



# inter pipeline

February 29, 2008

**Attention: Preparer of Inter Pipeline Fund 2007 Form T5013 and RL 15 Information  
CUSIP # 45833P102**

Dear Sir or Madam:

Please find attached a sample of the 2007 T5013 slip, Statement of Partnership Income federal form and a RL 15 form ("Relevé 15" - Québec provincial form) which must be completed for each of your clients that invested in Inter Pipeline Fund in 2007 and received a cash distribution. The sample forms are based upon an individual investor owning one thousand limited partnership units throughout 2007. In addition, we have prepared "instructions" to assist you in the preparation of the 2007 T5013 slips and the RL 15 slips. Copies of each of these slips are to be distributed to each of the limited partnership unitholders (the "unitholders") no later than March 31, 2008. These preparation "instructions" are complementary to the information filed at [www.cdsinnovations.ca](http://www.cdsinnovations.ca).

Four copies of both the T5013 and the RL 15 should be prepared with copies 2 and 3 distributed, to the unitholders. Copy 4 of each form is to be retained for your records. Copy 1 of each of the T5013 slips should be sent to Canada Customs and Revenue Agency at the following address:

Canada Customs and Revenue Agency  
Data Assessment and Evaluation Programs Division  
Ottawa Technology Centre  
875 Heron Road  
Ottawa, Ontario  
K1A 1A2

Copy 1 of each form of the RL 15 should be sent to Ministère du Revenu at the following address.

Ministère du Revenu du Québec  
3800, rue de Marly  
Sainte-Foy, Québec  
G1X 4A5

As part of the distribution process, we have prepared a 2007 Income Tax Supplementary Information Sheet. We request that a copy of this supplementary information be distributed to each of the unitholders together with copy 2 and 3 of each of the Tax Slips. This supplementary information will assist the unitholders in the preparation of their 2007 income tax return.

A unitholder's share of the Partnership's taxable income is calculated pursuant to the Partnership Agreement. The Partnership Agreement allocates the taxable income to unitholders based upon their respective entitlement to 2007 cash distributions regardless of when paid. Thus, the calculations should be based upon a unitholder's entitlement to the following distributions.



# inter pipeline

January 31, 2007	\$0.07 per unit	(paid February 15, 2007)
February 28, 2007	\$0.07 per unit	(paid March 15, 2007)
March 30, 2007	\$0.07 per unit	paid April 16, 2007)
April 30, 2007	\$0.07 per unit	(paid May 15, 2007)
May 31, 2007	\$0.07 per unit	(paid June 15, 2007)
June 29, 2007	\$0.07 per unit	(paid July 16, 2007)
July 31, 2007	\$0.07 per unit	(paid August 15, 2007)
August 31, 2007	\$0.07 per unit	(paid September 14, 2007)
September 28, 2007	\$0.07 per unit	(paid October 15, 2007)
October 31, 2007	\$0.07 per unit	(paid November 15, 2007)
November 30, 2007	\$0.07 per unit	(paid December 14, 2007)
December 31, 2007	\$0.07 per unit	(paid January 15, 2008)
<u>Total 2007</u>	<u>\$0.84 per unit</u>	

**DO NOT include the December 29, 2006 distribution of \$0.07 per unit paid on January 15, 2007 in the calculations.**

The ratio for each unitholder to calculate the appropriate amounts for the required forms is as follows:

$$\frac{\text{Total distributions the unitholder was entitled to for 2007}}{\text{Total distributions declared by the Partnership for 2007 (\$171,677,997)}}$$

If you have any questions, please do not hesitate to contact either Sean Heywood, Tax Manager at (403) 290-6163 or Jeremy Roberge, V.P. Capital Markets (403) 290-6015.

Yours sincerely,  
On behalf of Inter Pipeline Fund

*Signed "Scott Gerla"*

SCOTT GERLA  
V.P. Financial Reporting & Compliance  
Pipeline Management Inc.,  
as General Partner for Inter Pipeline Fund



# interpipeline

## Statement of Partnership Income 2007 Income Tax Supplementary Information

*Please be advised that Inter Pipeline Fund does not prepare the T5013 or Relevé 15 forms which you receive. Rather, you receive your T5013 and Relevé 15 forms from either the entity which holds your investment (e.g. investment advisor) or Inter Pipeline Fund's transfer agent, Computershare.*

Please find attached the tax results of the Inter Pipeline Fund its 2007 operations. From a Canadian income tax perspective, a partnership is not a taxable entity and as such, the income earned by the partnership must be allocated to the members of the partnership. For 2007, Inter Pipeline Fund declared and paid cash distributions totaling \$0.84 per unit. Based on a cash distribution basis, the 2007 taxable income represents 100% (combining business income, interest from Canadian sources, foreign dividend and interest income and less carrying charges) of the total cash distributions declared in 2007. There was no return of capital.

