture governing the Senior Secured Notes allows our subsidiaries to make tax distributions (as defined in the indenture), and it is expected that PBF Energy s share of these tax distributions will be in amounts sufficient to allow PBF Energy to make On-Going Payments. The indenture governing the Senior Secured Notes also allows us to make a distribution sufficient to allow PBF Energy to make any payments required under the tax receivable agreement upon a change in control, so long as we offer to purchase all of the Senior Secured Notes outstanding at a price in cash equal to 101% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, if any. If PBF Energy s share of the distributions it

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receives under these specific provisions of the indenture governing the Senior Secured Notes are insufficient to satisfy its obligations under the tax receivable agreement, PBF Energy may cause us to make distributions in accordance with other provisions of the indenture governing the Senior Secured Notes in order to satisfy such obligations. In any case, based on our estimates of PBF Energy s obligations under the tax receivable agreement, the amount of our distributions on account of PBF Energy s obligations under the tax receivable agreement are expected to be substantial.

For example, with respect to On-Going Payments, assuming no material changes in the relevant tax law, and that PBF Energy earns sufficient taxable income to realize all tax benefits that are subject to the tax receivable agreement, we expect that On-Going Payments by PBF Energy under the tax receivable agreement relating to exchanges that occurred prior to June 30, 2015 to aggregate $737.4 million and to range over the next 5 years from approximately $38.4 million to $66.5 million per year and decline thereafter. Further On-Going Payments by PBF Energy in respect of subsequent exchanges of PBF LLC Series A Units would be in addition to these amounts and are expected to be substantial as well. With respect to the change of control payment, assuming that the market value of a share of PBF Energy s Class A common stock equals $28.42 per share of Class A common stock (the closing price on June 30, 2015) and that LIBOR were to be 1.85%, we estimate as of June 30, 2015 that the aggregate amount of these accelerated payments would have been approximately $679.7 million if triggered immediately on such date. PBF Holding s existing indebtedness may limit its ability to make distributions to PBF LLC, and in turn to PBF Energy to pay these obligations. These provisions may deter a potential sale of us to a third party and may otherwise make it less likely a third party would enter into a change of control transaction with PBF Energy or us.

The foregoing numbers are merely estimates the actual payments could differ materially. For example, it is possible that future transactions or events could increase or decrease the actual tax benefits realized and the corresponding payments. Moreover, payments under the tax receivable agreement will be based on the tax reporting positions that PBF Energy determines in accordance with the tax receivable agreement. Neither PBF Energy nor any of its subsidiaries will be reimbursed for any payments previously made under the tax receivable agreement if the Internal Revenue Service subsequently disallows part or all of the tax benefits that gave rise to such prior payments.

Risks Related to Our Ownership of PBFX

We depend upon PBFX for a substantial portion of our refineries logistics needs and have obligations for minimum volume commitments in our commercial agreements with PBFX.

We depend on PBFX to receive, handle, store and transfer crude oil and petroleum products for us from our operations and sources located throughout the United States and Canada in support of our three refineries under long-term, fee-based commercial agreements with our subsidiaries. These commercial agreements have an initial term of approximately seven to ten years and include minimum quarterly commitments and inflation escalators. If we fail to meet the minimum commitments during any calendar quarter, we will be required to make a shortfall payment quarterly to PBFX equal to the volume of the shortfall multiplied by the applicable fee.

PBFX s operations are subject to all of the risks and operational hazards inherent in receiving, handling, storing and transferring crude oil and petroleum products, including: damages to its facilities, related equipment and surrounding properties caused by floods, fires, severe weather, explosions and other natural disasters and acts of terrorism; mechanical or structural failures at PBFX s facilities or at third-party facilities on which its operations are dependent; curtailments of operations relative to severe seasonal weather; inadvertent damage to our facilities from construction, farm and utility equipment; and other hazards. Any of these events or factors could result in severe damage or destruction to PBFX s assets or the temporary or permanent shut-down of PBFX s facilities. If PBFX is unable to serve our logistics needs, our ability to operate our refineries and receive crude oil could be adversely impacted, which could adversely affect our business, financial condition and results of operations.

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In addition, as of October 15, 2015, PBF LLC owns 2,572,944 common units and 15,886,553 subordinated units representing an aggregate 53.7% limited partner interest in PBFX, as well as all of the incentive distribution rights and a non-economic general partner interest in PBFX. The inability of PBFX to continue operations, perform under its commercial arrangements with our subsidiaries or the occurrence of any of these risks or operational hazards, could also adversely impact the value of our investment in PBFX and, because PBFX is a consolidated entity, our business, financial condition and results of operations.

PBFX may not have sufficient available cash to pay any quarterly distribution on its units. Furthermore, PBFX is not required to make distributions to holders of units on a quarterly basis or otherwise, and may elect to distribute less than all of its available cash.

PBFX may not have sufficient available cash from operating surplus each quarter to enable it to pay the minimum quarterly distribution. The amount of cash it can distribute on its units principally depends upon the amount of cash generated from its operations, which will fluctuate from quarter to quarter based on, among other things: the volume of crude oil it throughputs; PBFX s entitlement to payments associated with minimum volume commitments; the fees it charges for the volumes throughput; the level of its operating, maintenance and general and administrative costs; and prevailing economic conditions. In addition, the actual amount of cash PBFX will have available for distribution will depend on other factors, some of which are beyond its control, including: the level and timing of capital expenditures it makes; the amount of its operating expenses and general and administrative expenses, and payment of the administrative fees for services provided to it by PBF GP and its affiliate; the cost of acquisitions, if any; debt service requirements and other liabilities; fluctuations in working capital needs; PBFX s ability to borrow funds and access capital markets; restrictions contained in PBFX s Revolving Credit Facility and PBFX s Term Loan and other debt service requirements; the amount of cash reserves established by PBF GP; and other business risks affecting cash levels.

In addition, if PBFX issues additional units in connection with any acquisitions or expansion capital expenditures, the payment of distributions on those additional units may increase the risk that PBFX will be unable to maintain or increase its per unit distribution level. There are no limitations in the partnership agreement of PBFX on its ability to issue additional units, including units ranking senior to the outstanding units. The incurrence of additional borrowings or other debt to finance PBFX s growth strategy would result in increased interest expense, which, in turn, may impact the cash that it has available to distribute to its unit holders (including us). Furthermore, the partnership agreement does not require PBFX to pay distributions on a quarterly basis or otherwise. The board of directors of PBF GP may at any time, for any reason, change its cash distribution policy or decide not to make any distributions (including to us).

Increases in interest rates could adversely impact the price of PBFX s units, PBFX s ability to issue equity or incur debt for acquisitions or other purposes and its ability to make cash distributions at its intended levels.

Interest rates on future credit facilities and debt offerings could be higher than current levels, causing PBFX s financing costs to increase accordingly. As with other yield-oriented securities, PBFX s unit price is impacted by the level of its cash distributions and 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 PBFX, and a rising interest rate environment could have an adverse impact on the price of the units, PBFX s ability to issue equity or incur debt for acquisitions or other purposes and its ability to make cash distributions at intended levels, which could adversely impact the value of our investment in PBFX.

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If PBFX was to be treated as a corporation, rather than as a partnership, for U.S. federal income tax purposes or if PBFX was otherwise subject to entity-level taxation, PBFX s cash available for distribution to its unit holders, including to us, would be reduced, likely causing a substantial reduction in the value of units, including the units held by us.

The present U.S. federal income tax treatment of publicly traded partnerships, including PBFX, or an investment in its common units may be modified by administrative, legislative or judicial interpretation at any time. For example, from time to time the Obama Administration and members of the U.S. Congress propose and consider substantive changes to the existing federal income tax laws that would affect publicly traded partnerships. One such Obama Administration budget proposal for fiscal year 2016 would, if enacted, tax publicly traded partnerships with fossil fuels activities as corporations for U.S. federal income tax purposes beginning in 2021. 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 for PBFX to meet the exception to be treated as a partnership for U.S. federal income tax purposes. We are unable to predict whether any of these changes, or other proposals, will ultimately be enacted. Any such changes could negatively impact the value of an investment in PBFX common units.

If PBFX were treated as a corporation for U.S. federal income tax purposes, it would pay U.S. federal income tax on income at the corporate tax rate, which is currently a maximum of 35%, and would likely be liable for state income tax at varying rates. Distributions to PBFX unitholders would generally be taxed again as corporate distributions, and no income, gains, losses, deductions or credits would flow through to PBFX unitholders. Because taxes would be imposed upon PBFX as a corporation, the cash available for distribution to PBFX unitholders would be substantially reduced. Therefore, PBFX s treatment as a corporation would result in a material reduction in the anticipated cash flow and after-tax return to PBFX unitholders, likely causing a substantial reduction in the value of the units.

All of the executive officers and a majority of the initial directors of PBF GP are also current or former officers of PBF Energy. Conflicts of interest could arise as a result of this arrangement.

PBF Energy indirectly owns and controls PBF GP, and appoints all of its officers and directors. All of the executive officers and a majority of the initial directors of PBF GP are also officers or a director of PBF Energy. These individuals will devote significant time to the business of PBFX. Although the directors and officers of PBF GP have a fiduciary duty to manage PBF GP in a manner that is beneficial to PBF Energy, as directors and officers of PBF GP they also have certain duties to PBFX and its unit holders. Conflicts of interest may arise between PBF Energy and its affiliates, including PBF GP, on the one hand, and PBFX and its unit holders, on the other hand. In resolving these conflicts of interest, PBF GP may favor its own interests and the interests of PBFX over the interests of PBF Energy. In certain circumstances, PBF GP may refer any conflicts of interest or potential conflicts of interest between PBFX, on the one hand, and PBF Energy, on the other hand, to its conflicts committee (which must consist entirely of independent directors) for resolution, which conflicts committee must act in the best interests of the public unit holders of PBFX. As a result, PBF GP may manage the business of PBFX in a way that may differ from our best interests.

We will incur increased costs as a result of owning and operating PBFX.

As a result of owning and operating PBFX, we will incur significant legal, accounting and other expenses, in addition to those we already separately incur as a result of PBF Energy being a publicly traded company. We expect to have increased legal and financial compliance costs as a result of PBFX s compliance with SEC and NYSE requirements. In addition, we incur additional costs associated with PBFX s public reporting requirements, and PBF GP maintains director and officer liability insurance under a separate policy from our corporate director and officer insurance.

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RATIO OF EARNINGS TO FIXED CHARGES OF PBF LLC

The following table sets forth information regarding PBF LLC s ratio of earnings to fixed charges for the periods shown. For purposes of determining the ratio of earnings to fixed charges, earnings consist of income from continuing operations before income taxes and fixed charges (excluding interest capitalized during the period). Fixed charges consist of interest expense (including interest capitalized during the period), amortization of debt discount and deferred financing costs and the portion of rental expense that is representative of the interest factor in these rentals. You should read the ratio of earnings to fixed charges in conjunction with our consolidated financial statements and the related notes thereto included elsewhere in this prospectus.

	Six Months Ended June 30,	Year Ended December 31,				
	2015	2014	2013	2012	2011	2010 (1)
Ratio of earnings to fixed charges	7.4x	1.3x	2.9x	7.2x	3.6x	

(1) The earnings for the year ended December 31, 2010 was inadequate to cover fixed charges. The coverage deficiency was $42.6 million for the year ended December 31, 2010.

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CAPITALIZATION OF PBF LLC

The following table sets forth our cash and cash equivalents, marketable securities and capitalization as of June 30, 2015 on a consolidated historical basis.

We derived this table from, and it should be read in conjunction with and is qualified in its entirety by reference to, the information contained in Management s Discussion and Analysis of Financial Condition and Results of Operations of PBF LLC and PBF LLC s consolidated financial statements and related notes thereto included elsewhere in this prospectus.

	As of June 30, 2015
Cash and cash equivalents	$ 603,383
Marketable securities (1)	234,249
Total	$ 837,632
Long-term debt (2):	
Delaware Economic Development Authority Loan	8,000
Senior Secured Notes	669,070
PBFX Revolving Credit Facility	24,500
PBFX Senior Notes	350,000
PBFX Term Loan (1)	234,200
Catalyst Leases	32,571
Rail Facility	43,393
Intercompany note payable	128,609
Total long-term debt	$ 1,490,343
Total PBF Energy Company LLC equity	1,564,727
Total capitalization	$ 3,055,070

(1) Marketable securities fully collateralize the PBFX Term Loan.
(2) As of June 30, 2015, there were no outstanding borrowings under the Revolving Loan.

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SELECTED FINANCIAL DATA OF PBF LLC

The following table presents selected historical consolidated financial and other data of PBF LLC. The data presented is PBF LLC s data, unless otherwise noted. The selected historical consolidated financial data as of December 31, 2014 and 2013 and for each of the three years in the period ended December 31, 2014, have been derived from our audited financial statements, included elsewhere in this prospectus. The selected historical consolidated financial data as of December 31, 2012, 2011 and 2010 and for the years ended December 31, 2011 and 2010 have been derived from the audited financial statements of PBF LLC not included in this prospectus. As a result of the Paulsboro and Toledo acquisitions, the historical consolidated financial results of PBF LLC only includes the results of operations for Paulsboro and Toledo from December 17, 2010 and March 1, 2011 forward, respectively. The information as of June 30, 2015 and for the six months ended June 30, 2015 was derived from unaudited condensed consolidated financial statements of PBF LLC (included elsewhere in this prospectus) which include all adjustments, consisting of normal recurring adjustments, which management considers necessary for a fair presentation of the financial position and the results of operations for such periods. Results for the interim periods are not necessarily indicative of the results for the full year.

The historical consolidated financial data and other statistical data presented below should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations of PBF LLC and PBF LLC s consolidated financial statements and the related notes thereto, included elsewhere in this prospectus.

