Date 23 JUIL. 2013

Ernst & Young LLP, Chatered Accountants,
800 Boul. René-Lévesque Ouest, Bureau 1900
Montréal, (Qc) H3B 1X9

To the attention of: Mr. Christian Desjardins

RE: Spin-Off of CST Brands, Inc. by Valero Energy Corporation

Dear Sir,

We are replying to your correspondence dated May 8, 2013, in which was submitted information with regard to the tax treatment of the spin-off undertaken on May 1, 2013 by Valero Energy Corporation, Inc. of its subsidiary CST Brands Inc.

Based on the information that you provided, the distribution meets the requirements of paragraph 86.1(2)(e) of the Income Tax Act (Canada). Since you have provided all of the information required under this paragraph and it was received within the time limits set out in the legislation, common Canadian shareholders of Valero Energy Corporation will be entitled to elect under section 86.1 in respect of the distribution.

However, if IRS reviews the distribution at a later date and determines the distribution taxable, we will reverse our decision.

We also acknowledge receipt of your consent to publish the fact that you have provided the information required to meet the conditions of paragraph 86.1(2)(e).

Should you have any questions, please do not hesitate to contact me at (418) 649-4993, extension 4304.

Yours truly,

Alain T Tremblay
International Tax Division
Quebec Taxation Services Office
Canada Revenue Agency