For your assistance, we have provided information regarding the amounts as reported on Form T5013 and Relevé 15.

### Canadian and Foreign Net Business Income

**T5013: Box 22**

**RL 15: Box 1**

This amount represents your share of the Inter Pipeline Fund 2007 business income that is subject to Canadian income tax. The 2007 taxable business income amount was 97.757104% of the total 2007 cash distributions declared in 2007.

Individual unitholders:

This amount should be reported in Part III "Net partnership income (loss)" of Schedule 4 of your federal 2007 personal income tax return. The total of all limited partnership income amounts should be reported on line 122 (page 2) of your 2007 T1 General tax return.

### Unitholders At-Risk Amount

**T5013: Box 22-1**

**RL 15: Box 26**

The "at-risk" amount represents a unitholders original cost of the Inter Pipeline Fund's interest plus or minus certain adjustments. A unitholder cannot deduct partnership losses in excess of his "at-risk" amount. Any losses that are not currently available to be deducted are reported in Box 24 of Form T5013 Supplementary and can be carried forward indefinitely and deducted when a positive "at-risk" balance is restored. Inter Pipeline Fund does not anticipate any future "at-risk" losses.

*This amount is used by Canada Revenue Agency and is not reported on your income tax return*

### Partnership's Total Gross Income

**T5013: Box 34**

**RL 15: Box 14**

This amount represents the total 2007 gross income earned by Inter Pipeline Fund and includes all the unitholders' share of earnings.

*This box is for information purposes only and is not to be reported on your return.*

### Interest from Canadian Sources

**T5013: Box 50**

**RL 15: Box 7**

This amount represents your share of Inter Pipeline Fund's 2007 interest income that is subject to Canadian income tax. The 2007 taxable interest income amount was 0.381346% of the total 2007 cash distributions declared in 2007.

Individual unitholders:

This amount should be reported in Part II "Interest and other investment income" of Schedule 4 of your federal 2007 personal income tax return. The total of all interest and other investment income amounts should be reported on line 121 (page 2) of your 2007 T1 General Tax Return.



### **Foreign Dividend and Interest Income**

**T5013: Box 55**

**RL 15: Box 8**

This amount represents your share of Inter Pipeline Fund's 2007 foreign dividend and interest income that is subject to Canadian income tax. The 2007 taxable interest income amount was 8.973938% of the total 2007 cash distributions declared in 2007.

Individual unitholders:

This amount should be reported in Part II "Interest and other investment income" of Schedule 4 of your federal 2007 personal income tax return. The total of all interest and other investment income amounts should be reported on line 121 (page 2) of your 2007 T1 General Tax Return.

### **Carrying Charges**

**T5013: Box 59**

**RL 15: Box 15**

This represents your share of Inter Pipeline Fund's 2007 carrying charges incurred for earning investment income. The 2007 interest deduction amount was -7.112389% of the total 2007 cash distributions declared in 2007. The carrying charges relate to investments in Canada, the United Kingdom and Germany.

Individual unitholders:

This amount should be reported in Part IV "Carrying Charges" of Schedule 4 of your federal 2007 personal income tax return. The total of all carrying charge amounts should be reported on line 221 (page 3) of your 2007 T1 General Tax Return.

### **Capital Cost Allowance**

**T5013: Box 85**

**RL 15: Box 5**

This is your share of the amount of tax depreciation claimed by Inter Pipeline Fund in 2007 in arriving at the amount of income that is taxable to the unitholders.

*This box is for information purposes only and is not to be reported on your return.*

### **Details- Additional Information**

Inter Pipeline Fund has permanent establishments in two provinces. The information contained in this section provides the necessary information for a unitholder to allocate their business income accordingly.

### **RL 15 – For Corporate Partners only**

For Corporations reporting in Quebec, boxes 24A and 24C have additional information provided relating to the Corporation's share of year end debt and year end total assets of Inter Pipeline Fund.