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	Year Ended December 31, (in thousands)					Six Months Ended June 30,	
	2014	2013	2012	2011	2010	2015	2014
Statement of operations data:							
Revenues (1)	$ 19,828,155	$ 19,151,455	$ 20,138,687	$ 14,960,338	$ 210,671	$ 6,545,800	$ 10,048,152
Costs and expenses:							
Cost of sales, excluding depreciation	18,471,203	17,803,314	18,269,078	13,855,163	203,971	5,496,960	9,083,140
Operating expenses, excluding depreciation	883,140	812,652	738,824	658,831	25,140	432,088	479,621
General and administrative expenses	146,592	95,794	120,443	86,183	15,859	74,623	69,637
Gain on sale of asset	(895)	(183)	(2,329)			(991)	(180)
Acquisition-related expenses (2)				728	6,051		
Depreciation and amortization expense	180,382	111,479	92,238	53,743	1,402	96,268	67,877
Income (loss) from operations	147,733	328,399	920,433	305,690	(41,752)	446,852	348,057
Other (expense) income:							
Change in fair value of contingent consideration			(2,768)	(5,215)	(1,217)		
Change in fair value of catalyst lease obligation	3,969	4,691	(3,724)	7,316		3,988	(4,339)
Interest expense, net	(100,352)	(94,057)	(108,629)	(65,120)	(1,388)	(50,823)	(51,873)
Net income (loss)	51,350	239,033	805,312	242,671	(44,357)	400,017	291,845
Less: net income attributable to noncontrolling interests	14,740					17,227	2,696
Net incom e (loss) attributable to	$ 36,610	$ 239,033	$ 805,312	$ 242,671	$ (44,357)	$ 382,790	$ 289,149

PBF LLC							
Balance sheet data (at end of period):							
Total assets	$ 4,558,200	$ 4,413,808	$ 4,253,702	$ 3,621,109	$ 1,274,393	$ 5,004,884	$ 4,558,200
Total long-term debt [3]	1,370,103	754,792	729,980	804,865	325,064	1,490,343	1,370,103
Total equity	1,652,832	1,715,256	1,723,545	1,110,918	458,661	1,564,257	1,316,468
Other financial data:							
Capital expenditures [4]	$ 631,332	$ 415,702	$ 222,688	$ 574,883	$ 72,118	$ 252,405	$ 172,888

(1) Consulting services income provided to a related party was $10 for the year ended December 31, 2010. No consulting services income was earned subsequent to 2010.

(2) Acquisition related expenses consist of consulting and legal expenses related to the Paulsboro and Toledo acquisition as well as non-consummated acquisitions.

(3) Total long-term debt includes current maturities and our Delaware Economic Development Authority Loan.

(4) Includes expenditures for construction in progress, property, plant and equipment (including railcar purchases), deferred turnaround costs and other assets, excluding the proceeds from sales of assets.

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Selected Historical Financial Data of Paulsboro, PBF LLC s Predecessor

The following table presents Paulsboro s selected historical financial data. We refer to Paulsboro as PBF LLC s Predecessor or Predecessor Paulsboro, as prior to its acquisition PBF LLC generated substantially no revenues and prior to the acquisition of Paulsboro and the Delaware City assets, was a new company formed to pursue acquisitions of crude oil refineries and downstream assets in North America. At the time of its acquisition, Paulsboro represented the major portion of PBF LLC s business and assets.

The financial information of Predecessor Paulsboro, are presented for the period from January 1, 2010 through December 16, 2010 and as of December 16, 2010, the period prior to PBF LLC s acquisition. These financial statements were prepared by the former management of Predecessor Paulsboro and audited by Predecessor Paulsboro s independent registered public accounting firm. The financial information of Predecessor Paulsboro presented herein may not be representative of the operations of PBF LLC going forward for the following reasons, among others:

- Both PBF LLC s financial statements and Paulsboro s financial statements contain items which require management to make considerable judgments and estimates. There can be no assurance that the judgments and estimates made by PBF LLC s management will be identical or even similar to the historical judgments and estimates made by Paulsboro s former management.

- The financial statements of Paulsboro contain allocations of certain general and administrative expenses and income taxes specific to Valero.

- The financial statements of Paulsboro reflect depreciation and amortization expense and asset impairment losses based on Valero s historical cost basis for the applicable assets. PBF LLC s cost basis in such assets is different.

The historical financial data and other statistical data presented below should be read in conjunction with the section entitled Management s Discussion and Analysis of Financial Condition and Results of Operations of PBF LLC. The historical financial data for Paulsboro for the period from January 1, 2010 through December 16, 2010 and as of December 16, 2010 has been derived from audited financial statements not included in this prospectus.

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PAULSBORO REFINING BUSINESS PBF LLC S PREDECESSOR

	Period from January 1, 2010 through December 16, 2010 (in thousands)
Statement of operations data:	
Operating revenues (1)	$ 4,708,989
Cost and expenses:	
Cost of sales (2)	4,487,825
Operating expenses	259,768
General and administrative expenses (3)	14,606
Asset impairment loss	895,642
Depreciation and amortization expense	66,361
Total costs and expenses	5,724,202
Operating income (loss)	(1,015,213)
Interest and other income and expense, net	500
Income (loss) before income tax expense (benefit)	(1,014,713)
Income tax expense (benefit) (4)	(322,962)
Net income (loss)	$ (691,751)
Balance sheet data (at end of period):	
Total assets	$ 510,205
Total liabilities	42,582
Net parent investment	467,623
Selected financial data:	
Capital expenditures	$ 20,122

(1) Operating revenues consist of refined products sold from Paulsboro to Valero that were recorded at intercompany transfer prices, which were market prices adjusted by quality, location, and other differentials on the date of the sale.

(2) Cost of sales consist of the cost of feedstock acquired for processing, including transportation costs to deliver the feedstock to Paulsboro. Purchases of feedstock by Paulsboro from Valero were recorded at the cost paid to independent third parties by Valero.

(3) General and administrative expenses include allocations and estimates of general and administrative costs of Valero that were attributable to the operations of Paulsboro.

(4) The income tax provision represented the current and deferred income taxes that would have resulted if Paulsboro were a stand-alone taxable entity filing its own income tax returns. Accordingly, the calculations of current and deferred income tax provision require certain assumptions, allocations, and estimates that Paulsboro management believed were reasonable to reflect the tax reporting for Paulsboro as a stand-alone taxpayer.

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UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF PBF LLC

The unaudited pro forma consolidated financial statements are presented to show how PBF LLC might have looked if the Chalmette Acquisition, the consummation of the offering of the PBF Logistics 6.875% Senior Notes, the consummation of the October 2015 Equity Offering and the certain other transactions described below had occurred on the date and for the periods indicated below. We derived the following unaudited pro forma consolidated financial statements by applying pro forma adjustments to our historical consolidated financial statements and the historical financial statements of Chalmette Refining, each included elsewhere in this prospectus. The pro forma effect of the Chalmette Acquisition is based on the acquisition method of accounting in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 805, *Business Combinations*. The unaudited pro forma consolidated financial statements do not include the impact of the pending Torrance Acquisition announced on September 30, 2015 because such acquisition is individually insignificant and less significant than the Chalmette Acquisition. See Information Regarding PBF Energy Company LLC Recent Developments in this prospectus.

We derived the following unaudited pro forma consolidated financial statements by applying pro forma adjustments to our historical consolidated financial statements, included elsewhere in this prospectus, that give effect to the Chalmette Acquisition, the October 2015 Equity Offering and certain other transactions described below. Although we have entered into a Sale and Purchase agreement for the Chalmette Acquisition and we believe consummation of the acquisition is probable, there is no guarantee that the acquisition will be completed. The unaudited pro forma consolidated balance sheet is based on the individual historical consolidated balance sheets of PBF LLC and Chalmette Refining as of June 30, 2015 and has been prepared to reflect the acquisition as if it occurred on June 30, 2015 and gives effect to repurchases of PBF LLC s Series C Units subsequent to June 30, 2015 in connection with PBF Energy Inc. s share repurchase program, distributions made subsequent to June 30, 2015, by PBF LLC and by PBF Logistics to its holders of common and subordinated units, an assumed borrowing to fund the Chalmette Acquisition and the consummation of the October 2015 Equity Offering. The unaudited pro forma consolidated statement of operations for the year ended December 31, 2014 and the six-months ended June 30, 2015 combines the historical results of operations of PBF LLC and Chalmette Refining, as if the acquisition occurred on January 1, 2014 and gives effect to an assumed borrowing to fund the Chalmette Acquisition and the consummation of the offering of the PBF Logistics 6.875% Senior Notes and corresponding repayment of borrowings under the PBFX Revolving Credit Facility, as if they occurred on January 1, 2014. For purposes of the unaudited pro forma consolidated financial statements, the funding for the Chalmette Acquisition is assumed to be provided by borrowings under our Revolving Loan, however, the actual debt proceeds used to fund the acquisition may be from our Revolving Loan or proceeds from other debt financing transactions or a combination thereof.

The unaudited pro forma consolidated statements of operations for the year ended December 31, 2014 and six months ended June 30, 2015 do not reflect future events that may occur after the completion of the Chalmette Acquisition, including but not limited to the anticipated realization of cost savings from operating synergies and certain charges expected to be incurred in connection with the transaction, including, but not limited to, costs that may be incurred in connection with integrating the operations of Chalmette Refining.

The unaudited pro forma consolidated financial information is presented for informational purposes only. The unaudited pro forma consolidated financial information does not purport to represent what PBF LLC s results of operations or financial condition would have been had the transactions to which the pro forma adjustments relate actually occurred on the dates indicated, and they do not purport to project PBF LLC s results of operations or financial condition for any future period or as of any future date. In addition, they do not purport to indicate the results that would actually have been obtained had the Chalmette Acquisition been completed on the assumed date or for the periods presented, or which may be realized in the future.

To produce the pro forma financial information, we adjusted Chalmette Refining s historical assets and liabilities to their estimated fair values in accordance with ASC 805 as a result of our assumed closing of the

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Chalmette Acquisition. As of the date of this prospectus, we have not completed the detailed valuation work necessary to arrive at the required estimates of the fair value of Chalmette Refining s assets to be acquired and the liabilities to be assumed and the related allocation of purchase price, nor have we identified all adjustments necessary to conform Chalmette Refining s accounting policies to our accounting policies. A final determination of the fair value of Chalmette Refining s assets and liabilities will be based on the actual net tangible and intangible assets and liabilities of Chalmette that exist as of the date of completion of the acquisition and, therefore, cannot be made prior to that date. As a result, the accompanying unaudited pro forma purchase price allocation is preliminary and is subject to further adjustments as additional information becomes available and as additional analyses are performed. The preliminary unaudited pro forma purchase price allocation has been made solely for the purpose of preparing the accompanying unaudited pro forma consolidated financial statements. Until the Chalmette Acquisition is completed, both companies are limited in their ability to share information with each other. Upon the completion of the Chalmette Acquisition, valuation work will be performed and any increases or decreases in the fair value of relevant statement of financial position amounts will result in adjustments to the statement of financial position and/or statements of operations until the purchase price allocation is finalized. There can be no assurance that such finalization will not result in material changes from the preliminary purchase price allocation included in the accompanying unaudited pro forma consolidated financial statements.

The pro forma adjustments as of and for the six months ended June 30, 2015 principally give effect to:

- the consummation of the October 2015 Equity Offering and PBF LLC s issuance of Series C Units; and
- the closing of the Chalmette Acquisition and its associated impact on PBF LLC s balance sheet and statement of operations including an assumed borrowing under our Revolving Loan to fund the acquisition; and
- distributions, dividends, and Series C Units repurchases made subsequent to June 30, 2015; and
- the consummation of the offering of the PBF Logistics 6.875% Senior Notes and corresponding repayment of borrowings under the PBFX Revolving Credit Facility.

The pro forma adjustments for the year ended December 31, 2014 principally give effect to:

- the closing of the Chalmette Acquisition and its associated impact on PBF LLC s statement of operations including an assumed borrowing under our Revolving Loan to fund the acquisition; and
- the consummation of the offering of the PBF Logistics 6.875% Senior Notes and corresponding repayment of borrowings under the PBFX Revolving Credit Facility.

The estimates and assumptions used in preparation of the pro forma financial information may be materially different from our actual experience.

The unaudited pro forma consolidated balance sheet and statements of operations should be read in conjunction with Selected Financial Data of PBF LLC, Management s Discussion and Analysis of Financial Condition and Results of

Operations of PBF LLC Results of Operations in this section of the prospectus, and PBF LLC s historical consolidated financial statements and related notes thereto, and the historical financial statements and related notes thereto of Chalmette, each included elsewhere in this prospectus.

