

GLOBAL PARTNERS LP
Form PRE 14A
May 04, 2012

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

GLOBAL PARTNERS LP

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:

Edgar Filing: GLOBAL PARTNERS LP - Form PRE 14A

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

**GLOBAL PARTNERS LP
P.O. Box 9161
Waltham, MA 02454-9161**

, 2012

To our common unitholders:

You are cordially invited to attend a special meeting of the common unitholders of Global Partners LP (the "Partnership") to be held on _____, 2012, at _____m., Eastern Time, at The Westin Waltham-Boston, 70 Third Avenue, Waltham, Massachusetts 02451. The board of directors of Global GP LLC (the "General Partner"), our general partner, which we refer to as our board of directors, has called the special meeting. At this important meeting, you will be asked to consider and vote upon the following proposals:

a proposal (the "LTIP Proposal") to approve an amendment and restatement of the Global Partners LP Long-Term Incentive Plan ("LTIP"), which, among other things, provides for an increase in the maximum number of common units reserved and available for delivery with respect to awards under the LTIP so that, as of the effective date of the amendment and restatement of the LTIP, a total of 4,300,000 common units are available for delivery with respect to awards under the LTIP; and

a proposal (the "Adjournment Proposal") to approve the adjournment of the special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the LTIP Proposal.

Our board of directors has unanimously approved the amendment and restatement of the LTIP (the "Restated LTIP"). Our board of directors believes that the Restated LTIP is in the best interests of our unitholders and the Partnership and unanimously recommends that the common unitholders approve the Restated LTIP. We are seeking approval to provide for, among other things, additional common units for future delivery with respect to awards granted to employees, consultants, and directors of the General Partner and its affiliates under the LTIP. A copy of the Restated LTIP is attached to this proxy statement as Exhibit A.

Your vote is very important. Even if you plan to attend the special meeting, we urge you to promptly vote your common units electronically, via the Internet or by telephone, or by submitting your marked, signed and dated proxy card. You will retain the right to revoke your proxy at any time before the vote, or to vote your common units personally if you attend the special meeting. The proxy provides common unitholders the opportunity to vote on the LTIP Proposal and the Adjournment Proposal. Voting your common units electronically, via the Internet or by telephone, or by submitting a proxy card will not prevent you from attending the special meeting and voting in person. Please note, however, that if you hold your common units through a broker or other nominee, and you wish to vote in person at the special meeting, you must obtain from your broker or other nominee a proxy issued in your name.

The Restated LTIP will not be effective unless approved by the common unitholders. A quorum of more than 50% of our outstanding common units present in person or by proxy will permit us to conduct the proposed business at the special meeting. Our partnership agreement does not require that we present the Restated LTIP to our common unitholders for approval. However, under the rules of the New York Stock Exchange, the Restated LTIP requires the approval of a majority of the votes cast by our common unitholders, provided that the total votes cast on the LTIP Proposal represents at least 50% of all common units entitled to vote. Approval of the Adjournment Proposal requires the approval

Edgar Filing: GLOBAL PARTNERS LP - Form PRE 14A

Table of Contents

of a majority of the votes cast of the outstanding common units represented either in person or by proxy at the special meeting.

Our board of directors unanimously recommends that the common unitholders vote "FOR" the LTIP Proposal and "FOR" the Adjournment Proposal.

I urge you to carefully review the attached proxy statement, which contains detailed descriptions of the LTIP Proposal and the Adjournment Proposal to be voted upon at the special meeting.

Sincerely,

Eric Slifka
*President and Chief Executive
Officer
Global GP LLC,
the general partner of Global
Partners LP*

If you need assistance in voting your units, please call Morrow & Co., LLC toll free at 1-800-607-0088. Unitholders calling from outside the United States and Canada may call 203-658-9400.

Table of Contents

**GLOBAL PARTNERS LP
P.O. Box 9161
Waltham, MA 02454-9161**

**NOTICE OF SPECIAL MEETING OF COMMON UNITHOLDERS
To Be Held On _____, 2012**

_____, 2012

To our common unitholders:

A special meeting of our common unitholders will be held on _____, 2012, at _____ .m., Eastern Time, at The Westin Waltham-Boston, 70 Third Avenue, Waltham, Massachusetts 02451. At the meeting, our common unitholders will act on a proposal (the "LTIP Proposal") to approve an amendment and restatement of the Global Partners LP Long-Term Incentive Plan (the "LTIP"), which, among other things, provides for an increase in the maximum number of common units reserved and available for delivery with respect to awards under the LTIP so that, as of the effective date of the amendment and restatement of the LTIP, a total of 4,300,000 common units are available for delivery with respect to awards under the LTIP. A copy of the amendment and restatement of the LTIP (the "Restated LTIP") is attached to this proxy statement as Exhibit A. Our common unitholders will also act on a proposal to approve the adjournment of the special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Restated LTIP (the "Adjournment Proposal").