**INTER PIPELINE FUND  
SUPPORT FOR 2007 T5013 SUPPLEMENTARY  
Filing Instruction for Form T5013**

**The following form should be used in gathering information to be used in completing Form T5013 for the unitholders**

**Unitholder's Name and Full Address**

Surname first, followed by usual first name and initial  
Enter full mailing address

**Partnership's Name and Full Address**

Inter Pipeline Fund  
2600, 237 - 4th Avenue S.W.  
Calgary, AB  
Canada, T2P 4K3

**DO NOT REPORT "\$" IN FRONT OF THE AMOUNTS REPORTED ON THE FORM T5013**

<u>Form T5013 Identification</u>	<u>Description</u>	<u>Only Information Contained in the Boxes Should Vary</u>	
Box 01	Fiscal Period End	<b>2007 12</b>	
Box 02	Partnership's filer ID #	<b>HA4716445</b>	
Box 03	Tax Shelter #	<b>N/A</b>	
Box 04	Publicly Traded Partnership	<b>1</b>	
Box 05	Type of slip	<input type="text"/>	0 for original;1 for amended;2 for additional;3 for cancelled;4 for duplicate
Box 06	Partnership Code	<b>1</b>	
Box 07	Country Code	<b>CAN</b>	
Box 08	Member Code	<b>0</b>	
Box 09	Number of units held	<input type="text"/>	Insert the number of units held at year end by the unitholder
Box 10	Partner's % of Partnership income (loss)	<input type="text" value="x.xxxx%"/>	x.xxxx% = \$Unitholder's total 2007 Distribution entitlement x 100 \$171,677,997
Box 11	Recipient's ID #	<input type="text"/>	Recipient type: Individual - enter social insurance number Corporation - enter "0" followed by the account or business number Trust - enter the Trust account number Partnership - enter the partnership's filer identification or business number
Box 22	Limited Partnership business income (loss)	<input type="text"/>	<b>97.757104%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 22-1	At - risk amount	<b>N/A</b>	
Box 27	Return of capital	<input type="text"/>	<b>0.000000%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 34	Gross income	<b>988,488,345</b>	
Box 35	Business income (loss)	<input type="text"/>	<b>0.000000%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 50	Interest income from Canadian sources	<input type="text"/>	<b>0.381346%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 55	Foreign dividend and interest income (UK)	<input type="text"/>	<b>8.143366%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 55	Foreign dividend and interest income(Germany)	<input type="text"/>	<b>0.830572%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 59	Carrying charges(CAN)	<input type="text"/>	<b>-4.864278%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 59	Carrying charges(UK)	<input type="text"/>	<b>-1.965384%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 59	Carrying charges(Germany)	<input type="text"/>	<b>-0.282727%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 85	Capital cost allowance	<input type="text"/>	<b>10.714821%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive

All other Boxes on the Form T5013 Supplementary should be left blank (do not report "0" or "N/A")

**Details:**

Box 22 - Business income is allocated 98.33% to Alberta and 1.67% to Saskatchewan  
Gross Revenues: Alberta - \$924,694,749 ; Saskatchewan - \$17,520,593  
Gross Salaries: Alberta - \$31,740,282 ; Saskatchewan - \$477,644

**INTER PIPELINE FUND**  
**SUPPORT FOR 2007 RL15 (RELEVE 15) STATEMENT OF PARTNERSHIP INCOME**  
**Filing Instruction for RELEVE 15**

The following form should be used in gathering information to be used in completing RELEVE 15 for the unitholders

**Unitholder's Name and Full Address**

Surname first, followed by usual first name and initial  
 Enter full mailing address

**Partnership's Name and Full Address**

Inter Pipeline Fund  
 2600, 237 - 4th Avenue S.W.  
 Calgary, AB  
 Canada, T2P 4K3

DO NOT REPORT "\$" IN FRONT OF THE AMOUNTS REPORTED ON THE FORM RL 15

<u>REVEVE15 Identification</u>	<u>Description</u>	<u>Only Information Contained in the Boxes Should Vary</u>	
	Fiscal Period End	2007 12	
	Quebec Partnership ID #	1021059567SP0001	
	Code du releve	0	
Box 1	Net business income		<b>97.757104%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 5	Capital cost allowance		<b>10.714821%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 7	Interest income from Canadian sources		<b>0.381346%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 8	Foreign dividend and interest income		<b>8.973938%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 14	Gross income	<b>988,488,345</b>	
Box 15	Carrying charges		<b>-7.112389%</b> x amount of 2007 cash distributions to which unitholder was entitled to receive
Box 24A	Share of debt		<b>For Corporate Partners Only</b> <u>Number of units held at December 31, 2007</u> x 956,642,099 220,880,139 Units
Box 24C	Share of total assets		<b>For Corporate Partners Only</b> <u>Number of units held at December 31, 2007</u> x \$2,290,933,526 220,880,139 Units
Box 26	At - risk amount	<b>N/A</b>	
Box 36	Partner's % of Partnership income (loss)	x.xxxx%	<b>x.xxxx%</b> = <u>\$Unitholder's total 2007 Distribution entitlement</u> x 100 \$171,677,997
Box 37	Units held at year end		Insert the number of units held at year end by the unitholder
Box 38	Business code	<b>22</b>	
Box 39	Partnership code	<b>1</b>	
Box 40	Member code	<b>0</b>	
Box 41	Taxpayer code		Recipient type: "1" - for an individual other than a trust "3" - for a corporation "4" - for a trust or a partnership
Box 42	% business in Quebec	<b>0.00%</b>	The Partnership has no operations in Quebec
	Recipient ID #		Recipient type: Individual - enter social insurance number Corporation - enter "0" followed by the corporation's Registration number Trust - enter the Trust identification number Partnership - enter the partnership's identification number