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Unaudited Pro Forma Consolidated Balance Sheet

As of June 30, 2015

(in thousands)

	Historical PBF LLC	Historical Chalmette	Pro Forma Effect of Accounting Changes (Note 1)	Adjusted Pro Forma Chalmette	Pro Forma Acquisition Adjustments	Pro Forma Adjustments related to the October 2015 Offering	Other Pro Forma Adjustments	Pro Form Consolic
TS								
nt assets:								
and cash alents	$ 603,383	$ 181,704		$ 181,704	$ (181,704) (4)	$ 344,021(7)	(42,684) (9)	$ 904.
unts receivable	540,227	153,848		153,848	(150,223) (4)			543.
tories	1,306,414	253,016		253,016	(3,016) (3)			1,556.
id expense and current assets	39,456	102,990		102,990				142.
current assets	2,489,480	691,558		691,558	(334,943)	344,021	(42,684)	3,147.
rty, plant and ment, net	1,964,953	338,676		338,676	(13,088) (3)			2,290.
etable securities	234,249							234.
red charges and assets, net	316,202	5,340	32,897 (2)	38,237	(38,237) (3)(4)			316.
assets	$ 5,004,884	$ 1,035,574	$ 32,897	$ 1,068,471	$ (386,268)	$ 344,021	$ (42,684)	$ 5,988.
ILITIES AND TY								
nt liabilities:								
unts payable	$ 354,636	$ 1,357,101		$ 1,357,101	(1,129,019) (4)			$ 582.
le to affiliates								
ued expenses	1,180,231						88,943 (8)	1,269.
red revenue	7,218							7.
current liabilities	1,542,085	1,357,101		1,357,101	(1,129,019)		88,943	1,859.
vare Economic opment rity loan	8,000							8.
-term debt	1,353,734				450,533 (5)			1,804.
ompany note le	128,609							128.

long-term ties	69,833	1,570		1,570	(1,570) (4)			69
liabilities	3,102,261	1,358,671		1,358,671	(680,056)		88,943	3,869
mitments and ngencies								
B Units	5,110							5
y:								
A Units	55,947							55
C Units	916,449					344,021(7)		1,260
bers Capital		(326,685)	32,897	(293,788)	293,788 (6)			
ury stock, at cost	(146,731)						(4,073) (8)	(150
ned ngs/(accumulated t)	765,142						(121,505) (8)	643
mulated other rehensive ne/(loss)	(26,080)							(26
equity	1,564,727	(326,685)	32,897	(293,788)	293,788	344,021	(125,578)	1,783
ontrolling sts	332,786	3,588		3,588			(6,049) (8)	330
Equity	1,897,513	(323,097)	32,897	(290,200)	293,788	344,021	(131,627)	2,113
Liabilities and y	$ 5,004,884	$ 1,035,574	$ 32,897	$ 1,068,471	$ (386,268)	$ 344,021	$ (42,684)	$ 5,988

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NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET

1. PBF LLC performed certain procedures for the purpose of identifying any material differences in significant accounting policies between PBF LLC and Chalmette Refining and any accounting adjustments that would be required in connection with adopting uniform policies. Procedures performed by PBF LLC included a review of the disclosed summary of significant accounting policies in Chalmette Refining s audited financial statements and a preliminary discussion with Chalmette Refining s management regarding their significant accounting policies in order to identify material adjustments. While we expect to engage in additional discussions with Chalmette Refining s management and continue to evaluate the impact of Chalmette Refining s accounting policies on its historical results after the close of the acquisition, our best estimate of the differences we have identified to date are included in Note 2 and Note 9 below.

2. Reflects the estimated impact of reversing refinery turnaround costs expensed by Chalmette Refining from January 1, 2014 through June 30, 2015 in accordance with their historical accounting policy and adjusted based on PBF LLC s accounting policy which is to capitalize refinery turnaround costs incurred in connection with planned major maintenance activities and subsequently amortize such costs on a straight line basis over the period of time estimated to lapse until the next turnaround occurs (generally 3 to 5 years). The impact of this adjustment includes the reversal of the turnaround expense recorded in operating expenses ($43.9 million for the year ended December 31, 2014 and de minimis for the six months ended June 30, 2015) and recording the estimated depreciation expense associated with the turnaround costs that have been capitalized on the balance sheet in accordance with our policy.

3. Represents a preliminary estimate of the cash consideration transferred of $450.5 million for the Chalmette Acquisition, which is assumed to be funded through a borrowing under our Revolving Loan, and the fair value of the net assets acquired as follows:

Accounts receivable	$ 3,625
Inventories	250,000
Prepaid expenses and other current assets	102,990
Property, plant and equipment	322,000
Accounts payable and accrued expenses	(228,082)
Estimated fair value of net assets acquired	$ 450,533

This preliminary purchase price allocation estimate is based on PBF LLC s limited access to information and final allocations are subject to the terms of the sale and purchase agreement and will be determined based on ongoing operations by ExxonMobil, Mobil Pipe Line Company and PDV Chalmette L.L.C. through the close of the Chalmette Acquisition. The fair values of the accounts receivable, prepaid expenses and other current assets and accounts payable and accrued expenses are estimated to approximate their carrying value presented in the June 30, 2015 financial statements of Chalmette Refining. The fair value of the inventory is based on the expected quantities to be acquired at current market prices. The fair value of property, plant and equipment is largely based on the acquisition purchase price of the assets. These amounts may change and may change materially at the time the Chalmette Acquisition is consummated. The final determination of the purchase price allocation is anticipated to be completed as soon as practicable after the close of the acquisition. PBF LLC anticipates that the valuations of the acquired assets and liabilities will include, but not be limited to, inventory, property, plant and equipment and other potential intangible assets. The valuations will be performed by a third-party valuation specialist based on valuation techniques that PBF LLC deems appropriate for measuring the fair value of the assets acquired and liabilities assumed.

The final acquisition consideration, and amounts allocated to assets acquired and liabilities assumed in the acquisition could differ materially from the amounts presented in these unaudited pro forma consolidated financial statements.

The pro forma adjustment for property plant and equipment includes the reversal of the historical book value which is replaced with the value determined by the preliminary purchase price allocation. Property, plant and equipment is net of $3.6 million of non-controlling interest acquired. In addition, the balance related to capitalized refinery turnaround costs in deferred charges and other assets, net was also reversed as an acquisition adjustment in conjunction with the preliminary purchase price allocation.

4. Represents the reversal of $181.7 million of cash, a $150.2 million related-party receivable, $5.3 million of other assets, a $1,129.1 million related-party payable and a $1.6 million long-term liability, all of which will not be assumed by PBF LLC in connection with the Chalmette Acquisition.

5. Represents an assumed borrowing of $450.5 million under our Revolving Loan to fund the Chalmette Acquisition including the purchased working capital. For purposes of the unaudited pro forma consolidated financial statements, the funding for the Chalmette Acquisition is assumed to be provided by borrowings under our Revolving Loan, however, the actual debt proceeds used to fund the acquisition may be from our Revolving Loan or proceeds from other debt financing transactions or a combination thereof.

6. Reflects the elimination of $293.8 million of Chalmette Refining s Members Capital Deficit in connection with PBF LLC s initial purchase price accounting adjustments.

7. Represents adjustments to equity for the October 2015 Equity Offering reflecting net proceeds of $344.0 million associated with PBF Energy s purchase of 11,500,000 PBF LLC Series C Units.

8. Reflects the net effect on cash and cash equivalents, retained earnings and noncontrolling interest of the payment of aggregate distributions made subsequent to June 30, 2015. PBF Holding made aggregate distributions of $121.5 million to PBF LLC. PBF LLC in turn distributed $114.5 million to PBF Energy (of which $25.7 million was used to pay on August 25, 2015 its previously declared cash dividend of $0.30 per share of Class A common stock) and $7.0 million to its other members. Also on August 31, 2015, PBF Logistics made a distribution of $13.0 million ($0.37 per unit) to holders of its common and subordinated units and IDRs, of which $7.0 million was paid to PBF LLC. In addition, the pro forma adjustments reflect treasury stock repurchases of $4.1 million of PBF LLC Series C Units subsequent to June 30, 2015. The effects of these distributions and stock repurchases on PBF LLC would decrease cash and cash equivalents by $42.7 million, increase accrued expenses to affiliates by $88.9 million, increase treasury stock by $4.1 million, decrease retained earnings by $25.7 million and decrease noncontrolling interests by $13.0 million.

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Unaudited Pro Forma Consolidated Statement of Operations

Year Ended December 31, 2014

(in thousands)

	Historical						
	PBF LLC	**Chalmette**	**Pro Forma Effect of Accounting Changes (Note 1)**	**Adjusted Pro Forma Chalmette**	**Pro Forma Acquisition Adjustments**	**Other Pro Forma Adjustments**	**Pro Forma Condensed Consolidated**
Revenues	$ 19,828,155	$ 6,857,506	$	$ 6,857,506	$	$	$ 26,685,661
Cost and expenses:							
Cost of sales, excluding depreciation	18,471,203	6,673,711	(339,961) (9)	6,333,750			24,804,953
Operating expenses, excluding depreciation	883,140		380,131 (9)	380,131			1,263,271
General and administrative expenses	146,592	174,054	(84,033) (9)	90,021			236,613
Gain on sale of assets	(895)						(895)
Depreciation and amortization expense	180,382	49,336	5,483 (9)	54,819	(33,039) (10)		202,162
	19,680,422	6,897,101	(38,380)	6,858,721	(33,039)		26,506,104
Income from operations	147,733	(39,595)	38,380	(1,215)	33,039		179,557
Other income (expense)							
Change in fair value of catalyst lease	3,969						3,969
Interest expense, net	(100,352)	299		299		(42,351)	(142,404)
Net income	51,350	(39,296)	38,380	(916)	33,039	(42,351)	41,122
	14,740	362		362	(11)	(11,580) (12)	3,522

Less: net income attributable to noncontrolling interests							
Net (loss) income attributable to PBF Energy Company LLC	$ 36,610	$ (39,658)	$ 38,380	$ (1,278)	$ 33,039	$ (30,771)	$ 37,600

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Unaudited Pro Forma Condensed Consolidated Statement of Operations

Six Months Ended June 30, 2015

(in thousands)

	Historical						
	PBF LLC	**Chalmette**	**Pro Forma Effect of Accounting Changes (Note 1)**	**Adjusted Pro Forma Chalmette**	**Pro Forma Acquisition Adjustments**	**Other Pro Forma Adjustments**	**Pro Forma Condensed Consolidated**
Revenues	$ 6,545,800	$ 2,285,564	$	$ 2,285,564	$	$	$ 8,831,364
Cost and expenses:							
Cost of sales, excluding depreciation	5,496,960	2,031,711	(127,644) (9)	1,904,067			7,401,027
Operating expenses, excluding depreciation	432,088		172,385 (9)	172,385			604,473
General and administrative expenses	74,623	90,659	(44,741) (9)	45,918			120,541
Gain on sale of assets	(991)						(991)
Depreciation and amortization expense	96,268	26,235	5,483 (9)	31,718	(20,828) (10)		107,158
Impairment		396,808		396,808	(396,808) (10)		
	6,098,948	2,545,413	5,483	2,550,896	(417,636)		8,232,208
Income from operations	446,852	(259,849)	(5,483)	(265,332)	417,636		599,156
Other income (expense)							
Change in fair value of catalyst lease	3,988						3,988
Interest expense, net	(50,823)	77		77		(17,611) (11)	(68,357)
Net income	400,017	(259,772)	(5,483)	(265,255)	417,636	(17,611)	534,787

Less: net income attributable to noncontrolling interests	17,227	(728)		(728)		(3,246) (11)	13,253
Net (loss) income attributable to PBF Energy Company LLC	$ 382,790	$ (259,044)	$ (5,483)	$ (264,527)	$ 417,636	$ (14,365)	$ 521,534

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NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF OPERATIONS

9. Reflects the estimated impact of reversing refinery turnaround costs expensed by Chalmette Refining from January 1, 2014 through June 30, 2015 in accordance with their historical accounting policy and adjusted based on PBF LLC s accounting policy which is to capitalize refinery turnaround costs incurred in connection with planned major maintenance activities and subsequently amortize such costs on a straight line basis over the period of time estimated to lapse until the next turnaround occurs (generally 3 to 5 years).

The impact of this adjustment includes the reversal of the turnaround expense recorded in operating expenses ($43.9 million for the year ended December 31, 2014 and de minimis for the six months ended June 30, 2015) and recording the estimated depreciation expense associated with the turnaround costs that have been capitalized on the balance sheet in accordance with our policy.

This adjustment also reflects certain reclassification adjustments to conform to our income statement presentation. For the 2014 year ended consolidated statement of operations, this adjustment includes a reclassification of $340.0 million from cost of sales to operating expenses, excluding depreciation and $82.0 million from general and administrative expenses to operating expenses, excluding depreciation and $2.0 million of income tax expense from general and administrative expenses. For the six months ended June 30, 2015 condensed consolidated statement of operations, this adjustment includes a reclassification of $127.6 million from cost of sales to operating expenses, excluding depreciation and $44.8 million from general and administrative expenses to operating expenses, excluding depreciation.

10. Represents the estimated depreciation expense resulting from the assumed fair value of property, plant and equipment acquired through the Chalmette Acquisition. Also reflects the reversal of the impairment charge recorded by Chalmette Refining which would not be applicable since property, plant & equipment would be recorded at fair value in connection with our preliminary purchase price allocation.

11. Represents incremental interest expense related to the assumed borrowing under our Revolving Loan to fund the Chalmette Acquisition based on the estimated effective interest rate applicable to each period (4.7% for the six months ended June 30, 2015 and 3.8% for the year ended 2014) and the interest expense associated with PBF Logistics issuance of 6.875% Senior Notes and reduction of interest expense in connection with PBF Logistics repayment of outstanding borrowings under its revolving credit facility.

For purposes of the unaudited pro forma consolidated financial statements, the funding for the Chalmette Acquisition is assumed to be provided by borrowings under our Revolving Loan, however, the actual debt proceeds used to fund the acquisition may be from our Revolving Loan or proceeds from other debt financing transactions or a combination thereof. Such amounts have been adjusted for the related impact on noncontrolling interests.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF PBF LLC

You should read the following discussion and analysis together with Selected Financial Data of PBF LLC, and our consolidated financial statements and related notes included elsewhere in this prospectus. Among other things, those historical financial statements include more detailed information regarding the basis of presentation for the financial data included in the following discussion. This discussion contains forward-looking statements about our business, operations and industry that involve risks and uncertainties, such as statements regarding our plans, objectives, expectations and intentions. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this prospectus particularly in the sections entitled Risk Factors Relating to PBF LLC and Cautionary Note Regarding Forward-Looking Statements of PBF LLC.

