

Sprague Resources LP
Form SC 13D/A
December 15, 2014

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 1)*

Sprague Resources LP

(Name of Issuer)

Common Units Representing Limited Partner Interests

(Title of Class of Securities)

849343 108

(CUSIP Number)

Paul A. Scoff

185 International Drive

Portsmouth, NH 03801

(800) 255-1560

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

December 9, 2014

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

1 Name of Reporting Person

Sprague Resources Holdings LLC

2 Check the appropriate box if a member of a group*

(a) (b)

3 SEC use only

4 Source of Funds

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

Delaware

Number of 7 Sole Voting Power:

Shares

Beneficially 0

8 Shared Voting Power:

Owned by

Each

12,106,348 units*

Reporting 9 Sole Dispositive Power:

Person

With 0

10 Shared Dispositive Power:

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12,106,348 units*

11 Aggregate Amount Beneficially Owned by each Reporting Person:

12,106,348 units*

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares

..

13 Percent of Class Represented by Amount in Row (11)

58.0%**

14 Type of Reporting Person

HC; OO

* Consists of 2,034,378 common units and 10,071,970 subordinated units representing limited partner interests in Sprague Resources LP. Sprague International Properties LLC is the record holder of 462,408 common units. Sprague Resources Holdings LLC also owns all of the incentive distribution rights (which represent the right to receive increasing percentages of quarterly distributions in excess of specified amounts). Sprague Resources Holdings LLC may also be deemed to be the indirect beneficial owner of a non-economic general partner interest in Sprague Resources LP. The subordinated units may be converted into common units on a one-for-one basis upon the termination of the subordination period under certain circumstances as set forth in the First Amended and Restated Agreement of Limited Partnership of Sprague Resources LP, which is incorporated herein by reference to Exhibit 3.1 to Sprague Resources LP's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 5, 2013.

** Based on a total of 10,812,300 common units and 10,071,970 subordinated units outstanding as of December 9, 2014.

1 Name of Reporting Person

Sprague International Properties LLC

2 Check the appropriate box if a member of a group*

(a) (b)

3 SEC use only

4 Source of Funds

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

Delaware

Number of 7 Sole Voting Power:

Shares

Beneficially 0

8 Shared Voting Power:

Owned by

Each

462,408 units*

Reporting 9 Sole Dispositive Power:

Person

With 0

10 Shared Dispositive Power:

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462,408 units*

11 Aggregate Amount Beneficially Owned by each Reporting Person:

462,408 units*

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares

..

13 Percent of Class Represented by Amount in Row (11)

2.2%**

14 Type of Reporting Person

HC; OO

* Consists of 462,408 common units representing limited partner interests in Sprague Resources LP.

** Based on a total of 10,812,300 common units and 10,071,970 subordinated units outstanding as of December 9, 2014.

1 Name of Reporting Person

Axel Johnson Inc.

2 Check the appropriate box if a member of a group*

(a) (b)

3 SEC use only

4 Source of Funds

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

Delaware

Number of 7 Sole Voting Power:

Shares

Beneficially 0

8 Shared Voting Power:

Owned by

Each

12,106,348 units*

Reporting 9 Sole Dispositive Power:

Person

With 0

10 Shared Dispositive Power:

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12,106,348 units*

11 Aggregate Amount Beneficially Owned by each Reporting Person:

12,106,348 units*

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares

..

13 Percent of Class Represented by Amount in Row (11)

58.0%**

14 Type of Reporting Person

CO

* Consists of 2,034,378 common units and 10,071,970 subordinated units representing limited partner interests in Sprague Resources LP. Sprague International Properties LLC is the record holder of 462,408 common units. Sprague Resources Holdings LLC is the record holder of 1,571,970 common units and 10,071,970 subordinated units. Axel Johnson Inc. may also be deemed to be the indirect beneficial owner of (i) all of the incentive distribution rights (which represent the right to receive increasing percentages of quarterly distributions in excess of specified amounts) and (ii) a non-economic general partner interest in Sprague Resources LP. The subordinated units may be converted into common units on a one-for-one basis upon the termination of the subordination period under certain circumstances as set forth in the First Amended and Restated Agreement of Limited Partnership of Sprague Resources LP, which is incorporated herein by reference to Exhibit 3.1 to Sprague Resources LP's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 5, 2013.