The form of proxy provides common unitholders the opportunity to vote on the LTIP Proposal. The Restated LTIP will not become effective unless approved by the common unitholders. A quorum of more than 50% of our outstanding common units present in person or by proxy will permit us to conduct the proposed business at the special meeting. Our partnership agreement does not require that we submit the Restated LTIP to common unitholders for a vote. However, under the rules of the New York Stock Exchange, the Restated LTIP requires the approval of a majority of the votes cast by our common unitholders, provided that the total votes cast on the LTIP Proposal represent at least 50% of all common units entitled to vote. Approval of the Adjournment Proposal requires the approval of a majority of the votes cast of the outstanding common units represented either in person or by proxy at the special meeting.

We have set the close of business on _____, 2012 as the record date for determining which common unitholders are entitled to receive notice of and to vote at the special meeting and any postponements or adjournments thereof. A list of common unitholders entitled to vote is on file at our principal offices, 800 South Street, P.O. Box 9161, Waltham, MA 02454-9161, and will be available for inspection by any unitholder during the meeting.

Our board of directors unanimously recommends that the common unitholders vote "FOR" the LTIP Proposal and "FOR" the Adjournment Proposal.

Edgar Filing: GLOBAL PARTNERS LP - Form PRE 14A

Table of Contents

Your Vote is Very Important. If you cannot attend the special meeting, you may vote your common units electronically, via the Internet or by telephone, or by mailing the proxy card in the enclosed postage-prepaid envelope. Any common unitholder attending the meeting may vote in person, even though he or she already has returned a proxy.

By Order of the Board of
Directors,

Eric Slifka
Eric Slifka
President and Chief Executive
Officer
Global GP LLC,
the general partner of Global
Partners LP

Waltham, Massachusetts,
, 2012

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROXY STATEMENT. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH DIFFERENT INFORMATION. THIS PROXY STATEMENT IS DATED _____, 2012. YOU SHOULD ASSUME THAT THE INFORMATION CONTAINED IN THIS PROXY STATEMENT IS ACCURATE AS OF THAT DATE ONLY. OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS MAY HAVE CHANGED SINCE THAT DATE.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF
PROXY MATERIALS FOR THE UNITHOLDERS MEETING
TO BE HELD ON _____, 2012**

The Notice of Special Meeting of Common Unitholders, the Proxy Statement for the Special Meeting of Common Unitholders and the Annual Report on Form 10-K for the year ended December 31, 2011 are available at 800 South Street, P.O. Box 9161, Waltham, MA 02454-9161.

Table of Contents

TABLE OF CONTENTS

<u>QUESTIONS AND ANSWERS</u>	1
<u>GLOBAL PARTNERS LP</u>	5
<u>APPROVAL OF THE AMENDMENT AND RESTATEMENT OF THE GLOBAL PARTNERS LP LONG-TERM INCENTIVE PLAN</u>	6
<u>INTEREST OF DIRECTORS AND EXECUTIVE OFFICERS IN THE RESTATED LTIP</u>	11
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED UNITHOLDER MATTERS</u>	12
<u>EQUITY COMPENSATION PLAN TABLE</u>	14
<u>EXECUTIVE COMPENSATION</u>	14
<u>APPROVAL OF THE ADJOURNMENT OF THE SPECIAL MEETING, IF NECESSARY OR APPROPRIATE, TO SOLICIT ADDITIONAL PROXIES</u>	40
<u>THE SPECIAL MEETING</u>	41
<u>Time and Place</u>	41
<u>Purpose</u>	41
<u>Record Date</u>	41
<u>Holders Entitled to Vote</u>	41
<u>Quorum</u>	41
<u>Vote Required</u>	42
<u>Revocation of Proxies</u>	42
<u>Solicitation</u>	42
<u>Adjournment</u>	43
<u>No Common Unitholder Proposals</u>	43
<u>Dissenters' Rights</u>	43
<u>WHERE YOU CAN FIND MORE INFORMATION ABOUT US</u>	44
<u>EXHIBIT A GLOBAL PARTNERS LP AMENDED AND RESTATED LONG-TERM INCENTIVE PLAN</u>	A-1

Table of Contents

GLOBAL PARTNERS LP
P.O. Box 9161
Waltham, MA 02454-9161

PROXY STATEMENT

SPECIAL MEETING OF COMMON UNITHOLDERS

, 2012

This proxy statement contains information related to the special meeting of common unitholders of Global Partners LP (the "Partnership") and any postponements or adjournments thereof. This proxy statement and the accompanying form of proxy are first being mailed to our common unitholders on or about _____, 2012.

QUESTIONS AND ANSWERS

The following is qualified in its entirety by the more detailed information contained in or incorporated by reference in this proxy statement. Common unitholders are urged to read carefully this proxy statement in its entirety. FOR ADDITIONAL COPIES OF THIS PROXY STATEMENT OR PROXY CARDS, OR IF YOU HAVE ANY QUESTIONS ABOUT THE SPECIAL MEETING, CONTACT MORROW & CO., LLC TOLL FREE AT 1-800-607-0088.

Q: What is the purpose of the special meeting?

