

NUSTAR GP, LLC

COMPENSATION COMMITTEE CHARTER

Article I. Purpose

The Compensation Committee of the Board of Directors of NuStar GP, LLC assists the Board with its responsibilities relating to compensation of the Company's executives and directors and oversight of the Company's compensation programs and policies.

Article II. Composition

1. The Committee shall be composed of at least three members of the Board, one of whom shall be designated by the Board as Chair. Committee members shall be appointed by the Board. Members of the Compensation Committee may be removed by the Board.
2. Each member shall meet the independence requirements of the New York Stock Exchange and meet any other standards prescribed by applicable law. In addition, all members of the Committee shall meet the definitions of (a) "non-employee director" under Rule 16b-3 of the Securities Exchange Act of 1934, and (b) "outside director" in Section 162(m) of the Internal Revenue Code.

Article III. Duties, Responsibilities, Authority

1. The Committee shall have direct responsibility to review and approve goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and determine and approve the CEO's overall compensation level based on this evaluation. In determining the incentive components of CEO compensation, factors that will be considered include the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.
 2. The Committee shall review and approve the annual base salaries and incentive awards for the senior executives of the Company.
 3. If any grant or award to an executive is intended to qualify as "performance-based compensation" per Section 162(m) of the Internal Revenue Code, the Committee shall approve such award.
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Adopted: January 2007

4. The Committee shall review and approve the following as they affect the Company's CEO and senior executives: (a) employment and severance arrangements, and (b) change-of-control agreements and provisions affecting compensation and benefits.
5. The Committee shall approve and administer the Company's compensation plans, including its unit option, restricted unit, incentive bonus and other equity-based plans.
6. The Committee shall (a) review the compensation policies and programs of the Company, (b) review and adopt equity-based compensation plans of the Company, (c) oversee the administration of the Company's equity-based compensation plans, and (d) approve amendments to and interpretations of the Company's equity-based compensation plans.
7. The Committee shall conduct periodic reviews of director compensation and make recommendations to the Board regarding directors' compensation. The Committee shall approve and administer compensation and benefit plans for the Company's non-employee directors, including any non-employee director unit option plans and restricted unit plans.
8. The Committee shall review the Company's management succession planning programs for senior executives.
9. The Committee shall annually review its own performance. The Committee shall assess annually the adequacy of this Charter.
10. The Committee has sole authority to retain and terminate any consultant that is engaged to evaluate compensation for the Company's CEO, senior executives or directors, and sole authority to approve the consultant's fees and other engagement terms. The Committee also has authority to obtain independent assistance from legal, accounting or other advisors.
11. The Committee may delegate to the Chairman of the Board of the Company the authority to approve and cause to be placed into effect amendments to employee benefit plans deemed necessary or appropriate in order to comply with any applicable federal or state statute or regulation or otherwise deemed advisable by the Chairman of the Board, provided however, that the Chairman of the Board shall not have the authority to approve any such amendment if such amendment would (a) materially increase the benefits accruing to participants under such plan, (b) materially modify the requirements for eligibility for participation in such plan, (c) increase the securities issuable under such plan or (d) require approval by the unit holders under any provision of the Third Amended and Restated Agreement of Limited Partnership of NuStar Energy L.P., as such may be amended from time to time, or any federal or state statute or regulation or the rules of the New York Stock Exchange.
12. The Committee shall review and discuss with management the disclosures made in the Company's annual report under "Compensation Disclosure and Analysis. The

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Committee shall issue an annual report on executive compensation for inclusion in the Company's annual report.

Article IV. Meetings and Reporting

1. A majority of the members of the Committee will constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee.
 2. The Chair shall schedule and preside at all meetings of the Committee. In the absence of the Chair, the majority of the members of the Committee present at a meeting shall appoint a member to preside at the meeting.
 3. The Chair of the Committee shall report to the Board following each Committee meeting, and as otherwise required by the Chairman of the Board.
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