** Based on a total of 10,812,300 common units and 10,071,970 subordinated units outstanding as of December 9, 2014.

1 Name of Reporting Person

Lexa International Corporation

2 Check the appropriate box if a member of a group*

(a) (b)

3 SEC use only

4 Source of Funds

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

Delaware

Number of 7 Sole Voting Power:

Shares

Beneficially 0

8 Shared Voting Power:

Owned by

Each

12,106,348 units*

Reporting 9 Sole Dispositive Power:

Person

With 0

10 Shared Dispositive Power:

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12,106,348 units*

11 Aggregate Amount Beneficially Owned by each Reporting Person:

12,106,348 units*

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares

..

13 Percent of Class Represented by Amount in Row (11)

58.0%**

14 Type of Reporting Person

CO

* Consists of 2,034,378 common units and 10,071,970 subordinated units representing limited partner interests in Sprague Resources LP. Sprague International Properties LLC is the record holder of 462,408 common units. Sprague Resources Holdings LLC is the record holder of 1,571,970 common units and 10,071,970 subordinated units. Lexa International Corporation may also be deemed to be the indirect beneficial owner of (i) all of the incentive distribution rights (which represent the right to receive increasing percentages of quarterly distributions in excess of specified amounts) and (ii) a non-economic general partner interest in Sprague Resources LP. The subordinated units may be converted into common units on a one-for-one basis upon the termination of the subordination period under certain circumstances as set forth in the First Amended and Restated Agreement of Limited Partnership of Sprague Resources LP, which is incorporated herein by reference to Exhibit 3.1 to Sprague Resources LP's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 5, 2013.

** Based on a total of 10,812,300 common units and 10,071,970 subordinated units outstanding as of December 9, 2014.

1 Name of Reporting Person

Antonia Ax:son Johnson

2 Check the appropriate box if a member of a group*

(a) (b)

3 SEC use only

4 Source of Funds

OO

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

..

6 Citizenship or Place of Organization

Sweden

Number of 7 Sole Voting Power:

Shares

Beneficially 0

8 Shared Voting Power:

Owned by

Each

12,106,348 units*

Reporting 9 Sole Dispositive Power:

Person

With 0

10 Shared Dispositive Power:

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12,106,348 units*

11 Aggregate Amount Beneficially Owned by each Reporting Person:

12,106,348 units*

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares

..

13 Percent of Class Represented by Amount in Row (11)

58.0%**

14 Type of Reporting Person

IN

* Consists of 2,034,378 common units and 10,071,970 subordinated units representing limited partner interests in Sprague Resources LP. Sprague International Properties LLC is the record holder of 462,408 common units. Sprague Resources Holdings LLC is the record holder of 1,571,970 common units and 10,071,970 subordinated units. Antonia Ax:son Johnson may also be deemed to be the indirect beneficial owner of (i) all of the incentive distribution rights (which represent the right to receive increasing percentages of quarterly distributions in excess of specified amounts) and (ii) a non-economic general partner interest in Sprague Resources LP. The subordinated units may be converted into common units on a one-for-one basis upon the termination of the subordination period under certain circumstances as set forth in the First Amended and Restated Agreement of Limited Partnership of Sprague Resources LP, which is incorporated herein by reference to Exhibit 3.1 to Sprague Resources LP's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 5, 2013.

** Based on a total of 10,812,300 common units and 10,071,970 subordinated units outstanding as of December 9, 2014.

SCHEDULE 13D

The reporting persons named in Item 2 below are hereby jointly filing this Amendment No. 1 to Schedule 13D (this Amendment) because, due to certain affiliates and relationships among the reporting persons, such reporting persons may be deemed to beneficially own some or all of the same securities directly or indirectly acquired from the Partnership (defined below) by one or more of the reporting persons. This Amendment amends and supplements the information provided in the Schedule 13D filed with the Securities and Exchange Commission (the Commission) on November 12, 2013 (the Original Schedule 13D).

