

MAGELLAN MIDSTREAM PARTNERS LP
Form 8-K
March 04, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 4, 2015 (March 4, 2015)

Magellan Midstream Partners, L.P.

(Exact name of registrant as specified in its charter)

Commission File Number: 1-16335

DE
(State or other jurisdiction

of incorporation)

73-1599053
(IRS Employer

Identification No.)

One Williams Center, Tulsa, OK 74172

(Address of principal executive offices, including zip code)

(918) 574-7000

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On March 4, 2015, Magellan Midstream Partners, L.P. (the Partnership) completed its previously disclosed issuance and sale in an underwritten public offering of \$500,000,000 aggregate principal amount of the Partnership's senior notes, consisting of \$250,000,000 aggregate principal amount of its 3.20% Senior Notes due 2025 (the 2025 Notes) and \$250,000,000 aggregate principal amount of its 4.20% Senior Notes due 2045 (the 2045 Notes and, together with the 2025 Notes, the Notes).

The information set forth under Item 2.03 is incorporated into this Item 1.01 by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement.

The Partnership issued the 2025 Notes under that certain Indenture dated as of August 11, 2010 (the Original Indenture), as supplemented by that certain Fourth Supplemental Indenture, dated as of March 4, 2015 (the Fourth Supplemental Indenture and, together with the Original Indenture, the 2025 Indenture), between the Partnership and U.S. Bank National Association, as trustee (the Trustee). The Partnership issued the 2045 Notes under the Original Indenture, as supplemented by that certain Fifth Supplemental Indenture, dated as of March 4, 2015 (the Fifth Supplemental Indenture and, together with the Original Indenture, the 2045 Indenture and, together with the 2025 Indenture, the Indentures), between the Partnership and the Trustee. Interest on the Notes is payable semi-annually on March 15 and September 15 of each year, commencing September 15, 2015. The 2025 Notes will mature on March 15, 2025, and the 2045 Notes will mature on March 15, 2045.

As described in the Fourth Supplemental Indenture and the Fifth Supplemental Indenture, respectively, the Partnership may redeem some or all of the Notes (1) at any time prior to December 15, 2024, with respect to the 2025 Notes, or September 15, 2044, with respect to the 2045 Notes, at a redemption price that includes a make-whole premium or (2) on or after December 15, 2024, with respect to the 2025 Notes, or September 15, 2044, with respect to the 2045 Notes, at a redemption price equal to 100% of the principal amount of the 2025 Notes or the 2045 Notes, as the case may be, to be redeemed. The Notes are the Partnership's senior unsecured obligations and rank equally in right of payment with all of its existing and future senior debt, including borrowings under its revolving credit facility and commercial paper program, and senior to any subordinated unsecured debt that the Partnership may incur. Initially, the Notes will not be guaranteed by any of the subsidiaries of the Partnership.

The Indentures contain customary events of default (each an Event of Default). Under the Indentures, Events of Default include, but are not limited to, the following:

- (1) default in any payment of interest on the 2025 Notes or the 2045 Notes, as the case may be, when due that continues for 30 days;
- (2) default in the payment of principal of or premium, if any, on the 2025 Notes or the 2045 Notes, as the case may be, when due at their stated maturity, upon redemption, upon required repurchase or otherwise;
- (3) failure by the Partnership or any subsidiary guarantor to comply for 60 days after notice with the other agreements or covenants contained in the Indentures relating to the Notes;
- (4)

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certain events of bankruptcy, insolvency or reorganization with respect to the Partnership, or if and so long as the Notes are guaranteed by a subsidiary guarantor, such subsidiary guarantor;

- (5) default by the Partnership or any of its subsidiaries in the payment at the stated maturity, after the expiration of any applicable grace period, of principal, of premium, if any, or interest on any debt then outstanding having a principal amount in excess of the greater of \$50.0 million or 5% of the Partnership's total consolidated partners' capital, or acceleration of any debt having a principal amount in excess of such amount so that it becomes due and payable prior to its stated maturity and such acceleration is not rescinded within 60 days after notice;
- (6) a final judgment or order for the payment of money in excess of the greater of \$50.0 million or 5% of the Partnership's total consolidated partners' capital (in each case, net of applicable insurance coverage) having been rendered against the Partnership or any subsidiary and such judgment or order continues unsatisfied and unstayed for a period of 60 days; and
- (7) except in limited circumstances specified in the Fourth Supplemental Indenture and Fifth Supplemental Indenture, the failure of Magellan GP, LLC to comply with certain separateness and bankruptcy provisions of its limited liability company agreement or the amendment or modification of such provisions in a manner materially adverse to the interests of the holders of the 2025 Notes or the 2045 Notes, as the case may be.

If an Event of Default occurs and is continuing, the Trustee or the holders of not less than 25% in aggregate principal amount of the then outstanding 2025 Notes or 2045 Notes, as the case may be, may declare the principal of and premium, if any, and accrued but unpaid interest on all the 2025 Notes or 2045 Notes, as the case may be, to be due and payable. Upon such a declaration, such principal, premium, if any, and interest will be due and payable immediately. If an Event of Default relating to certain events of bankruptcy, insolvency or reorganization with respect to the Partnership occurs and is continuing, the principal of, and premium, if any, and accrued and unpaid interest on all the 2025 Notes or 2045 Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holders of the 2025 Notes or 2045 Notes, as the case may be. Under certain circumstances, the holders of a majority in principal amount of the outstanding 2025 Notes or 2045 Notes may rescind any such acceleration with respect to the 2025 Notes or the 2045 Notes, as the case may be, and its consequences.

The foregoing description of the Indentures does not purport to be complete and is qualified in its entirety by reference to the full text of (i) the Original Indenture, a copy of which is filed as Exhibit 4.1 to the Partnership's Current Report on Form 8-K dated August 16, 2010, (ii) the Fourth Supplemental Indenture, a copy of which is filed as Exhibit 4.2 hereto and (iii) the Fifth Supplemental Indenture, a copy of which is filed as Exhibit 4.3 hereto, each of which is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit Number | Description |
|-------------------|---|
| 4.1 | Indenture dated as of August 11, 2010 between Magellan Midstream Partners, L.P. and U.S. Bank National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the Partnership's Current Report on Form 8-K filed August 16, 2010). |
| 4.2 | Fourth Supplemental Indenture dated as of March 4, 2015, between Magellan Midstream Partners, L.P. and U.S. Bank National Association, as trustee. |
| 4.3 | Fifth Supplemental Indenture dated as of March 4, 2015, between Magellan Midstream Partners, L.P. and U.S. Bank National Association, as trustee. |
| 5.1 | Opinion of Latham & Watkins LLP. |
| 23.1 | Consent of Latham & Watkins LLP (included in Exhibit 5.1 hereto). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Magellan Midstream Partners, L.P.

By: Magellan GP, LLC, its general partner

Date: March 4, 2015

By: /s/ Suzanne H. Costin
Suzanne H. Costin
Corporate Secretary

EXHIBIT INDEX

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