Executive Summary

We were formed in March 2008 as a holding company to control the subsidiaries that directly and indirectly own and operate our business, and are now a subsidiary of PBF Energy. We currently own and operate three domestic oil refineries and related assets located in Delaware City, Delaware, Paulsboro, New Jersey, and Toledo, Ohio, which we acquired in 2010 and 2011. Our refineries have a combined processing capacity, known as throughput, of approximately 540,000 bpd, and a weighted average Nelson Complexity Index of 11.3. Effective with the completion of PBFX s initial public offering (the PBFX Offering) in May 2014, the Company operates in two reportable business segments: Refining and Logistics. The Company s three oil refineries are all engaged in the refining of crude oil and other feedstocks into petroleum products, and are aggregated into the Refining segment. PBFX operates logistical assets such as crude oil and refined petroleum products terminals, pipelines, and storage facilities, which are aggregated into the Logistics segment.

The following table summarizes our history and key events:

March 1, 2008	PBF was formed.
June 1, 2010	The idle Delaware City refinery and its related assets were acquired from affiliates of Valero.
December 17, 2010	The Paulsboro refinery and its related assets were acquired from affiliates of Valero.
March 1, 2011	The Toledo refinery and its related assets were acquired from Sunoco.
October 2011	Delaware City became fully operational.
February 2012	Our subsidiary, PBF Holding, issued $675.5 million aggregate principal amount of 8.25% Senior Secured Notes due 2020.
December 2012	PBF Energy completed the initial public offering of its common equity. In connection with the initial public offering, PBF Energy became the sole managing member of PBF LLC.
February 2013	Our subsidiary, PBFX was formed to own or lease, operate, develop and acquire

	crude oil and refined petroleum products terminals, pipelines, storage facilities and similar logistics assets.
May 2014	PBFX completed its initial public offering of 15,812,500 common units at a price to the public of $23.00 per unit.
February 2015	Blackstone and First Reserve sold, in a secondary offering, their remaining shares of Class A common stock of PBF Energy.
May 2015	PBFX issued $350.0 million aggregate principal amount of 6.875% Senior Notes due 2023.

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Business Developments

Intermediation Agreements

On May 29, 2015, PBF Holding entered into amended and restated inventory intermediation agreements (the A&R Intermediation Agreements) with J. Aron & Company (J. Aron) pursuant to which certain terms of the existing inventory intermediation agreements were amended, including, among other things, pricing and an extension of the term for a period of two years from the original expiry date of July 1, 2015, subject to certain early termination rights. In addition, the A&R Intermediation Agreements include one-year renewal clauses by mutual consent of both parties.

Pursuant to each A&R Intermediation Agreement, J. Aron will continue to purchase and hold title to certain of the intermediate and finished products (the Products) produced by the Paulsboro and Delaware City refineries (the Refineries), respectively, and delivered into tanks at the Refineries. Furthermore, J. Aron agrees to sell the Products back to Paulsboro Refining Company LLC and DCR as the Products are discharged out of the Refineries tanks. J. Aron has the right to store the Products purchased in tanks under the A&R Intermediation Agreements and will retain these storage rights for the term of the agreements. PBF Holding will continue to market and sell the Products independently to third parties.

Chalmette Refinery Acquisition

On June 17, 2015, PBF Holding entered into a definitive Sale and Purchase Agreement (the Sale and Purchase Agreement) with ExxonMobil Oil Corporation, Mobil Pipe Line Company and PDV Chalmette, L.L.C., to purchase the ownership interests of Chalmette Refining, L.L.C. (Chalmette Refining), which owns the Chalmette refinery and related logistics assets (collectively, the Chalmette Acquisition). The Chalmette refinery, located outside of New Orleans, Louisiana, is a 189,000 bpd, dual-train coking refinery with a Nelson Complexity of 12.7 and is capable of processing both light and heavy crude oil. Upon completion of the Chalmette Acquisition, we will increase our total throughput capacity to over 725,000 bpd.

Chalmette Refining owns 100% of the MOEM Pipeline, providing access to the Empire Terminal, as well as the CAM Connection Pipeline, providing access to the Louisiana Offshore Oil Port facility through a third party pipeline. Chalmette Refining also owns 80% of each of the Collins Pipeline Company and T&M Terminal Company, both located in Collins, Mississippi, which provide a clean products outlet for the refinery to the Plantation and Colonial Pipelines. Also included in the acquisition are a marine terminal capable of importing waterborne feedstocks and loading or unloading finished products; a clean products truck rack which provides access to local markets; and a crude and product storage facility with approximately 7.5 million barrels of shell capacity.

The aggregate purchase price for the Chalmette Acquisition is $322.0 million in cash, plus inventory and working capital to be determined at closing. The purchase price is also subject to other customary purchase price adjustments. The Chalmette Acquisition is expected to close in November 2015, subject to satisfaction of customary closing conditions. Our obligation to consummate the Chalmette Acquisition is not conditioned upon the receipt of financing. In addition, PBF Energy has guaranteed all payment and performance obligations of PBF Holding that relate to or arise out of the Sale and Purchase Agreement related to the Chalmette Acquisition.

Torrance Refinery Acquisition

On September 29, 2015, PBF Holding entered into a definitive Sale and Purchase Agreement with ExxonMobil and Mobil Pacific Pipeline Company to purchase the Torrance refinery and related logistics assets (collectively the Torrance Acquisition). The Torrance refinery, which is situated on 750 acres in Torrance, California, is a high-conversion 155,000 bpd, delayed-coking refinery with a Nelson Complexity of 14.9 and primarily processes heavy and medium crude oils. The facility is strategically positioned in Southern California with advantaged logistics connectivity that offers flexible raw material sourcing and product distribution opportunities primarily in the California, Las Vegas and Phoenix area markets. Assuming the completion of the Chalmette Acquisition and the Torrance Acquisition, we will increase our total throughput capacity to approximately 900,000 bpd.

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In addition to refining assets, the Torrance Acquisition includes a number of logistics assets including a sophisticated network of crude and products pipelines, product distribution terminals and refinery crude and product storage facilities. The most significant of the logistics assets is a 171-mile crude gathering and transportation system which delivers San Joaquin Valley crude oil directly from the field to the refinery. Additionally, included in the Torrance Acquisition are several pipelines which provide access to sources of crude oil including the Ports of Long Beach and Los Angeles, as well as clean product outlets with a direct pipeline supplying jet fuel to the Los Angeles airport. The refinery also has crude and product storage facilities with approximately 8.6 million barrels of shell capacity.

The purchase price for the assets is $537.5 million plus inventory and working capital to be valued at closing. The purchase price is also subject to other customary purchase price adjustments. The Torrance Acquisition is expected to close no earlier than the second quarter of 2016, subject to satisfaction of customary closing conditions. Additionally, as a condition of the closing, the Torrance refinery is to be restored to full working order with respect to the event that occurred on February 18, 2015 resulting in damage to the electrostatic precipitator and related systems and shall have operated as required under the acquisition agreement for a period of at least fifteen days after such restoration. We expect to finance the transaction with a combination of cash on hand, debt and equity. In addition, PBF Energy has guaranteed all payment and performance obligations of PBF Holding that relate to or arise out of the Sale and Purchase Agreement related to the Torrance Acquisition.

October 2015 Equity Offering

On October 13, 2015, PBF Energy completed a public offering of an aggregate of 11,500,000 shares of Class A common stock, including 1,500,000 shares of Class A common stock that was sold pursuant to the exercise of an over-allotment option, for net proceeds of $344.0 million, after deducting underwriting discounts and commissions and other offering expenses (the October 2015 Equity Offering). In conjunction with the October 2015 Equity Offering, PBF Energy purchased an aggregate of 11,500,000 PBF LLC Series C Units. We intend to use the proceeds to fund a portion of the purchase price for the Torrance Acquisition. However, subject to the timing of the closing of the Torrance Acquisition, we may use the net proceeds of the October 2015 Equity Offering to pay down indebtedness incurred to fund the Chalmette Acquisition (or for capital in lieu of indebtedness we might otherwise borrow).

As a result of the October 2015 Equity Offering, PBF Energy now owns 97,394,850 PBF LLC Series C Units and PBF Energy s executive officers and directors and certain employees beneficially own 5,111,358 PBF LLC Series A Units, and the holders of PBF Energy s issued and outstanding shares of Class A common stock have 95.0% of the voting power in PBF Energy and the members of PBF LLC other than PBF Energy through their holdings of Class B common stock have the remaining 5.0% of the voting power in PBF Energy.

Factors Affecting Comparability

Our results over the past three years have been affected by the following events, which must be understood in order to assess the comparability of our period to period financial performance and financial condition.

Initial Public Offering of PBFX

On May 14, 2014, PBFX completed its initial public offering of 15,812,500 common units, including 2,062,500 common units issued upon exercise of the over-allotment option that was granted to the underwriters, at a price to the public of $23.00 per unit. Upon completion of the PBFX Offering, PBF LLC held a 50.2% limited partner interest in PBFX (consisting of 74,053 common units and 15,886,553 subordinated units), with the remaining 49.8% limited partner interest held by public common unit holders. PBF LLC also owns all of the incentive distribution rights and indirectly owns a non-economic general partner interest in PBFX through its wholly-owned subsidiary, PBF GP, the general partner of PBFX. During the subordination period (as set forth in

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the partnership agreement of PBFX) holders of the subordinated units are not entitled to receive any distribution of available cash until the common units have received the minimum quarterly distribution plus any arrearages in the payment of the minimum quarterly distribution from prior quarters. If PBFX does not pay distributions on the subordinated units, the subordinated units will not accrue arrearages for those unpaid distributions. Each subordinated unit will convert into one common unit at the end of the subordination period.

PBFX is a fee-based, growth-oriented, Delaware master limited partnership formed by PBF Energy to own or lease, operate, develop and acquire crude oil and refined petroleum products terminals, pipelines, storage facilities and similar logistics assets. PBFX engages in the receiving, handling, storage and transferring of crude oil, refined products and intermediates from sources located throughout the United States and Canada for PBF Energy in support of its three refineries. PBFX s initial assets consist of the Delaware City Rail Terminal, and a crude oil truck unloading terminal at the Toledo refinery (which we refer to as the Toledo Truck Terminal), that are integral components of the crude oil delivery operations at all three of PBF Energy s refineries. All of PBFX s initial revenue was derived from long-term, fee-based commercial agreements with subsidiaries of PBF Energy, which include minimum volume commitments, for receiving, handling and transferring crude oil. These transactions are eliminated by PBF Energy in consolidation.

PBFX received proceeds (after deducting underwriting discounts and structuring fees but before estimated offering expenses) from the PBFX Offering of approximately $341.0 million. PBFX used the net proceeds from the offering to: (i) distribute approximately $35.0 million to PBF LLC for certain capital expenditures incurred prior to the closing of the PBFX Offering with respect to assets contributed to PBFX and to reimburse it for estimated offering expenses; (ii) pay debt issuance costs of approximately $2.3 million related to the PBFX Revolving Credit Facility and the PBFX Term Loan; and (iii) purchase $298.7 million in U.S. Treasury or other investment grade securities which will be used to fund anticipated capital expenditures by PBFX. PBFX retained approximately $5.0 million for general partnership purposes. PBFX also borrowed $298.7 million under the PBFX Term Loan, which is secured by a pledge of the U.S. Treasury or other investment grade securities held by PBFX, and distributed the proceeds of such borrowings to PBF LLC. PBF LLC contributed the net proceeds of the PBFX Offering and PBFX Term Loan borrowings to PBF Holding.

Effective September 30, 2014, PBF Holding distributed to PBF LLC all of the equity interests of DCT II, whose assets consist solely of the DCR West Rack, immediately prior to the contribution of DCT II by PBF LLC to PBFX. The DCR West Rack has an estimated throughput capacity of at least 40,000 bpd. PBFX transferred to PBF LLC total consideration of $150.0 million, consisting of $135.0 million of cash and $15.0 million of PBFX common units, or 589,536 common units. The cash consideration consisted of $105.0 million in borrowings under the PBFX Revolving Credit Facility and $30.0 million in proceeds from the sale of marketable securities. PBFX also borrowed an additional $30.0 million under the PBFX Revolving Credit Facility to repay $30.0 million of its outstanding PBFX Term Loan in order to release the $30.0 million in marketable securities that had collateralized PBFX s Term Loan. Subsequent to the DCR West Rack Acquisition, PBF LLC held a 51.1% limited partner interest in PBFX consisting of 663,589 common units and 15,886,553 subordinated units.

Effective December 11, 2014, PBF LLC contributed to PBFX all of the issued and outstanding limited liability company interests of Toledo Terminaling, whose assets consist of the Toledo Storage Facility, for total consideration of $150.0 million, consisting of $135.0 million of cash and $15.0 million of Partnership common units, or 620,935 common units. The cash consideration consisted of $105.0 million in borrowings under the PBFX Revolving Credit Facility and $30.0 million in proceeds from the sale of marketable securities. PBFX also borrowed an additional $30.0 million under the PBFX Revolving Credit Facility to repay $30.0 million outstanding under the PBFX Term Loan in order to release the $30.0 million in marketable securities that had collateralized the PBFX Term Loan.

On May 14, 2015, PBF LLC contributed to PBFX all the issued and outstanding limited liability company interests of Delaware Pipeline Company LLC and Delaware City Logistics Company LLC, whose assets consist of a products pipeline, truck rack and related facilities located at our Delaware City refinery (collectively the

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Delaware City Products Pipeline and Truck Rack), for consideration payable to us from PBFX of $143.0 million, consisting of $112.5 million of cash and $30.5 million of PBFX common units, or 1,288,420 common units (the Delaware City Products Pipeline and Truck Rack Acquisition). The acquisition of the Delaware City Products Pipeline and Truck Rack will be supported by ten-year term agreements with our subsidiaries containing minimum volume throughput commitments.

Subsequent to the acquisition, PBF LLC held a 53.8% limited partner interest in PBFX consisting of 2,572,944 common units and 15,886,553 subordinated units.