Item 1. Security and Partnership.

No modification is made to Item 1 of the Original Schedule 13D.

Item 2. Identity and Background

Item 2 of the Original Schedule 13D is hereby amended and restated in its entirety as follows:

(a) This Statement is filed by:

- (i) Sprague International Properties LLC, a Delaware limited liability company (Sprague International);
- (ii) Sprague Resources Holdings LLC, a Delaware limited liability company (Sprague Holdings);
- (iii) Axel Johnson Inc., a Delaware corporation (Axel Johnson);
- (iv) Lexa International Corporation, a Delaware corporation (Lexa); and
- (v) Antonia Ax:son Johnson, a citizen of Sweden (Ms. Johnson) and, together with Sprague International, Sprague Holdings, Axel Johnson and Lexa, the Reporting Persons).

All disclosures herein with respect to any Reporting Person are made only by such Reporting Person. Any disclosures herein with respect to persons other than the Reporting Persons are made on information and belief after making inquiry to the appropriate party.

Sprague International is a wholly-owned subsidiary of Sprague Holdings. Sprague Holdings is a wholly-owned subsidiary of Axel Johnson. Axel Johnson is a wholly-owned subsidiary of Lexa. Lexa, through certain non-U.S. entities, is controlled by Ms. Johnson. Sprague Holdings also owns 100% of the equity interests of Sprague Resources GP LLC, a Delaware limited liability company and the general partner of the Partnership (the General Partner), and all of the incentive distribution rights in the Partnership (the incentive distribution rights).

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Sprague International is a limited partner of the Partnership and the record holder of 462,408 common units of the Partnership, representing an aggregate 2.2% limited partner interest in the Partnership. Sprague Holdings is a limited partner of the Partnership and the record holder of 1,571,970 common units and 10,071,970 subordinated units of the Partnership, representing an aggregate 55.8% limited partner interest in the Partnership.

(b) The business address of Sprague International and Sprague Holdings is 185 International Drive, Portsmouth, NH 03801. The business address of Axel Johnson is 155 Spring Street, 6th Floor, New York, NY 10012. The business address of Lexa is 2410 Old Ivy Road, Suite 300, Charlottesville, VA 22903. The business address of Ms. Johnson is c/o Axel Johnson Inc., 155 Spring Street, 6th Floor, New York, NY 10012.

(c) The principal business of:

- (i) Sprague International is to hold certain equity interests and real estate assets;
- (ii) Sprague Holdings is to hold equity interests in the Partnership and the General Partner;

(iii) Axel Johnson is to hold equity interests in Sprague Holdings and other entities;

(iv) Lexa is to hold equity interests in Axel Johnson and other entities; and

(v) Ms. Johnson is to serve as Chairman of Axel Johnson AB.

(d) None of the Reporting Persons has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons has, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

In accordance with the provisions of General Instruction C to Schedule 13D, certain information concerning the executive officers and directors of the Reporting Persons and persons controlling the Reporting Persons, as applicable (collectively, the Covered Persons), required by Item 2 of Schedule 13D is provided on Schedule 1 and is incorporated by reference herein. To the Reporting Persons' knowledge, none of the Covered Persons listed on Schedule 1 as a director or executive officer of Sprague International, Sprague Holdings, Axel Johnson or Lexa has been, during the last five years, (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors), or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Sources and Amount of Funds or Other Consideration

Item 3 of the Original Schedule 13D is hereby amended by adding the following information:

On December 9, 2014, Sprague International and certain affiliates of the Issuer entered into a Purchase Agreement (the Purchase Agreement), and the Issuer and one of its subsidiaries entered into a Consideration Agreement (the Consideration Agreement). Pursuant to the Purchase Agreement and the Consideration Agreement, Sprague International contributed its interests in Kildair Service Ltd. to a subsidiary of the Issuer, and the Issuer issued 462,408 common units to Sprague International.

