

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

IRC 316 AND 301(c)

18 Can any resulting loss be recognized? ▶

FOR U.S. FEDERAL INCOME TAX PURPOSES, THE DISTRIBUTIONS WILL NOT RESULT IN ANY TAX LOSS FOR ANY COMMON UNITHOLDERS OR ANY SERIES A CUMULATIVE REDEEMABLE PREFERRED UNITHOLDERS.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

SEE ATTACHED STATEMENT

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶

[Handwritten Signature]

EDITH ROBINSON

Print your name ▶

SECRETARY, TEEKAY OFFSHORE GP L.L.C.
GENERAL PARTNER OF 01/29/2015
TEEKAY OFFSHORE PARTNERS L.P.

Date ▶

Title ▶

Paid Preparer Use Only

Print/Type preparer's name SUSAN MCKILLIGAN	Preparer's signature <i>[Handwritten Signature]</i>	Date 01/28/2015	Check <input type="checkbox"/> if self-employed	PTIN P01491547
Firm's name ▶ PRICEWATERHOUSECOOPERS LLP			Firm's EIN ▶ 98-0189320	
Firm's address ▶ #700-250 HOWE STREET, VANCOUVER, BC CANADA V6C 3S7			Phone no. 604-806-7000	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Attachment to Form 8937
Report of Organizational Actions Affecting Basis of Securities**

Issuer: Teekay Offshore Partners LP
EIN: 98-0512555

Part I, Items 9,
10 and 12 Common Units
 CUSIP # - Y8565J101
 Ticker Symbol - TOO

 Series A Cumulative Redeemable Preferred Units
 CUSIP # - Y8565J127
 Ticker Symbol - TOO PR A

Part II, Item 14 During the year ended December 31, 2014, Teekay Offshore Partners LP ("Teekay Offshore") declared the following cash distributions to the common unitholders on the dates of record:

	Date of Record	Amount per Unit	Date Paid
Common Units	January 31, 2014	\$0.5384	February 14, 2014
	April 25, 2014	\$0.5384	May 9, 2014
	July 25, 2014	\$0.5384	August 8, 2014
	October 17, 2014	\$0.5384	November 14, 2014

During the year ended December 31, 2014, Teekay Offshore declared the following cash distributions to the Series A Cumulative Redeemable Preferred unitholders on the dates of record:

	Date of Record	Amount per Unit	Date Paid
Series A Cumulative Redeemable Preferred Units	January 31, 2014	\$0.4531	February 15, 2014
	May 2, 2014	\$0.4531	May 15, 2014
	August 1, 2014	\$0.4531	August 15, 2014
	November 7, 2014	\$0.4531	November 14, 2014

Part II, Item 15 Dividends paid in excess of the current and accumulated earnings and profits of a corporation reduce the basis of the shares of the corporation pursuant to Internal Revenue Code ("IRC") §301(c)(2) and §316(a).

Based on the current and accumulated earnings and profits of Teekay Offshore, the full amount of the distributions paid per unit as of the dates of record should reduce the basis of each common unitholder and each Series A cumulative redeemable preferred unitholder as follows:

Common Units	\$0.5384 per common unit for holders on January 31, 2014
	\$0.5384 per common unit for holders on April 25, 2014
	\$0.5384 per common unit for holders on July 25, 2014
	\$0.5384 per common unit for holders on October 17, 2014
Series A Cumulative Redeemable Preferred Units	\$0.4531 per Series A cumulative redeemable preferred unit for holders on January 31, 2014
	\$0.4531 per Series A cumulative redeemable preferred unit for holders on May 02, 2014
	\$0.4531 per Series A cumulative redeemable preferred unit for holders on August 01, 2014
	\$0.4531 per Series A cumulative redeemable preferred unit for holders on November 07, 2014

Part II, Item 19 The reportable tax year is 2014. Unitholders as of the following dates of record should reduce the basis of each unit held on those dates by the following amounts per unit:

Common Units	\$0.5384 per common unit for holders on January 31, 2014
	\$0.5384 per common unit for holders on April 25, 2014
	\$0.5384 per common unit for holders on July 25, 2014
	\$0.5384 per common unit for holders on October 17, 2014

The reduction in basis is cumulative such that a unitholder who was the unitholder of record for all four distributions would be required to reduce its basis by a total of \$2.1536 per unit.

Series A Cumulative Redeemable Preferred Units	\$0.4531 per Series A cumulative redeemable preferred unit for holders on January 31, 2014
	\$0.4531 per Series A cumulative redeemable preferred unit for holders on May 02, 2014
	\$0.4531 per Series A cumulative redeemable preferred unit for holders on August 01, 2014
	\$0.4531 per Series A cumulative redeemable preferred unit for holders on November 07, 2014

The reduction in basis is cumulative such that a unitholder who was the unitholder of record for all four distributions would be required to reduce its basis by a total of \$1.8124 per unit.