

[Print Message](#)

RBF Inc. Investments in the Oil & Gas Industry - excerpts of tax returns now posted at my blog

From: [VIVIAN KRAUSE <vivian.krause@mac.com>](mailto:vivian.krause@mac.com)

To: [communications <communications@rbf.org>](mailto:communications@rbf.org)

Date: 17 January 2011 4:44:55 PM

Ms. Fuller,

Thank you for giving me a timeframe. If it would be possible for you to respond this week, I would appreciate that.

I have been asked to do a couple of media interviews during the following week (the week of January 24th). If asked, it would be good timing if I could say by then that I have heard back from you. Would you like me to refer media to you? If so, perhaps you could give me your phone number and let me know if this is the best e-mail address for you (communications@rbf.org).

At my blog, I have posted excerpts from the tax returns of the Rockefeller Brothers Fund Inc. which suggest to me that RBF Inc. has had small amounts of investment income from gas and pipeline companies. For a link to that, please click [here](#).

As before, I can be reached at 604.618.8110.

Sincerely,
Vivian Krause

On Jan 12, 2011, at 07:28 AM, [communications <communications@rbf.org>](mailto:communications@rbf.org) wrote:

Dear Ms. Krause,

We will be able to reply within the next two weeks.

Thank you,

Gail Fuller
Director of Communications
Rockefeller Brothers Fund

From: [Vivian.krause@mac.com](mailto:vivian.krause@mac.com) [<mailto:vivian.krause@mac.com>]

Sent: Tuesday, January 11, 2011 5:35 PM

To: [communications](mailto:communications@rbf.org)

Subject: Re: Message for Mr. Stephen Heintz RE: RBF Inc. Investments in the Oil & Gas Industry

Dear Sir/Madam,

Thank you for your reply.

Would it be possible for you to get back to me within the course of this week?

Also, would it be possible for you to please tell me your name?

Sincerely,
Vivian Krause

On 2011-01-11, at 1:40 PM, [communications <communications@rbf.org>](mailto:communications@rbf.org) wrote:

Dear Ms. Krause:

We have received your inquiry and are in the process of reviewing your questions and concerns. As you know, all of our grants information, tax returns, and investment guidelines and policy statement, are available on our Web site, as we strive to be as transparent as possible.

Thank you for reaching out to us; we will follow up shortly.

Best,

RBF Communications

From: VIVIAN KRAUSE [mailto:vivian.krause@me.com]
Sent: Friday, January 07, 2011 7:01 PM
To: communications
Cc: jmckay@biv.com; trenshaw@biv.com
Subject: Fwd: Message for Mr. Stephen Heintz RE: RBF Inc. Investments in the Oil & Gas Industry

Mr. Heintz,

I am writing to let you know that I am sharing my e-mail to you with Joel Mackay who is a business reporter for Business in Vancouver. As you'll notice, I am copying him and his editor, on this e-mail.

I look forward to your response. As I said yesterday, if I have presented anything here that is factually incorrect or if I have missed any important points, please let me know.

Sincerely,
Vivian Krause

c.c. Mr. Joel MAckay, Business Reporter, Business in Vancouver
c.c. Mr. Timothy Renshaw, Editor, Business in Vancouver

Begin forwarded message:

From: VIVIAN KRAUSE <vivian.krause@me.com>
Date: January 06, 2011 7:07:36 AM
To: communications@rbf.org
Subject: Message for Mr. Stephen Heintz RE: RBF Inc. Investments in the Oil & Gas Industry

Mr. Heintz,

As I have tried to convey before, I am concerned about the campaigns that the Rockefeller Brothers Fund Inc. ("RBF Inc.") is funding against important industries in my country. I am also concerned that these campaigns are distracting public attention and public funds away from issues that are more important than the ones that RBF-funded campaigns are focusing on. As I believe that the matter about which I am writing is a matter of public interest, I will be posting this correspondence at my blog: www.fair-questions.com.

Before I continue, I would like to let you know that I did not receive a reply to the e-mails that I sent last October to inquire about whether the Rockefeller Brothers Fund Inc. is funding the Re-Think Alberta

campaign that is being conducted by Corporate Ethics International. I would appreciate your answers to the questions that I tried to ask in those e-mails (below).

Today, I am writing to inquire about the corporate interests in which RBF Inc. is invested. In particular, I would like to know whether RBF Inc. may have competing or conflicting interests with regards to its investments in the energy and pipeline sector, on the one hand, and on the other hand, the campaign that RBF Inc. is funding to block the development of a pipeline and port facilities that would allow the export of Canadian oil to Asia.

Below, I will outline the observations on which my concerns and questions are based:

- In the tax return for 2006, RBF Inc. reports small amounts of earnings from three pipeline companies that are listed as affiliated with FAMCO Alliance Holdings GP LLC. The names of these three pipeline companies are: Atlas Pipeline Holdings LP, El Paso Pipeline partners and Plains All American Pipeline LP. In 2007 and 2008, RBF Inc. also reports small amounts of investment income from these same pipeline companies as well as Williams Pipeline Partners LP and another pipeline company. (The name of this company is not legible in the publicly available tax return for RBF Inc. that I have obtained). Thus, in total, from 2006 to 2008 RBF Inc. reported income (referred to as "partnership income") from at least five pipeline companies that are listed as affiliated with FAMCO.
- In the publicly available tax return for 2007, 2008 and 2009, the schedules of investments are included. However, this schedule is not included in RBF's publicly available tax return for 2006. According to Schedule 11 for 2007, RBF Inc. had about \$5.5 million invested in Natural Gas Partners VIII, which is an affiliate of NGP Energy Capital Management, a \$9.5 billion dollar family of funds. Of that, \$7.3 billion is accounted for by the Natural Gas Partners private equity fund complex.
- In 2009, RBF Inc. reported \$249,565 in "other income" from Natural Gas Partners. Of all the companies from which RBF Inc. reported "other income" in 2009, the income from Natural Gas Partners VIII was the highest.
- One of the portfolio companies of Natural Gas Partners is Northern Blizzard Resources Inc. ("Northern Blizzard"), a Calgary-based oil and gas company which is also a portfolio company of Riverstone Energy.
- According to RBF Inc.'s tax return for 2007, RBF Inc. had approximately \$17.7 million in investments in "Carlyl/Riverstone Renewable" and "Carlyl/Riverstone Energy." In 2008, RBF Inc. reports about \$24.8 million in Riverstone Energy III (\$19.4 million) and Riverstone Renewables (\$5.4 million). In 2009, RBF Inc. had about \$29 million invested in these companies. Riverstone reports investments in approximately 65 companies. One of these companies is Kinder Morgan which is one of the largest pipeline companies in North America.
- In 2008, RBF Inc. also had about \$3 million invested in Kayne Anderson Energy Funds. According to Bloomberg, Kayne Anderson seeks to invest in the oil and gas industry, particularly in North America. RBF Inc. also had \$7 million invested

in Alinda Infrastructure which has investments in ports and in natural gas storage and transmission, and \$8.3 million in Cabot Industrial Value Fund II. Cabot Properties reports that it is a private equity investment firm that has invested \$4.5 billion in industrial real estate properties throughout the United States.

- In 2008, the companies in which RBF Inc. had its largest investments were the Investure Alternative Fund, a hedge fund registered in the Cayman Islands, and the Investure Evergreen Fund, a hedge fund registered in Delaware. RBF Inc. had \$87.6 million and \$50.9 million in these funds, respectively. In addition to Investure Alternative Fund, several of the companies in which RBF Inc. has substantial investments are incorporated in the Cayman Islands. Some of these companies and the amount that RBF Inc had reportedly invested in these companies as of fiscal 2009, are listed below:
 - Investure Alternative Fund - \$96.8 million (2009)
 - Eton Park Overseas Fund - \$15.1 million (2009)
 - O.S.S. Overseas Ltd - \$12.3 million (2008)
 - Private Advisors Income Fund - \$11.9 million (2009)

- As of 2009, Investure-related investments alone accounted for fully two thirds, \$400 million of RBF Inc.'s \$610 million in investments. As such, its fair to inquire about the industries in which Investure-related investments are in, and in particular, whether a portion of this capital is invested in the oil and gas industry.

- For several of the names on the list of companies in which RBF Inc. has invested, Google provided no links whatsoever except for links to RBF's own tax returns. These companies and the amounts that RBF Inc. reported that it had invested in these companies as of its 2008 tax return, are as follows:
 - Fir Tree International I - \$24.3 million (2009)
 - Fir Tree International II - \$9.5 million (2009)
 - Convexity Offshore LP - \$25.6 million (2009)

- In total, the companies that are incorporated in the Cayman Islands, and the companies for which no information could be found account a substantial part of RBF Inc. investments.

- As of fiscal 2008, I note that RBF Inc. also had investments of approximately \$7 million in Siguler Guff which invests in companies in Russia. I noticed that in 2006, RBF Inc. granted \$750,000 to the Pacific Environment and Resources Center "for its environmental work in the Russian Far East." If I'm not mistaken, that was RBF Inc.'s single largest grant that was made that year.

In light of the information and analysis that I have presented above, I would like to inquire as to how much of the total assets of RBF Inc. are invested in the oil and gas industry. I would also like to know whether any of the oil, gas and pipeline companies in which RBF Inc. has investments would benefit from the campaigns that RBF Inc. is funding to reduce demand for Alberta oil and block the development of a pipeline and port facility on the north coast of British Columbia.

If I have presented anything that is factually incorrect, or if I have missed any important points, please let me know.

In Vancouver, I can be reached at 604.618.8110.

Sincerely,

Vivian Krause

Begin forwarded message:

From: VIVIAN KRAUSE <vivian.krause@me.com>
Date: October 12, 2010 9:25:16 AM
To: communications@rbf.org
Subject: **Message for Mr. Stephen Heintz**

Dear Mr. Heintz,

As a member of the public, I am concerned about the current campaign against Alberta oil. I notice that the Rockefeller Brothers Fund has provided substantial funding to several of the organizations that are involved in this campaign. I would like to inquire about how this money is being spent. In particular, I would like to know whether funding from the Rockefeller Brothers Fund is being used for the RETHINK ALBERTA campaign.

As you can see from the e-mail below, I sent an initial inquiry about two weeks ago. I have not yet received a reply.

At your earliest convenience, I would greatly appreciate the opportunity to speak with you or your staff.

In Vancouver, I can be reached at 604.618.8110.

Sincerely,
Vivian Krause

Begin forwarded message:

From: VIVIAN KRAUSE <vivian.krause@me.com>
Date: September 29, 2010 11:46:10 AM
To: communications@rbf.org
Subject: **RETHINK ALBERTA**

Dear Sir/Madam,

I notice from your on-line grants database that the Rockefeller Brothers Fund has paid Tides Canada \$50,000 for a web-site about "Oil Sands Tourism," and that RBF also paid Corporate Ethics International \$750,000 for a campaign to stem demand for oil derived from the Alberta oil sands.

Is the Rockeller Brothers Fund funding CEI's campaign, "RETHINK ALBERTA?"

Is the web-site that RBF has paid for, the web-site of RETHINK ALBERTA?

Sincerely,
Vivian Krause