References to, and descriptions of, the Purchase Agreement and the Consideration Agreement as set forth in this Item 3 are qualified in their entirety by reference to the Purchase Agreement and the Consideration Agreement, filed as Exhibit 2.1 and 2.2, respectively, to the Partnership's Current Report on Form 8-K filed with the Securities and Exchange Commission (the Commission) on December 12, 2014, which Exhibits 2.1 and 2.2 are incorporated in their entirety in this Item 3.

Item 4. Purpose of Transaction

Item 4 of the Original Schedule 13D is hereby amended by adding the following information:

The Reporting Persons acquired the units reported herein solely for investment purposes as partial consideration for the assets and operations contributed by the Reporting Persons or their affiliates to the Issuer pursuant to the Purchase Agreement and the Consideration Agreement. The Reporting Persons may make additional purchases of common units either in the open market or in private transactions depending on the Reporting Person's business, prospects and financial condition, the market for the common units, general economic conditions, stock market conditions and other future developments.

Item 5. Interest in Securities of the Issuer.

Item 5 of the Original Schedule 13D is hereby amended and restated in its entirety as follows:

(a) (b) The aggregate number and percentage of shares of units beneficially owned by the Reporting Persons (on the basis of a total of 20,884,270 units issued and outstanding as of December 9, 2014) on December 9, 2014 are as follows:

Sprague International

- (a) Amount beneficially owned: 462,408 units Percentage:2.2%
- (b) Number of shares to which the Reporting Person has:
- i. Sole power to vote or to direct the vote: 0
 - ii. Shared power to vote or to direct the vote: 462,408 units
 - iii. Sole power to dispose or to direct the disposition of: 0
 - iv. Shared power to dispose or to direct the disposition of: 462,408 units

Sprague Holdings

- (a) Amount beneficially owned: 12,106,348 units Percentage:58.0%
- (b) Number of shares to which the Reporting Person has:
- i. Sole power to vote or to direct the vote: 0
 - ii. Shared power to vote or to direct the vote: 12,106,348 units
 - iii. Sole power to dispose or to direct the disposition of: 0
 - iv. Shared power to dispose or to direct the disposition of: 12,106,348 units

Axel Johnson

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- (a) Amount beneficially owned: 12,106,348 units Percentage:58.0%
- (b) Number of shares to which the Reporting Person has:
- i. Sole power to vote or to direct the vote: 0
 - ii. Shared power to vote or to direct the vote: 12,106,348 units
 - iii. Sole power to dispose or to direct the disposition of: 0
 - iv. Shared power to dispose or to direct the disposition of: 12,106,348 units

Lexa

- (a) Amount beneficially owned: 12,106,348 units Percentage:58.0%
- (b) Number of shares to which the Reporting Person has:
- i. Sole power to vote or to direct the vote: 0
 - ii. Shared power to vote or to direct the vote: 12,106,348 units
 - iii. Sole power to dispose or to direct the disposition of: 0
 - iv. Shared power to dispose or to direct the disposition of: 12,106,348 units

Ms. Johnson

- (a) Amount beneficially owned: 12,106,348 units Percentage: 58.0%
- (b) Number of shares to which the Reporting Person has:
- i. Sole power to vote or to direct the vote: 0
 - ii. Shared power to vote or to direct the vote: 12,106,348 units
 - iii. Sole power to dispose or to direct the disposition of: 0

iv. Shared power to dispose or to direct the disposition of: 12,106,348 units

(c) Except as described in Item 3 above or elsewhere in this Statement, none of the Reporting Persons or, to the Reporting Persons' knowledge, the Covered Persons has effected any transactions in the common units during the past 60 days.

(d) The Reporting Persons have the right to receive distributions from, and the proceeds from the sale of, the respective common units reported by such persons on the cover pages of this Statement and in this Item 5. Except for the foregoing and the cash distributions described in Item 6 below, no other person is known by the Reporting Persons to have the right to receive or the power to direct the receipt of distributions from, or the proceeds from the sale of, common units beneficially owned by the Reporting Persons or, to the Reporting Persons' knowledge, the Covered Persons.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

No modification is made to Item 6 of the Original Schedule 13D.