Amended and Restated Asset Based Revolving Credit Facility

On an ongoing basis, the Revolving Loan is available to be used for working capital and other general corporate purposes. In 2012, we amended the Revolving Loan to increase the aggregate size from $500.0 million to $965.0 million. In addition, the Revolving Loan was amended and restated on October 26, 2012 to increase the maximum availability to $1.375 billion, extend the maturity date to October 26, 2017 and amend the borrowing base to include non-U.S. inventory. The agreement was expanded again in December 2012 and November 2013 to increase the maximum availability from $1.375 billion to $1.610 billion. On August 15, 2014, the agreement was amended and restated once more to, among other things, increase the maximum availability to $2.5 billion and extend its maturity to August 2019. The Revolving Loan includes an accordion feature which allows for an increase in aggregate commitments of up to $2.75 billion. The commitment fees on the unused portions, the interest rate on advances and the fees for letters of credit have also been reduced in the amended and restated Revolving Loan.

Letter of Credit Facility

On January 25, 2011, we entered into a short-term letter of credit facility, which was subsequently amended on April 26, 2011 and April 24, 2012, under which we could obtain letters of credit up to $750.0 million composed of a committed maximum amount of $500.0 million and an uncommitted maximum amount of $250.0 million to support certain of our crude oil purchases. As a result of the increased size of the amended and restated Revolving Loan, we terminated the letter of credit facility in December 2012.

Senior Secured Notes Offering

On February 9, 2012, PBF Holding and PBF Finance Corporation issued 8.25% Senior Secured Notes, due 2020 with an aggregate principal amount of $675.5 million. The net proceeds from the offering of approximately $665.8 million were used to repay our Paulsboro Promissory Note in the amount of $160.0 million, our Term Loan in the amount of $123.8 million, our Toledo Promissory Note in the amount of $181.7 million, and to reduce indebtedness under the Revolving Loan.

Rail Facility Revolving Credit Facility

Effective March 25, 2014, PBF Rail Logistics Company LLC (PBF Rail), an indirect wholly-owned subsidiary of PBF Holding, entered into a $250.0 million secured revolving credit agreement (the Rail Facility). The primary purpose of the Rail Facility is to fund the acquisition by PBF Rail of coiled and insulated crude tank cars and non-coiled and non-insulated general purpose crude tank cars (the Eligible Railcars) before December 2015. The amount available to be advanced under the Rail Facility equals 70.0% of the lesser of the aggregate Appraised Value of the Eligible Railcars, or the aggregate Purchase Price of such Eligible Railcars, as these terms are defined in the credit agreement.

On April 29, 2015, the Rail Facility was amended to, among other things, extend the maturity to April 29, 2017, reduce the total commitment from $250.0 million to $150.0 million, and reduce the commitment fee on the unused portion of the Rail Facility. At any time prior to maturity PBF Rail may repay and re-borrow any advances without premium or penalty. On the first anniversary of the closing of the amendment, the advance rate adjusts automatically to 65.0%.

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PBFX Debt and Credit Facilities

On May 14, 2014, in connection with the closing of the PBFX Offering, PBFX entered into the five-year, $275.0 million PBFX Revolving Credit Facility and the three-year, $300.0 million PBFX Term Loan. The PBFX Revolving Credit Facility was increased from $275.0 million to $325.0 million in December 2014. The PBFX Revolving Credit Facility is available to fund working capital, acquisitions, distributions and capital expenditures and for other general partnership purposes and is guaranteed by a guaranty of collection from PBF LLC. PBFX also has the ability to increase the maximum amount of the PBFX Revolving Credit Facility by an aggregate amount of up to $275.0 million, to a total facility size of $600.0 million, subject to receiving increased commitments from lenders or other financial institutions and satisfaction of certain conditions. The PBFX Revolving Credit Facility includes a $25.0 million sublimit for standby letters of credit and a $25.0 million sublimit for swingline loans. The PBFX Term Loan was used to fund distributions to PBF LLC and is guaranteed by a guaranty of collection from PBF LLC and secured at all times by cash, U.S. Treasury or other investment grade securities in an amount equal to or greater than the outstanding principal amount of the PBFX Term Loan.

The DCR West Rack Acquisition, Toledo Storage Facility Acquisition and the Delaware City Products Pipeline and Truck Rack Acquisition each were funded partially by proceeds from the sale of marketable securities and borrowings under the PBFX Revolving Credit Facility. PBFX repaid a portion of its outstanding PBFX Term Loan in order to release the marketable securities that had collateralized the PBFX Term Loan.

PBFX Senior Notes

On May 12, 2015, PBFX entered into an Indenture among PBFX, PBF Logistics Finance Corporation, a Delaware corporation and wholly-owned subsidiary of PBFX (together with PBFX, the Issuers), the Guarantors named therein and Deutsche Bank Trust Company Americas, as Trustee, under which the Issuers issued $350.0 million in aggregate principal amount of 6.875% Senior Notes due 2023 (the Notes). PBF LLC provides a limited guarantee of collection of the principal amount of the notes. The initial purchasers in the offering purchased $330.1 million aggregate principal amount of Notes pursuant to a private placement transaction conducted under Rule 144A and Regulation S of the Securities Act of 1933, as amended, and certain of PBF Energy s officers and directors and their affiliates and family members purchased the remaining $19.9 million aggregate principal amount of Notes in a separate private placement transaction. The Issuers received net proceeds of approximately $343.0 million from the offerings after deducting estimated offering expenses, and used such proceeds to pay $88.0 million of the cash consideration due in connection with the Delaware City Products Pipeline and Truck Rack Acquisition and to repay $255.0 million of outstanding indebtedness under the PBFX Revolving Credit Facility. PBFX will pay interest on the Notes semi-annually in cash in arrears on May 15 and November 15 of each year, beginning on November 15, 2015. The Notes will mature on May 15, 2023.

Crude Oil Acquisition Agreement Termination

Effective July 31, 2014, PBF Holding terminated the Amended and Restated Crude Oil Acquisition Agreement, dated as of March 1, 2012 as amended (the Toledo Crude Oil Acquisition Agreement) with MSCG. Under the terms of the Toledo Crude Oil Acquisition Agreement, we previously acquired substantially all of our crude oil for our subsidiary s Toledo refinery from MSCG through delivery at various interstate pipeline locations. No early termination penalties were incurred by us as a result of the termination. We began sourcing our own crude oil needs for Toledo upon termination.

Share Repurchase Program

On August 19, 2014, PBF Energy s Board of Directors authorized the repurchase of up to $200.0 million of the Company s Series C Units, through the repurchase of PBF Energy s Class A common stock (the Repurchase Program). On October 29, 2014, PBF Energy s Board of Directors approved an additional $100.0 million increase to the existing Repurchase Program. The Repurchase Program expires on September 30, 2016. As of

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October 15, 2015, the Company has purchased approximately 6.05 million of the Company s Series C Units under the Repurchase Program for $150.7 million through the purchase of PBF Energy s Class A common stock in open market transactions.

These repurchases may be made from time to time through various methods, including open market transactions, block trades, accelerated share repurchases, privately negotiated transactions or otherwise, certain of which may be effected through Rule 10b5-1 and Rule 10b-18 plans. The timing and number of shares repurchased will depend on a variety of factors, including price, capital availability, legal requirements and economic and market conditions. PBF Energy is not obligated to purchase any shares under the Repurchase Program, and repurchases may be suspended or discontinued at any time without prior notice.

Renewable Fuels Standard

We have seen a fluctuation in the cost of renewable fuel credits, known as RINs, required for compliance with the RFS. We incurred approximately $72.9 million and $115.7 million in RINs costs during the six months ended June 30, 2015 and year ended December 31, 2014 as compared to $59.5 million, $126.4 million and $43.7 million during the six months ended June 30, 2014 and years ended December 31, 2013 and 2012, respectively. The fluctuations in RINs costs are due primarily to volatility in prices for ethanol-linked RINs and increases in our production of on-road transportation fuels since 2012. Our RINs purchase obligation is dependent on our actual shipment of on-road transportation fuels domestically and the amount of blending achieved.

Factors Affecting Operating Results

Overview

Our earnings and cash flows from operations are primarily affected by the relationship between refined product prices and the prices for crude oil and other feedstocks. The cost to acquire crude oil and other feedstocks and the price of refined petroleum products ultimately sold depends on numerous factors beyond our control, including the supply of, and demand for, crude oil, gasoline, diesel and other refined petroleum products, which, in turn, depend on, among other factors, changes in global and regional economies, weather conditions, global and regional political affairs, production levels, the availability of imports, the marketing of competitive fuels, pipeline capacity, prevailing exchange rates and the extent of government regulation. Our revenue and operating income fluctuate significantly with movements in industry refined petroleum product prices, our materials cost fluctuate significantly with movements in crude oil prices and our other operating expenses fluctuate with movements in the price of energy to meet the power needs of our refineries. In addition, the effect of changes in crude oil prices on our operating results is influenced by how the prices of refined products adjust to reflect such changes.

Crude oil and other feedstock costs and the prices of refined petroleum products have historically been subject to wide fluctuation. Expansion and upgrading of existing facilities and installation of additional refinery distillation or conversion capacity, price volatility, international political and economic developments and other factors beyond our control are likely to continue to play an important role in refining industry economics. These factors can impact, among other things, the level of inventories in the market, resulting in price volatility and a reduction or increase in product margins. Moreover, the industry typically experiences seasonal fluctuations in demand for refined petroleum products, such as for gasoline and diesel, during the summer driving season and for home heating oil during the winter.

Benchmark Refining Margins

In assessing our operating performance, we compare the refining margins (revenue less materials cost) of each of our refineries against a specific benchmark industry refining margin based on a crack spread. Benchmark

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refining margins take into account both crude and refined petroleum product prices. When these prices are combined in a formula they provide a single value a gross margin per barrel that, when multiplied by a throughput number, provides an approximation of the gross margin generated by refining activities.

The performance of our East Coast refineries generally follows the currently published Dated Brent (NYH) 2-1-1 benchmark refining margins. For our Toledo refinery, we utilize a composite benchmark refining margin, the WTI (Chicago) 4-3-1 that is based on publicly available pricing information for products trading in the Chicago and United States Gulf Coast markets.

While the benchmark refinery margins presented below under Results of Operations Operating Highlights are representative of the results of our refineries, each refinery s realized gross margin on a per barrel basis will differ from the benchmark due to a variety of factors affecting the performance of the relevant refinery to its corresponding benchmark. These factors include the refinery s actual type of crude oil throughput, product yield differentials and any other factors not reflected in the benchmark refining margins, such as transportation costs, storage costs, credit fees, fuel consumed during production and any product premiums or discounts, as well as inventory fluctuations, timing of crude oil and other feedstock purchases, a rising or declining crude and product pricing environment and commodity price management activities. As discussed in more detail below, each of our refineries, depending on market conditions, has certain feedstock-cost and product-value advantages and disadvantages as compared to the refinery s relevant benchmark.

Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to us. Our exposure to credit risk is reflected in the carrying amount of the receivables that are presented in our balance sheet. To minimize credit risk, all customers are subject to extensive credit verification procedures and extensions of credit above defined thresholds are to be approved by the senior management. Our intention is to trade only with recognized creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis. We also limit the risk of bad debts by obtaining security such as guarantees or letters of credit.

Other Factors

We currently source our crude oil for Paulsboro and Delaware City on a global basis through a combination of market purchases and short-term purchase contracts, and through our crude oil supply agreements with Statoil and Saudi Aramco. Our crude oil supply agreement with Statoil for Paulsboro was terminated effective March 31, 2013, at which time we began to source Paulsboro s crude oil and feedstocks internally. Our crude oil supply agreement with Statoil for Delaware City was extended by Statoil through December 31, 2015 and we entered into certain amendments to that agreement that are effective through the extended term. In addition, we have a contract with Saudi Aramco to purchase crude oil, and also purchase on the spot market from Saudi Aramco when strategic opportunities arise. We have been purchasing up to approximately 100,000 bpd of crude oil from Saudi Aramco that is processed at Paulsboro. Prior to the termination of the Toledo Crude Oil Acquisition Agreement, our Toledo refinery sourced domestic and Canadian crude oil through similar market purchases through this crude supply contract with MSCG. Subsequently, our Toledo refinery has sourced its crude oil and feedstocks internally. We believe purchases based on market pricing has given us flexibility in obtaining crude oil at lower prices and on a more accurate as needed basis. Since our Paulsboro and Delaware City refineries access their crude slates from the Delaware River via ship or barge and through our rail facilities at Delaware City, these refineries have the flexibility to purchase crude oils from the Mid-Continent and Western Canada, as well as a number of different countries.

Since 2012, we expanded and upgraded the existing on-site railroad infrastructure at the Delaware City refinery, including the expansion of the crude rail unloading facilities. Currently, crude oil delivered by rail to this facility is consumed at our Delaware City refinery. We may also transport some of the crude delivered by rail from Delaware City via barge to our Paulsboro refinery or other third party destinations. In 2014, we completed a project to expand the Delaware City heavy crude rail unloading capability at the refinery from 40,000 bpd to 80,000 bpd and added additional unloading spots to the dual-loop track to increase light crude unloading capacity from 105,000 bpd to 130,000 bpd. These projects bring total rail crude unloading capability up to 210,000 bpd, subject to the delivery of coiled and insulated railcars, the development of crude rail loading infrastructure in Canada and the use of unit trains. The Delaware City rail unloading facility allows our East Coast refineries to source WTI-based crude oils from Western Canada and the Mid-Continent, which we believe at times may provide significant cost advantages versus traditional Brent-based international crude oils.

