

MAGELLAN MIDSTREAM PARTNERS LP
Form 8-K
November 09, 2012

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): November 9, 2012

Magellan Midstream Partners, L.P.

(Exact name of registrant as specified in its charter)

Commission File Number: 1-16335

DE
(State or other jurisdiction)

73-1599053
(IRS Employer)

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of incorporation)

Identification No.)

One Williams Center, Tulsa, Oklahoma 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.

As previously disclosed, Magellan Midstream Partners, L.P. (the Partnership) entered into that certain Underwriting Agreement dated November 2, 2012 with respect to the issuance and sale in an underwritten public offering (the Senior Notes Offering) by the Partnership of \$250 million aggregate principal amount of 4.20% Senior Notes due 2042 (the Notes). The Partnership issued the Notes under that certain Indenture dated as of August 11, 2010 (the Original Indenture), as supplemented by that certain Second Supplemental Indenture, dated as of November 9, 2012 (the Second Supplemental Indenture and, together with the Original Indenture, the Indenture), between the Partnership and U.S. Bank National Association, as trustee (the Trustee), which set forth the specific terms applicable to the Notes.

The material terms of the Senior Notes Offering are described in the prospectus supplement dated November 2, 2012, which was filed by the Partnership with the Securities and Exchange Commission (the Commission) on November 5, 2012. The offer and sale of the Notes was registered with the Commission pursuant to the Partnership's Registration Statement on Form S-3 (File No. 333-183013) which was filed with the Commission on August 2, 2012.

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.

On November 9, 2012, the Partnership completed the Senior Notes Offering. Interest on the Notes is payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2013. The Notes will mature on December 1, 2042.

As described in the Second Supplemental Indenture, the Partnership may redeem some or all of the Notes (1) at any time prior to June 1, 2042 at a redemption price that includes a make-whole premium or (2) on or after June 1, 2042 at a redemption price equal to 100% of the principal amount of the Notes 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 senior to any subordinated unsecured debt that the Partnership may incur.

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

- (1) default in any payment of interest on the Notes when due that continues for 30 days;
- (2) default in the payment of principal of or premium, if any, on the Notes 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 Indenture relating to the Notes;
- (4) 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

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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 Second 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 Notes.

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 Notes may declare the principal of and premium, if any, and accrued but unpaid interest on all the Notes 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 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 Notes. Under certain circumstances, the holders of a majority in principal amount of the outstanding Notes may rescind any such acceleration with respect to the Notes and its consequences.

The foregoing description of the Indenture does not purport to be complete and is qualified in its entirety by reference to the full text of 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, and the Second Supplemental Indenture, a copy of which is filed as Exhibit 4.2 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	Second Supplemental Indenture dated as of November 9, 2012, between Magellan Midstream Partners, L.P. and U.S. Bank National Association, as trustee.

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: November 9, 2012

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

EXHIBIT INDEX

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