Item 7. Material to be Filed as Exhibits.

- Exhibit A Joint Filing Agreement (filed herewith).
- Exhibit B First Amended and Restated Agreement of Limited Partnership of Sprague Resources LP (attached as Exhibit 3.1 to the Partnership's Current Report on Form 8-K (File No. 001-36137) filed with the Commission on November 5, 2013 and incorporated herein by reference).
- Exhibit C Amended and Restated Limited Liability Company Agreement of Sprague Resources GP LLC (attached as Exhibit 3.2 to the Partnership's Current Report on Form 8-K (File No. 001-36137) filed with the Commission on November 5, 2013 and incorporated herein by reference).
- Exhibit D Contribution, Conveyance and Assumption Agreement by and among Sprague Resources LP, Sprague Resources GP LLC, Axel Johnson Inc., Sprague International Properties LLC, Sprague Canadian Properties LLC, Sprague Resources Holdings LLC, Sprague Massachusetts Properties LLC and Sprague Operating Resources LLC, dated October 30, 2013. (attached as Exhibit 10.2 to the Partnership's Current Report on Form 8-K (File No. 001-36137) filed with the Commission on November 5, 2013 and incorporated herein by reference).
- Exhibit E Underwriting Agreement, dated as of October 24, 2013, by and among Sprague Resources LP, Sprague Resources GP LLC, Sprague Operating Resources LLC and Sprague Resources Holdings LLC and Barclays Capital Inc., J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, for themselves and as representatives of the several underwriters named therein (attached as Exhibit 1.1 to the Partnership's Current Report on Form 8-K (File No. 001-36137) filed with the Commission on October 30, 2013 and incorporated herein by reference).
- Exhibit F Power of Attorney for Axel Johnson Inc. dated as of November 7, 2013 (attached as Exhibit F to the Schedule 13D of Sprague Resources LP (CUSIP No. 849343 108), filed with the Commission on November 12, 2013 and incorporated herein by reference).
- Exhibit G Power of Attorney for Lexa International Corporation dated as of November 7, 2013 (attached as Exhibit G to the Schedule 13D of Sprague Resources LP (CUSIP No. 849343 108), filed with the Commission on November 12, 2013 and incorporated herein by reference).
- Exhibit H Power of Attorney for Antonia Ax:son Johnson dated as of February 28, 2012 (attached as Exhibit 24 to the Form 3 of Sprague Resources Holdings LLC and Antonia Ax:son Johnson (File No. 001-36137) filed with the Commission on October 16, 2013 and incorporated herein by reference).
- Exhibit I Purchase Agreement, dated as of December 9, 2014, by and between Sprague Resources ULC, Sprague International Properties LLC, Sprague Canadian Properties LLC and Axel Johnson Inc. (attached as Exhibit 2.1 to the Partnership's Current Report on Form 8-K (File No. 001-36137) filed with the Commission on December 12, 2014 and incorporated herein by reference).
- Exhibit J Consideration Agreement, dated as of December 9, 2014, by and between Sprague Resources LP and Sprague Resources ULC (attached as Exhibit 2.2 to the Partnership's Current Report on Form 8-K (File No. 001-36137) filed with the Commission on December 12, 2014 and incorporated herein by reference).

SIGNATURES

After reasonable inquiry and to the best of their knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Date: December 12, 2014

SPRAGUE INTERNATIONAL PROPERTIES LLC

By: /s/ Paul A. Scoff
Name: Paul A. Scoff
Title: Vice President, General Counsel and Secretary

SPRAGUE RESOURCES HOLDINGS LLC

By: /s/ Paul A. Scoff
Name: Paul A. Scoff
Title: Vice President, General Counsel, Chief

Compliance Officer and Secretary

AXEL JOHNSON INC.

By: /s/ Paul A. Scoff
Name: Paul A. Scoff
Title: Attorney-in-fact

LEXA INTERNATIONAL CORPORATION

By: /s/ Paul A. Scoff
Name: Paul A. Scoff
Title: Attorney-in-fact

ANTONIA AX:SON JOHNSON