During 2012 and January 2013, we entered into agreements to lease or purchase 5,900 crude railcars which will enable us to transport crude oil by rail to each of our refineries. A portion of these railcars are now being purchased via the Rail Facility entered into during 2014. Additionally, we have purchased a portion of these railcars and subsequently sold them to third parties, which have leased the railcars back to us for periods of between four and seven years. As of June 30, 2015 and December 31, 2014, we have purchased and subsequently leased back 2,322 and 1,403 railcars, respectively. This transportation flexibility allows our East Coast refineries to process the most cost advantaged crude oil available.

Our operating cost structure is also important to our profitability. Major operating costs include costs relating to employees and contract labor, energy, maintenance and environmental compliance, and renewable fuel credits, known as RINs, required for compliance with the Renewable Fuels Standard. The predominant variable cost is energy, in particular, the price of utilities, natural gas and chemicals.

Our operating results are also affected by the reliability of our refinery operations. Unplanned downtime of our refinery assets generally results in lost margin opportunity and increased maintenance expense. The financial impact of planned downtime, such as major turnaround maintenance, is managed through a planning process that considers such things as the margin environment, the availability of resources to perform the needed maintenance and feed logistics, whereas unplanned downtime does not afford us this opportunity.

Refinery-Specific Information

The following section includes refinery-specific information related to our operations, crude oil differentials, ancillary costs, and local premiums and discounts.

Delaware City Refinery. The benchmark refining margin for the Delaware City refinery is calculated by assuming that two barrels of the benchmark Dated Brent crude oil are converted into one barrel of gasoline and one barrel of heating oil. We calculate this refining margin using the NYH market value of gasoline and heating oil against the market value of Dated Brent crude oil and refer to the benchmark as the Dated Brent (NYH) 2-1-1 benchmark refining margin. Our Delaware City refinery has a product slate of approximately 53.5% gasoline, 34.5% distillate (consisting of ULSD, marketed as ULSD or low sulfur heating oil, and conventional heating oil), 1% high-value petrochemicals, with the remaining portion of the product slate comprised of lower-value products (4% petroleum coke, 4.5% LPGs and 2.5% other). For this reason, we believe the Dated Brent (NYH) 2-1-1 is an appropriate benchmark industry refining margin. The majority of Delaware City revenues are generated off NYH-based market prices.

The Delaware City refinery s realized gross margin on a per barrel basis has historically differed from the Dated Brent (NYH) 2-1-1 benchmark refining margin due to the following factors:

the Delaware City refinery processes a slate of primarily medium and heavy, and sour crude oil, which has constituted approximately 65% to 70% of total throughput. The remaining throughput consists of sweet crude oil and other feedstocks and blendstocks. In addition, we are currently processing a significant volume of price-advantaged crude oil. Our total throughput costs have historically priced at a discount to Dated Brent; and as a result of the heavy, sour crude slate processed at Delaware City, we produce low value products including sulfur and petroleum coke. These products are priced at a significant discount to gasoline, ULSD and heating oil and represent approximately 5% of our total production volume.

Paulsboro Refinery. The benchmark refining margin for the Paulsboro refinery is calculated by assuming that two barrels of the benchmark Dated Brent crude oil are converted into one barrel of gasoline and one barrel of heating oil. We calculate this refining margin using the New York Harbor market value of gasoline and heating oil against the market value of Dated Brent crude oil and refer to the benchmark as the Dated Brent (NYH) 2-1-1 benchmark refining margin. Our Paulsboro refinery has a product slate of approximately 40% gasoline, 37.5% distillate (comprised of jet fuel, ULSD and heating oil), 4.5% high-value Group I lubricants, with the remaining portion of the product slate comprised of lower-value products (2% petroleum coke, 4% LPGs, 3% fuel oil, 8.5% asphalt and 0.5% other). For this reason, we believe the Dated Brent (NYH) 2-1-1 is an appropriate benchmark industry refining margin. The majority of Paulsboro revenues are generated off NYH-based market prices.

The Paulsboro refinery s realized gross margin on a per barrel basis has historically differed from the Dated Brent (NYH) 2-1-1 benchmark refining margin due to the following factors:

the Paulsboro refinery has generally processed a slate of primarily medium and heavy, and sour crude oil, which has historically constituted approximately 65% to 70% of total throughput. The remaining throughput consists of sweet crude oil and other feedstocks and blendstocks. We are now also running a significant volume of price advantaged domestic crude oils. These feedstocks historically have priced at a discount to Dated Brent;

as a result of the heavy, sour crude slate processed at Paulsboro, we produce low value products including sulfur, petroleum coke and fuel oil. These products are priced at a significant discount to gasoline and heating oil and represent approximately 5% to 7% of our total production volume; and

the Paulsboro refinery produces Group I lubricants which, through an extensive production process, have a low volume yield which limits the volume expansion on crude oil inputs.

Toledo Refinery. The benchmark refining margin for the Toledo refinery is calculated by assuming that four barrels of benchmark WTI crude oil are converted into three barrels of gasoline, one-half barrel of ULSD and one-half barrel of jet fuel. We calculate this refining margin using the Chicago market values of gasoline and ULSD and the United States Gulf Coast value of jet fuel against the market value of WTI crude oil and refer to this benchmark as the WTI (Chicago) 4-3-1 benchmark refining margin. Our Toledo refinery has a product slate of approximately 51.5% gasoline, 36% distillate (comprised of approximately 52% jet fuel and 48% ULSD), 5% high-value petrochemicals (including nonene, tetramer, benzene, xylene and toluene) with the remaining portion of the product slate comprised of lower-value products (5% LPGs, 2% fuel oil and 0.5% other). For this reason, we believe the WTI (Chicago) 4-3-1 is an appropriate benchmark industry refining margin. The majority of Toledo revenues are generated off Chicago-based market prices.

The Toledo refinery s realized gross margin on a per barrel basis has historically differed from the WTI (Chicago) 4-3-1 benchmark refining margin due to the following factors:

the Toledo refinery processes a slate of domestic sweet and Canadian synthetic crude oil. Historically, Toledo s blended average crude costs have been higher than the market value of WTI crude oil;

the Toledo refinery is connected to its distribution network through a variety of third party product pipelines. While lower in cost when compared to barge or rail transportation, the inclusion of transportation costs increases our overall cost relative to the 4-3-1 benchmark refining margin; and

the Toledo refinery generates a pricing benefit on some of its products, primarily its petrochemicals.

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Results of Operations

The tables below reflect our consolidated financial and operating highlights for the years ended December 31, 2014, 2013 and 2012 and for the six months ended June 30, 2015 and 2014 (amounts in thousands, except per share data). We operate in two reportable business segments: Refining and Logistics. Our three oil refineries are all engaged in the refining of crude oil and other feedstocks into petroleum products, and are aggregated into the Refining segment. PBFX is a publicly traded master limited partnership that operates logistical assets such as crude oil and refined petroleum products terminals, pipelines and storage facilities. PBFX s operations are aggregated into the Logistics segment. Prior to the PBFX Offering, DCR West Rack Acquisition, Toledo Storage Facility Acquisition and the Delaware City Products Pipeline and Truck Rack Acquisition, PBFX s assets were operated within the refining operations of our Delaware City and Toledo refineries and were not considered to be a separate reportable segment. We did not analyze our results by individual segments as our Logistics segment does not have any third party revenue and substantially all of its operating results eliminate in consolidation. Additionally, third party expenses attributable directly to the Logistics segment are immaterial to our consolidated operating results.

	Year Ended December 31,			Six Months Ended June 30,	
	2014	2013	2012	2015	2014
Revenue	$ 19,828,155	$ 19,151,455	$ 20,138,687	$ 6,545,800	$ 10,048,152
Cost of sales, excluding depreciation	18,471,203	17,803,314	18,269,078	5,496,960	9,083,140
Operating expenses, excluding depreciation	883,140	812,652	738,824	432,088	479,621
General and administrative expenses	146,592	95,794	120,443	74,623	69,637
Gain on sale of asset	(895)	(183)	(2,329)	(991)	(180)
Depreciation and amortization expense	180,382	111,479	92,238	96,268	67,877
Income from operations	147,733	328,399	920,433	446,852	348,057
Change in fair value of contingent consideration			(2,768)		
Change in fair value of catalyst leases	3,969	4,691	(3,724)	3,988	(4,339)
Interest expense, net	(100,352)	(94,057)	(108,629)	(50,823)	(51,873)
Net Income	51,350	239,033	805,312	400,017	291,845
Less: net income attributable to noncontrolling interest	14,740			17,227	2,696
Net income attributable to PBF LLC	$ 36,610	$ 239,033	$ 805,312	$ 382,790	$ 289,149
Gross margin	$ 308,399	$ 436,867	$ 1,046,598	$ 535,585	$ 424,482
Gross refining margin (1)	$ 1,314,101	$ 1,348,141	$ 1,869,609	$ 989,785	$ 957,230

(1) See Non-GAAP Financial Measures below.

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Operating Highlights

	Year Ended December 31,			Six Months Ended June 30,	
	2014	2013	2012	2015	2014
Key Operating Information					
Production (barrels per day in thousands)	452.1	451.0	464.4	472.5	448.3
Crude oil and feedstocks throughput (barrels per day in thousands)	453.1	452.8	463.2	479.5	450.8
Total crude oil and feedstocks throughput (millions of barrels)	165.4	165.3	169.5	86.8	81.6
Gross refining margin, excluding special items per barrel of throughput (1)	$ 12.11	$ 8.16	$ 11.03	$ 9.93	$ 11.73
Refinery operating expense, excluding depreciation, per barrel of throughput	$ 5.34	$ 4.92	$ 4.36	$ 4.90	$ 5.87
Crude and feedstocks (% of total throughput) (2):					
Heavy Crude	14%	15%	16%	14%	14%
Medium Crude	44%	42%	47%	47%	44%
Light Crude	33%	35%	28%	28%	34%
Other feedstocks and blends	9%	8%	9%	11%	8%
Total throughput	100%	100%	100%	100%	100%
Yield (% of total throughput):					
Gasoline and gasoline blendstocks	47%	46%	47%	47%	47%
Distillates and distillate blendstocks	36%	37%	37%	36%	37%
Lubes	2%	2%	2%	1%	2%
Chemicals	3%	3%	3%	3%	3%
Other	12%	12%	11%	13%	11%
Total yield	100%	100%	100%	100%	100%

(1) See Non-GAAP Financial Measures below.
(2) We define heavy crude oil as crude oil with an American Petroleum Institute (API) gravity less than 24 degrees. We define medium crude oil as crude oil with an API gravity between 24 and 35 degrees. We define light crude oil as crude oil with an API gravity higher than 35 degrees.

The table below summarizes certain market indicators relating to our operating results as reported by Platts.

	Year Ended December 31,			Six Months Ended June 30,	
	2014	2013	2012	2015	2014
	(dollars per barrel, except as noted)				
Dated Brent Crude	$ 98.95	$ 108.66	$ 111.67	$ 58.21	$ 108.93

West Texas Intermediate (WTI) crude oil	$ 93.28	$ 97.99	$ 94.13	$ 53.25	$ 100.90
Crack Spreads					
Dated Brent (NYH) 2-1-1	$ 12.92	$ 12.34	$ 14.29	$ 17.83	$ 12.60
WTI (Chicago) 4-3-1	$ 15.92	$ 20.09	$ 27.13	$ 18.05	$ 17.80
Crude Oil Differentials					
Dated Brent (foreign) less WTI	$ 5.66	$ 10.67	$ 17.54	$ 4.97	$ 8.02
Dated Brent less Maya (heavy, sour)	$ 13.08	$ 11.38	$ 12.04	$ 8.39	$ 16.34
Dated Brent less WTS (sour)	$ 11.62	$ 13.31	$ 22.95	$ 5.09	$ 14.40
Dated Brent less ASCI (sour)	$ 6.49	$ 6.67	$ 4.97	$ 4.10	$ 8.65
WTI less WCS (heavy, sour)	$ 19.45	$ 24.62	$ 21.80	$ 10.12	$ 21.04
WTI less Bakken (light, sweet)	$ 5.47	$ 5.12	$ 5.77	$ 3.61	$ 4.23
WTI less Syncrude (light, sweet)	$ 2.25	$ 0.63	$ 0.96	$ (2.27)	$ 0.89
Natural gas (dollars per MMBTU)	$ 4.26	$ 3.73	$ 2.83	$ 2.77	$ 4.65

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Six Months Ended June 30, 2015 Compared to the Six Months Ended June 30, 2014

Overview Net income for PBF LLC was $400.0 million for the six months ended June 30, 2015 compared to net income of $291.8 million for the six months ended June 30, 2014. Net income attributable to PBF LLC was $382.8 million for the six months ended June 30, 2015 compared to net income attributable to PBF LLC of $289.1 million for the six months ended June 30, 2014. The net income or loss attributable to PBF LLC includes PBF LLC s equity interest in its operating subsidiaries net income.

Our results for the six months ended June 30, 2015 were positively impacted by a non-cash special item consisting of a non-cash pre-tax inventory lower of cost or market (LCM) adjustment of approximately $127.2 million on a net basis, which includes the reversal of the LCM charge recorded in the fourth quarter of 2014. The LCM adjustment is a result of the changing crude oil and refined product prices from the year ended 2014 to the end of the second quarter of 2015. During this period market prices have remained below our historical costs. Excluding the impact of the net change in LCM reserve of $127.2 million, our results were negatively impacted by unfavorable movements in certain crude oil differentials, partially offset by higher crack spreads on the East Coast and Mid-Continent.