**Details:**  
 Box 01 - Business income is allocated 98.33% to Alberta and 1.67% to Saskatchewan  
 Gross Revenues: Alberta - \$924,694,749 ; Saskatchewan - \$17,520,593  
 Gross Salaries: Alberta - \$31,740,282 ; Saskatchewan - \$477,644  
 Box 8 - Source of foreign interest income; United Kingdom 90.74%, Germany 9.26%  
 Box 15 - Carrying Charges; Canada 68.39% United Kingdom 27.63%, Germany 3.98%

STATEMENT OF PARTNERSHIP INCOME

T5013

<b>Identification</b>				
01 Fiscal period end 2007/12 Y M	02 Partnership's filer identification number HA4716445	03 Tax shelter identification number	04 Is this a publicly traded partnership? 1	05 Type of slip 0
06 Partnership code 1	07 Country code	08 Member code 0	09 Number of partnership units held 1,000.0000	10 Partner's share (%) of partnership income (loss) 0.000489

Partnership's name and address

11 Recipient's identification number

12 Complex sharing arrangements

Partnership's name and address  
Inter Pipeline Fund  
2600, 237 4 th Avenue SW  
Calgary  
AB  
T2P 4K3  
CAN

If your partnership is a tax shelter, you should receive a T5013A information slip.

<b>Limited partnership net income (loss)</b>						
20 Limited partnership farming income (loss)	20-1 Agricultural income stabilization (CAIS)	21 Limited partnership fishing income (loss)	22 Limited partnership business income (loss) 821.16	22-1 Limited partner's at-risk amount	22-2 Limited partner's adjusted at-risk amount	23 Limited partnership rental income (loss)
24 Limited partnership loss available for carryforward	25 Previous loss carryforward eligible in the current year	27 Return of capital	Box	Box	Box	Box
			Amount / Details	Amount / Details	Amount / Details	Amount / Details

<b>Canadian and foreign net business income (loss)</b>					
35 Business income (loss)	37 Professional income (loss)	41 Farming income (loss)	43 Fishing income (loss)	30 Other income	34 Partnership's total gross income 988488345.0

<b>Canadian and foreign investments and carrying charges</b>						
26 Canadian and foreign net rental income (loss)	51 Actual amount of dividends (other than eligible dividends)	51-1 Taxable amount of dividends (other than eligible dividends)	51-2 Dividend tax credit for dividends other than eligible dividends	52 Actual amount of eligible dividends	52-1 Taxable amount of eligible dividends	52-2 Dividend tax credit for eligible dividends
50 Interest from Canadian sources 3.20	55 Foreign dividend and interest income 75.38	56 Business investment loss	59 Carrying charges 59.74	Box 55 GBR 68.40	Box 55 DEU 6.98	Box
				Amount / Details	Amount / Details	Amount / Details

<b>Other amounts and information</b>						
70 Capital gains (losses)	71 Capital gains reserves	85 Capital cost allowance 90.00	Box	Box	Box	Box 55 75.38
Box	Box	Box	Box	Box	Box	Box
Amount / Details	Amount / Details	Amount / Details	Amount / Details	Amount / Details	Amount / Details	Amount / Details
Box	Box	Box	Box	Box	Box	Box
Amount / Details	Amount / Details	Amount / Details	Amount / Details	Amount / Details	Amount / Details	Amount / Details
Box	Box	Box	Box	Box 59 CAN 40.86	Box 59 GBR 16.51	Box 59 DEU 2.37
				Amount / Details	Amount / Details	Amount / Details