Revenues Revenues totaled $6.5 billion for the six months ended June 30, 2015 compared to $10.0 billion for the six months ended June 30, 2014, a decrease of approximately $3.5 billion, or 34.9%. For the six months ended June 30, 2015, the total throughput rates in the East Coast and Mid-Continent refineries averaged approximately 337,400 bpd and 142,080 bpd, respectively. For the six months ended June 30, 2014, the total throughput rates at our East Coast and Mid-Continent refineries averaged approximately 308,400 bpd and 142,400 bpd, respectively. The increase in throughput rates at our East Coast refineries in 2015 compared to 2014 is primarily due to unplanned down time at our Paulsboro refinery in January 2014 and a planned turnaround in March 2014. The slight decline in throughput rates at our Mid-Continent refinery is due to unplanned down time at our Toledo refinery in the second quarter of 2015. For the six months ended June 30, 2015, the total barrels sold at our East Coast and Mid-Continent refineries averaged approximately 367,500 bpd and 154,500 bpd, respectively. For the six months ended June 30, 2014, the total barrels sold at our East Coast and Mid-Continent refineries averaged approximately 329,500 bpd and 151,800 bpd, respectively. Total refined product barrels sold were higher than throughput rates, reflecting sales from inventory as well as sales and purchases of refined products outside the refinery.

Gross Margin Gross refining margin (as described below in Non-GAAP Financial Measures) totaled $989.8 million, or $11.40 per barrel of throughput ($862.6 million or $9.93 per barrel of throughput excluding the impact of special items), for the six months ended June 30, 2015 compared to $957.2 million, or $11.73 per barrel of throughput during the six months ended June 30, 2014, an increase of $32.6 million. Gross margin, including refinery operating expenses and depreciation, totaled $535.6 million, or $6.17 per barrel of throughput, for the six months ended June 30, 2015 compared to $424.5 million, or $5.21 per barrel of throughput, for the six months ended June 30, 2014, an increase of $111.1 million. Excluding the impact of special items, gross margin and gross refining margin decreased due to unfavorable movements in crude differentials and lower throughput rates at our Toledo refinery, partially offset by improved crack spreads on the East Coast and the Mid-Continent. In addition, gross margin and gross refining margin were positively impacted by a non-cash LCM adjustment of approximately $127.2 million on a net basis resulting from the change in crude oil and refined product prices from the year ended 2014 to the end of the second quarter of 2015, which remained below our historical costs.

Average industry refining margins in the Mid-Continent were stronger during the six months ended June 30, 2015 as compared to the same period in 2014. The WTI (Chicago) 4-3-1 industry crack spread was approximately $18.05 per barrel or 1.4% higher in the six months ended June 30, 2015 as compared to $17.80 per barrel in the same period in 2014. Alternatively, our margins were negatively impacted from our refinery specific crude slate in the Mid-Continent which was impacted by a declining WTI/Syncrude differential, which averaged a premium of $2.27 per barrel in the six months ended 2015 as compared to a discount of $0.89 per barrel in the same period in 2014.

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The Dated Brent (NYH) 2-1-1 industry crack spread was approximately $17.83 per barrel, or 41.5% higher in the six months ended June 30, 2015 as compared to $12.60 per barrel in the same period in 2014. The WTI/Dated Brent differential and Dated Brent/Maya differential were $3.05 and $7.95 lower respectively, in the six months ended June 30, 2015 as compared to the same period in 2014. In addition, the WTI/Bakken differential was approximately $0.62 per barrel less favorable in the six months ended June 30, 2015 as compared to the same period in 2014.

Operating Expenses Operating expenses totaled $432.1 million for the six months ended June 30, 2015 compared to $479.6 million for the six months ended June 30, 2014, a decrease of $47.5 million, or 9.9%. Of the total $432.1 million of operating expenses for the six months ended June 30, 2015, $425.5 million, or $4.90 per barrel of throughput, related to expenses incurred by the Refining segment, while the remaining $6.6 million related to expense incurred by the Logistics segment. The decrease in operating expenses was mainly attributable to a decrease of $51.8 million in energy related costs primarily attributable to lower natural gas and electricity prices and reduced other overhead costs of $3.9 million. The decrease was partially offset by an increase of $4.8 million in maintenance and repair expenses directly attributable to the unplanned downtime at our Toledo refinery and $3.7 million in chemical and catalyst related expenses. Our operating expenses principally consist of salaries and employee benefits, maintenance, energy and catalyst and chemicals costs at our refineries. The operating expenses related to the Logistics segment consists of costs related to the operation and maintenance of PBFX s assets subsequent to the PBFX Offering.

General and Administrative Expenses General and administrative expenses totaled $74.6 million for the six months ended June 30, 2015 compared to $69.6 million for the six months ended June 30, 2014, an increase of $5.0 million or 7.2%. The increase in general and administrative expenses primarily relates to expenses incurred in connection with PBFX, partially offset by lower employee compensation costs. Our general and administrative expenses are comprised of the personnel, facilities and other infrastructure costs necessary to support our refineries.

Gain on Sale of Assets Gain on sale of assets for the six months ended June 30, 2015 was $1.0 million as compared to $0.2 million for the six months ended June 30, 2014 related to the sale of railcars which were subsequently leased back.

Depreciation and Amortization Expense Depreciation and amortization expense totaled $96.3 million for the six months ended June 30, 2015 compared to $67.9 million for the six months ended June 30, 2014, an increase of $28.4 million. The increase was primarily a result of capital projects related to turnarounds completed in 2014, the completed expansion of the crude rail unloading facility at the Delaware City refinery in 2014 and refinery optimization projects at Toledo.

Change in Fair Value of Catalyst Leases Change in the fair value of catalyst leases represented a gain of $4.0 million for the six months ended June 30, 2015 compared to a loss of $4.3 million for the six months ended June 30, 2014. These gains and losses relate to the change in value of the precious metals underlying the sale and leaseback of our refineries precious metals catalyst, which we are obligated to repurchase at fair market value on the lease termination dates.

Interest Expense, net Interest expense totaled $50.8 million for the six months ended June 30, 2015 compared to $51.9 million for the six months ended June 30, 2014, a decrease of $1.1 million. This decrease is mainly attributable to the termination of our crude and feedstock supply agreement with MSCG, effective July 31, 2014, partially offset by higher interest costs associated with the issuance of the PBFX Revolving Credit Facility and the PBFX Term Loan in connection with the PBFX Offering and the related amortization of deferred financing fees and higher letter of credit fees as well as the issuance of the PBFX Senior Notes in May 2015. Interest expense includes interest on long-term debt including the PBFX credit facilities, costs related to the sale and leaseback of our precious metals catalyst, interest expense incurred in connection with our crude and

feedstock supply agreement with Statoil, financing costs associated with the Inventory Intermediation Agreements with J. Aron, letter of credit fees associated with the purchase of certain crude oils, and the amortization of deferred financing costs.

Noncontrolling Interest As a result of the initial public offering of PBFX, the Company records a noncontrolling interest for the economic interests in PBFX held by the public unit holders of PBFX. The total noncontrolling interest on the consolidated statement of operations represents the portion of the Company s earnings or loss attributable to the economic interests held by the public common unit holders of PBFX. The total noncontrolling interest on the balance sheet represents the portion of the Company s net assets attributable to the economic interests held by the public common unit holders of PBFX.

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

Overview Net income for PBF LLC was $51.4 million for the year ended December 31, 2014 compared to $239.0 million for the year ended December 31, 2013. Net income attributable to PBF LLC was $36.6 million for the year ended December 31, 2014 compared to net income attributable to PBF LLC of $239.0 million for the year ended December 31, 2013. The net income attributable to PBF LLC includes PBF LLC s equity interest in its operating subsidiaries net income.

Our results for the year ended December 31, 2014 were negatively impacted by a non-cash special item consisting of an inventory LCM charge of approximately $690.1 million due to a significant decline in the price of crude oil and refined products during the second half of 2014 into early 2015. Our throughput rates during the year ended December 31, 2014 compared to December 31, 2013 were relatively flat. The throughput rates during 2014 in the Mid-Continent were affected by an approximate 40-day plant-wide planned turnaround at our Toledo Refinery completed in the fourth quarter of 2014. On January 31, 2013 there was a brief fire within the fluid catalytic cracking complex at the Toledo refinery that resulted in that unit being temporarily shutdown. The refinery resumed running at planned rates on February 18, 2013. During the fourth quarter of 2013, our Delaware City Refinery was impacted by 40-day planned turnaround of the coker unit. Excluding the impact of the LCM charge of $690.1 million, our results for the year ended December 31, 2014 were positively impacted by higher throughput volumes, favorable movements in certain crude differentials and lower costs related to compliance with the RFS partially offset unfavorable movements in certain product margins and lower crack spreads in the Mid-Continent, higher energy costs and an impairment charge of $28.5 million.

Revenues Revenues totaled $19.8 billion for the year ended December 31, 2014 compared to $19.2 billion for the year ended December 31, 2013, an increase of approximately $0.6 billion, or 3.1%. For the year ended December 31, 2014, the total throughput rates in the East Coast and Mid-Continent refineries averaged approximately 325,300 bpd and 127,800 bpd, respectively. For the year ended December 31, 2013, the total throughput rates at our East Coast and Mid-Continent refineries averaged approximately 310,300 bpd and 142,500 bpd, respectively. The increase in throughput rates at our East Coast refineries in 2014 compared to 2013 was primarily due to higher run rates, favorable economics and planned downtime at our Delaware City refinery in 2013. The decrease in throughput rates at our Mid-Continent refinery in 2014 compared to 2013 was primarily due to an approximate 40-day plant-wide planned turnaround completed in the fourth quarter of 2014. For the year ended December 31, 2014, the total refined product barrels sold at our East Coast and Mid-Continent refineries averaged approximately 350,800 bpd and 144,100 bpd, respectively. For the year ended December 31, 2013, the total refined product barrels sold at our East Coast and Mid-Continent refineries averaged approximately 307,600 bpd and 153,700 bpd, respectively. Total refined product barrels sold were higher than throughput rates, reflecting sales from inventory as well as sales and purchases of refined products outside the refinery.

Gross Margin Gross refining margin (as defined below in Non-GAAP Financial Measures) totaled $1,314.1 million, or $7.94 per barrel of throughput ($2,004.2 million or $12.11 per barrel of throughput excluding the impact of special items), for the year ended December 31, 2014 compared to $1,348.1 million, or

$8.16 per barrel of throughput during the year ended December 31, 2013. Gross margin, including refinery operating expenses and depreciation, totaled $308.4 million, or $1.86 per barrel of throughput, for the year ended December 31, 2014, compared to $436.9 million, or $2.64 per barrel of throughput, for the year ended December 31, 2013, a decrease of $128.5 million. Excluding the impact of special items, gross margin and gross refining margin increased due to higher throughput rates, favorable movements in certain crude differentials, and lower costs of compliance with Renewable Fuels Standard. Gross margin and gross refining margin were impacted by a non-cash LCM charge of approximately $690.1 million resulting from the significant decrease in crude oil and refined product prices during the second half of 2014 into early 2015.

Average industry refining margins in the U.S. Mid-Continent were generally weaker during the year ended December 31, 2014, as compared to the same period in 2013. The WTI (Chicago) 4-3-1 industry crack spread was approximately $15.92 per barrel, or 20.8% lower, in the year ended December 31, 2014, as compared to the same period in 2013. While the price of WTI versus Dated Brent and other crude discounts narrowed during the year ended December 31, 2014, our refinery specific crude slate in the Mid-Continent benefited from an improving WTI/Syncrude differential, which averaged a discount of $2.25 per barrel for the year ended December 31, 2014 as compared to $0.63 per barrel in the same period in 2013.

The Dated Brent (NYH) 2-1-1 industry crack spread was approximately $12.92 per barrel, or 4.7% higher, in the year ended December 31, 2014, as compared to the same period in 2013. While the WTI/Dated Brent differential was $5.01 lower in the year ended December 31, 2014, as compared to the same period in 2013, the WTI/Bakken differential was $0.35 per barrel more favorable for the same periods. The Dated Brent/Maya differential was approximately $1.70 per barrel more favorable in the year ended December 31, 2014 as compared to the same period in 2013. While a decrease in the WTI/Dated Brent crude differential can unfavorably impact our East Coast refineries, we significantly increased our shipments of rail-delivered WTI-based crudes from the Bakken and Western Canada, which had the overall effect of reducing the cost of crude oil processed at our East Coast refineries and increasing our gross refining margin and gross margin. Additionally, the increase in the Dated Brent/Maya crude differential, our proxy for the light/heavy crude differential, had a positive impact on our East Coast refineries, which can process a large slate of medium and heavy, sour crude oil that is priced at a discount to light, sweet crude oil.

Operating Expenses Operating expenses totaled $883.1 million, or $5.34 per barrel of throughput, for the year ended December 31, 2014 compared to $812.7 million, or $4.92 per barrel of throughput, for the year ended December 31, 2013, an increase of $70.4 million, or 8.7%. The increase in operating expenses is mainly attributable to an increase of approximately $42.7 million in energy and utilities costs primarily driven by higher natural gas prices, an increase of $16.1 million related to employee compensation primarily driven by employee benefit costs, and $1.9 million of higher outside engineering and consulting fees related to refinery maintenance projects. Our operating expenses principally consist of salaries and employee benefits, maintenance, energy and catalyst and chemicals costs at our refineries.

General and Administrative Expenses General and administrative expenses totaled $146.6 million for the year ended December 31, 2014, compared to $95.8 million for the year ended December 31, 2013, an increase of $50.8 million or 53.0%. The increase in general and administrative expenses primarily relates to higher employee compensation expense of $49.8 million. Our general and administrative expenses are comprised of the personnel, facilities and other infrastructure costs necessary to support our refineries.

Gain on Sale of Assets Gain on sale of assets for the year ended December 31, 2014 was $0.9 million which related to the sale of railcars which were subsequently leased back to us, compared to a gain of $0.2 million for the year ended December 31, 2013, for the sale of railcars.

Depreciation and Amortization Expense Depreciation and amortization expense totaled $180.4 million for the year ended December 31, 2014, compared to $111.5 million for the year ended December 31, 2013, an increase of $68.9 million. The increase was impacted by an impairment charge of $28.5 million related to an abandoned capital project at our Delaware City refinery during the year ended December 31, 2014. In addition, the increase is due to capital projects completed during the year including the expansion of the Delaware City heavy crude rail unloading terminal and additional unloading spots to the dual-loop track light crude rail unloading facility. We also completed turnarounds in late 2013 and early 2014 and other refinery optimization projects at Toledo.

Change in Fair Value of Catalyst Leases Change in the fair value of catalyst leases represented a gain of $4.0 million for the year ended December 31, 2014, compared to a gain of $4.7 million for the year ended December 31, 2013. These gains relate to the change in value of the precious metals underlying the sale and leaseback of our refineries precious metals catalyst, which we are obligated to return or repurchase at fair market value on the lease termination dates.

Interest Expense, net Interest expense totaled $100.4 million for the year ended December 31, 2014, compared to $94.1 million for the year ended December 31, 2013, an increase of $6.3 million. The increase in interest expense is primarily due to the issuance of the $300.0 million PBFX Term Loan in connection with the PBFX Offering and the related amortization of deferred financing fees as well as higher letter of credit fees. In addition, the increase is also due to borrowings under our revolving credit facilities. Interest expense includes interest on long-term debt, costs related to the sale and leaseback of our precious metals catalyst, interest expense incurred in connection with our crude and feedstock supply agreements with Statoil, financing cost associated with the Inventory Intermediation Agreements with J. Aron, letter of credit fees associated with the purchase of certain crude oils, and the amortization of deferred financing costs.

Noncontrolling Interests As a result of the initial public offering of PBFX, the Company records a noncontrolling interest for the economic interests in PBFX held by the public unit holders of PBFX. The total noncontrolling interest on the consolidated statement of operations represents the portion of the Company s earnings or loss attributable to the economic interests held by the public common unit holders of PBFX. The total noncontrolling interest on the balance sheet represents the portion of the Company s net assets attributable to the economic interests held by the public common unit holders of PBFX.

Year Ended December 31, 2013 Compared to Year Ended December 31, 2012

Overview Net income was $239.0 million for the year ended December 31, 2013 compared to $805.3 million for the year ended December 31, 2012. There is no noncontrolling interest related to PBF LLC as of December 31, 2013 or December 31, 2012.

Our throughput rates during the year ended December 31, 2013 and 2012, were impacted by unplanned downtime at our Toledo refinery and planned downtime at our Delaware City refinery. On January 31, 2013 there was a brief fire within the fluid catalytic cracking complex at the Toledo refinery that resulted in that unit being temporarily shutdown. The refinery resumed running at planned rates on February 18, 2013. During the fourth quarter of 2013, our Delaware City Refinery was impacted by a 40-day planned turnaround of the coker unit. In the first quarter of 2012, the Toledo refinery was impacted by a 30-day turnaround of its hydrocracker, reformer and UDEX units which commenced on March 9, 2012. Our results for the year ended December 31, 2013 were unfavorably impacted by lower crack spreads and the result of unfavorable crude differentials, higher operating expenses due to increased energy costs, repair and restart costs related to the Toledo fire, turnaround at the Delaware City refinery, as well as higher costs of compliance with the Renewable Fuels Standard.

Revenues Revenues totaled $19.2 billion for the year ended December 31, 2013 compared to $20.1 billion for the year ended December 31, 2012, a decrease of $0.9 billion, or 4.5%. For the year ended December 31, 2013, the total throughput rates in the East Coast and Mid-Continent refineries averaged approximately 310,300 bpd and 142,500 bpd, respectively. For the year ended December 31, 2012, the total throughput rates at our East Coast and Mid-Continent refineries averaged approximately 316,000 bpd and 147,200 bpd, respectively. The decrease in throughput rates at our East Coast refineries in 2013 compared to 2012 was primarily driven by

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market factors including narrower crude differentials for rail-delivered crude as well as the Delaware City coker unit turnaround which reduced crude run rates during the period. The decrease in throughput rates at our Mid-Continent refinery in 2013 compared to 2012 was primarily due to the refinery s 18-day unplanned down time in the first quarter of 2013, attributable to the fire at the Toledo refinery as described above, as well as refinery maintenance. For the year ended December 31, 2013, the total refined product barrels sold at our East Coast and Mid-Continent refineries averaged approximately 307,600 bpd and 153,700 bpd, respectively. For the year ended December 31, 2012, the total refined product barrels sold at our East Coast and Mid-Continent refineries averaged approximately 311,900 bpd and 159,000 bpd, respectively. Total barrels sold at our Mid-Continent refinery are typically higher than throughput rates, reflecting sales and purchases of refined products outside the refinery. Total barrels sold at our East Coast refineries typically reflect inventory movements in addition to throughput rates.

Gross Margin Gross refining margin (as defined below in Non-GAAP Financial Measures) totaled $1,348.1 million, or $8.16 per barrel of throughput, for the year ended December 31, 2013 compared to $1,869.6 million, or $11.03 per barrel of throughput during the year ended December 31, 2012, a decrease of $521.5 million. Gross margin, including refinery operating expenses and depreciation, totaled $436.9 million, or $2.64 per barrel of throughput, for the year ended December 31, 2013, compared to $1,046.6 million, or $6.17 per barrel of throughput, for the year ended December 31, 2012, a decrease of $609.7 million. The decrease in gross refining margin was primarily due to reduced throughput rates, unfavorable movement in crude differentials, and higher costs of compliance with the Renewable Fuels Standard.

Average industry refining margins in the U.S. Mid-Continent were generally weaker during the year ended December 31, 2013, as compared to the same period in 2012. The WTI (Chicago) 4-3-1 industry crack spread was approximately $20.09 per barrel or 25.9% lower in the year ended December 31, 2013, as compared to the same period in 2012. Additionally, the price of WTI versus Syncrude and Bakken decreased in 2013, which negatively impacted our overall cost of crude.

The Dated Brent (NYH) 2-1-1 industry crack spread was approximately $12.34 per barrel, or 13.6%, lower in the year ended December 31, 2013, as compared to the same period in 2012. Furthermore, the WTI/Dated Brent differential was $6.87 lower in the year ended December 31, 2013, as compared to the same period in 2012 and the Dated Brent/Maya differential was approximately $0.66 per barrel lower in the year ended December 31, 2013 as compared to the same period in 2012. A decrease in the WTI/Dated Brent crude differential unfavorably impacts our East Coast refineries which have increased shipments of WTI-based crudes from the Bakken and Western Canada. A reduction in the Dated Brent/Maya crude differential, our proxy for the light/heavy crude differential, has a negative impact on our East Coast refineries, which can process a large slate of medium and heavy, sour crude oil that is priced at a discount to light, sweet crude oil.

Operating Expenses Operating expenses totaled $812.7 million, or $4.92 per barrel of throughput, for the year ended December 31, 2013 compared to $738.8 million, or $4.36 per barrel of throughput, for the year ended December 31, 2012, an increase of $73.9 million, or 10.0%. The increase in operating expenses is mainly attributable to an increase of approximately $41.3 million in energy and utilities costs, primarily driven by higher natural gas prices, $11.0 million in increased personnel cost associated with higher headcount attributable to the Delaware rail facility expansion, $8.0 million in repair and restart costs related to the Toledo fire described above, $14.3 million in increased outside engineering and consulting fees related to refinery capital and maintenance projects, and $2.2 million in higher regulatory costs and taxes. Our operating expenses principally consist of salaries and employee benefits, maintenance, energy and catalyst and chemicals costs at our refineries.

General and Administrative Expenses General and administrative expenses totaled $95.8 million for the year ended December 31, 2013, compared to $120.4 million for the year ended December 31, 2012, a decrease of $24.6 million or

20.5%. The decrease in general and administrative expenses primarily relates to lower employee compensation expense of $30.1 million, which is partially offset by $7.6 million in costs related to outside services. Our general and administrative expenses are comprised of the personnel, facilities and other infrastructure costs necessary to support our refineries.

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Gain on Sale of Assets Gain on sale of assets for the year ended December 31, 2013 was $0.2 million which related to the sale of railcars which were subsequently leased back, compared to a gain of $2.3 million for the year ended December 31, 2012, for the sale of certain equipment at Paulsboro and Delaware City.

Depreciation and Amortization Expense Depreciation and amortization expense totaled $111.5 million for the year ended December 31, 2013, compared to $92.2 million for the year ended December 31, 2012, an increase of $19.3 million. The increase was principally due to capital projects including the expansion of the crude rail unloading facility completed in the first quarter of 2013 as well as new system implementations at the corporate level during 2012.

Change in Fair Value of Catalyst Leases Change in the fair value of catalyst leases represented a gain of $4.7 million for the year ended December 31, 2013, compared to a loss of $3.7 million for the year ended December 31, 2012. This gain relates to the change in value of the precious metals underlying the sale and leaseback of our refineries precious metals catalyst, which we are obligated to return or repurchase at fair market value on the lease termination dates.

Change in Fair Value of Contingent Consideration In 2013, there was no change in the fair value of contingent consideration related to the Toledo refinery acquisition and the liability was paid in full in April 2013.

Interest Expense, net Interest expense totaled $94.1 million for the year ended December 31, 2013, compared to $108.6 million for the year ended December 31, 2012, a decrease of $14.5 million. Interest expense includes interest on long-term debt, costs related to the sale and leaseback of our precious metals catalyst, interest expense incurred in connection with our crude and feedstock supply agreements with Statoil and MSCG, financing cost associated with the Inventory Intermediation Agreements, letter of credit fees associated with the purchase of certain crude oils, and the amortization of deferred financing fees. The decrease in interest expense primarily relates to lower interest costs associated with our credit facilities reflecting lower average outstanding borrowings, reduced financing costs related to the termination of the Paulsboro Statoil supply agreement, and the $4.4 million write-off of deferred financing costs in the first quarter of 2012 on debt that was repaid from the proceeds of our Senior Secured Notes.

Noncontrolling Interest There was no noncontrolling interest related to PBF LLC and its consolidated subsidaries as of December 31, 2013 or December 31, 2012.

Non-GAAP Financial Measures

Management uses certain financial measures to evaluate our operating performance that are calculated and presented on the basis of methodologies other than in accordance with GAAP (non-GAAP). These measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with U.S. GAAP, and our calculations thereof may not be comparable to similarly entitled measures reported by other companies.

Special Items

The non-GAAP measures presented include EBITDA excluding special items, Adjusted EBITDA, and gross refining margin excluding special items. The special items for the periods presented relate to a LCM adjustment. LCM is a GAAP guideline related to inventory valuation that requires inventory to be stated at the lower of cost or market. Our inventories are stated at the lower of cost or market. Cost is determined by the LIFO inventory valuation methodology, in which the most recently incurred costs are charged to cost of sales and inventories are valued at base layer acquisition costs. Market is determined based on an assessment of the current estimated replacement cost and net realizable selling price of the inventory. In periods where the market price of our inventory declines substantially, cost values of inventory may exceed market values. In such instances, we record an adjustment to write-down the value of inventory to market value in accordance with GAAP. Although we believe that non-GAAP financial measures, excluding the impact of special items, provide useful supplemental

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information to investors regarding the results and performance of our business and allow for more useful period-over-period comparisons, such non-GAAP measures should only be considered as a supplement to, and not as a substitute for, or superior to, the financial measures prepared in accordance with GAAP.

Gross Refining Margin

Gross refining margin is defined as gross margin excluding refinery depreciation, refinery operating expenses, and gross margin of PBFX. We believe gross refining margin is an important measure of operating performance and provides useful information to investors because it is a better metric comparison for the industry refining margin benchmarks, as the refining margin benchmarks do not include a charge for refinery operating expenses and depreciation. In order to assess our operating performance, we compare our gross refining margin (revenue less cost of sales) to industry refining margin benchmarks and crude oil prices as described in the table above.

Gross refining margin should not be considered an alternative to gross margin, operating income, net cash flows from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Gross refining margin presented by other companies may not be comparable to our presentation, since each company may define this term differently. The following table presents a reconciliation of gross refining margin to the most directly comparable GAAP financial measure, gross margin, on a historical basis, as applicable, for each of the periods indicated:

	Year Ended December 31,					
	2014		2013		2012	
	$	per barrel of throughput	$	per barrel of throughput	$	per barrel of throughput
Reconciliation of gross margin to gross refining margin:						
Gross margin	$ 308,399	$ 1.86	$ 436,867	$ 2.64	$ 1,046,598	$ 6.17
Less: Affiliate Revenues of PBFX	(49,830)	(0.30)				
Add: Affiliate Cost of sales of PBFX	6,979	0.04				
Add: Refinery operating expenses	883,140	5.34	812,652	4.92	738,824	4.36
Add: Refinery depreciation expense	165,413	1.00	98,622	0.60	84,187	0.50
Gross refining margin	$ 1,314,101	$ 7.94	$ 1,348,141	$ 8.16	$ 1,869,609	$ 11.03
Special Items:						
Less: Non-cash LCM inventory adjustment (1)	690,110	4.17				
Gross refining margin excluding special items	$ 2,004,211	$ 12.11	$ 1,348,141	$ 8.16	$ 1,869,609	$ 11.03

(1) Represents an adjustment to exclude the impact of the LCM charge related to the write-down of the value of inventory at year end.

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	Six Months Ended June 30,			
	2015		2014	
	$	per barrel of throughput	$	per barrel of throughput
Reconciliation of gross margin to gross refining margin:				
Gross margin	$ 535,585	$ 6.17	$ 424,482	$ 5.21
Less: Affiliate Revenues of PBFX	(64,330)	(0.74)	(7,782)	(0.10)
Add: Affiliate Cost of sales of PBFX	5,276	0.06		
Add: Refinery operating expenses	425,527	4.90		