22 AB 98.33% SK 1.67%

22 Revenues: AB 924,694,749 SK 17,520,593

22 Salaries: AB 31,740,282 SK 477,644

Code du relevé

0

600 000 074

Date de clôture de l'exercice financier :

A M J  
2007/12/31

Numéro d'identification de l'abri fiscal, s'il y a lieu :

1- Revenu net (ou perte nette) d'entreprise, canadien et étranger 821   16	2- Revenu net (ou perte nette) d'entreprise de source étrangère	3- Revenu net (ou perte nette) de location, canadien et étranger	4- Revenu net (ou perte nette) de location de source étrangère	5- Amortissement 90   00	6A- Montant réel des dividendes déterminés
7- Intérêts de source canadienne 3   20	8- Dividendes et intérêts de source étrangère 75   38	9- Ristourne de coopérative	10- Gains (ou pertes) en capital servant au calcul de la déduction	11- Provisions relatives aux immobilisations aliénées	6B- Montant réel des dividendes ordinaires
12- Gains (ou pertes) en cap. ne servant pas au calcul de la déduction	13- Perte à l'égard d'un placement dans une entreprise	14- Revenu brut (ou perte brute) de la société de personnes 988488345.0	15A- Frais financiers et frais d'intérêts 59   74	15B- Paiements compensatoires d'un mécanisme de transfert de dividendes	16- Impôt du Québec retenu à la source
17- Impôts étrangers payés sur les revenus non liés d'une entreprise	18- Impôts étrangers payés sur les revenus d'entreprise	19- Dons de bienfaisance	20- Autres dons	21A- Crédit d'impôt à l'investissement – Biens amortissables	21B- Crédit d'impôt à l'investissement – Autres biens
24A- Capital versé – Part de la société membre dans les dettes	24B- Capital versé – Part de la société membre dans les biens admissibles	24C- Capital versé – Part de la société membre dans l'actif total	25- Dépenses de R-D ayant trait aux salaires versés au Québec	26- Fraction à risques	27- Perte comme membre à responsabilité limitée
28- Frais d'exploration au Canada	29- Frais de mise en valeur au Canada	30- Frais à l'égard de biens canadiens relatifs au pétrole et au gaz	31- Frais d'exploration et de mise en valeur à l'étranger	32- Frais d'exploration au Québec	33- Frais d'explor. minière de surface, pétrolière ou gazière au Québec
34- Montant donnant droit à la déduction relative aux ressources	35- Montants d'aide pour les frais inscrits aux cases 28 à 30, 32 et 33			36- Pourcentage de participation dans les revenus (ou les pertes) 0.000489 %	37- Nombre d'unités détenues par l'associé 1,000.0000
38- Code du genre d'activité	39- Code du genre de société de personnes 1	40- Code du genre d'associé 0	41- Code du genre de contribuable 1	42- Pourcentage des affaires faites au Québec par la société de personnes	

**Abri fiscal**

Description et code de la principale activité commerciale concernant l'abri fiscal :

Le numéro d'identification attribué à cet abri fiscal doit être indiqué sur le formulaire TP-1079.6 (voyez au verso). Il ne confirme aucunement le droit de l'investisseur aux avantages fiscaux découlant de cet abri fiscal.

50- Nombre d'unités acquises au cours de l'exercice financier	51- Coût unitaire	52- Coût total des unités	53- Montant à recours limité	54- Montant du rajustement à risque	55- Autres réductions indirectes
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**Actions accréditives**

60- Frais d'exploration au Canada	61- Frais de mise en valeur au Canada	62- Frais d'exploration au Québec	63- Frais d'explor. minière de surface, pétrolière ou gazière au Québec	64- Frais d'exploration dans le Nord québécois	65- Frais d'émission d'actions ou de titres
66- Montants d'aide pour les frais inscrits aux cases 60 à 64	60-	61-	62-	63-	64-

Voyez l'explication des cases au verso.

AB 98.33% SK 1.67% (Box 1)  
 Revenues: AB 924,694,749 SK 17,520,593 (Box 1)  
 Salaries: AB 31,740,282 SK 477,644 (Box 1)  
 GBR 90.74% DEU 9.26% (Box 8)  
 CAN 68.39% GBR 27.63% DEU 3.98% (Box 15)

Nom et adresse de l'associé

Numéro d'assurance sociale ou numéro d'identification de l'associé

Raison sociale et adresse de la société de personnes

Inter Pipeline Fund  
 2600, 237 4 th Avenue SW  
 Calgary  
 AB  
 T2P 4K3  
 CAN

Numéro d'identification de la société de personnes

1021059567 SP0001