A:

At the special meeting, our common unitholders will act upon a proposal (the "LTIP Proposal") to approve an amendment and restatement of the Global Partners LP Long-Term Incentive Plan (the "LTIP"), which, among other things, provides for an increase in the maximum number of common units reserved and available for delivery with respect to awards under the LTIP so that, as of the effective date of the amendment and restatement of the LTIP, a total of 4,300,000 common units are available for delivery with respect to awards under the LTIP. A copy of the amended and restated LTIP (the "Restated LTIP") is attached to this proxy statement as Exhibit A. Our common unitholders will also act on a proposal to approve the adjournment of the special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Restated LTIP (the "Adjournment Proposal").

Q: When and where is the special meeting?

A:

The special meeting will be held on _____, 2012, at The Westin Waltham-Boston, 70 Third Avenue, Waltham, Massachusetts 02451.

The special meeting may be adjourned to another date and/or place for any proper purposes (including, without limitation, for the purpose of soliciting additional proxies). However, our partnership agreement also provides that, in the absence of a quorum, the special meeting may be adjourned from time to time by the affirmative vote of a majority of the outstanding common units represented either in person or by proxy.

Q: Who is soliciting my proxy?

A:

Global GP LLC, our general partner (the "General Partner"), is sending you this proxy statement in connection with its solicitation of proxies for use at our special meeting of common unitholders.

Table of Contents

Q: Who is entitled to vote at the special meeting?

A: All common unitholders who owned our common units at the close of business on the record date, _____, 2012, are entitled to receive notice of the special meeting and to vote the common units that they held on the record date at the special meeting, or any postponements or adjournments of the special meeting. Each common unitholder that attends the special meeting in person may be asked to present valid picture identification, such as a driver's license or passport. Cameras, recording devices and other electronic devices will not be permitted at the special meeting.

Q: What is the recommendation of the board of directors?

A: The board of directors recommends that you vote "FOR" the LTIP Proposal and "FOR" the Adjournment Proposal. In addition, on _____, 2012, (i) the compensation committee of our board of directors unanimously recommended that our board of directors approve the Restated LTIP and (ii) our board of directors, including each of our directors who meet the independence requirements of the New York Stock Exchange (the "NYSE"), unanimously approved the Restated LTIP.

Q: How do I vote?

A: If you are a unitholder of record, you may vote your common units by proxy in advance of the special meeting. You may also attend the special meeting and vote your common units in person. Even if you plan to attend the special meeting, please vote your proxy in advance of the special meeting (by Internet, telephone or mail, as described below) as soon as possible so that your common units may be represented at the special meeting.

Internet. You may visit the Internet web site address listed on your proxy card. Internet voting procedures have been established to verify your identity and to confirm your voting instructions. Please have your proxy card available when you visit the Internet web site address.

Telephone. You may call the toll-free telephone number listed on your proxy card. Telephone voting procedures have been established to verify your identity, to allow you to provide proxy voting instructions and to confirm that your instructions were accurately recorded. Please have your proxy card available when you call.

Mail. You may mail your completed, signed and dated proxy card in the enclosed postage-paid return envelope.

Internet and telephone voting will be available to unitholders of record 24 hours a day until 11:59 p.m. Eastern Time on _____, 2012. If you use the Internet or the toll-free telephone number to provide your proxy voting instructions, you do not need to mail in your proxy card. If you mail in your proxy card, it must be received by the Partnership before the voting polls close at the special meeting.

If you are a beneficial owner of common units held in street name, you must either direct your broker or other nominee as to how to vote your common units, or obtain a "legal" proxy from your broker or other nominee to vote at the special meeting. Please refer to the voter instruction cards used by your broker or other nominee for specific instructions on methods of voting.

Table of Contents

Q: What do I do if I want to change my vote?

A:

If you are a unitholder of record, you may change your vote at any time before the voting polls close at the special meeting by:

submitting a proxy with new voting instructions using the Internet or telephone voting system at any time prior to 11:59 p.m. Eastern Time on _____, 2012;

delivering a later-dated, executed proxy card to American Stock Transfer & Trust Company, LLC, 6201 15th Avenue, Brooklyn, New York 11219;

delivering a written notice of revocation of your proxy to American Stock Transfer & Trust Company, LLC, 6201 15th Avenue, Brooklyn, New York 11219; or

attending the special meeting and voting in person. Please note that attendance at the special meeting will not by itself revoke a previously granted proxy.

If you are a beneficial owner of common units held in street name and you have instructed your broker or other nominee to vote your common units, you must follow the procedure your broker or other nominee provides to change those instructions. You may also vote in person at the special meeting if you obtain a "legal" proxy from your broker or other nominee.

Q: What constitutes a quorum?

A:

If more than 50% of our outstanding common units on the record date are present in person or by proxy at the special meeting, such units will constitute a quorum and will permit us to conduct the proposed business at the special meeting. Your common units will be counted as present at the special meeting if you:

are present and vote in person at the meeting; or

have submitted a properly executed proxy.

Proxies received but marked as abstentions will be counted as common units that are present and entitled to vote for purposes of determining the presence of a quorum. If an executed proxy is returned by a broker or other nominee holding common units in "street name" indicating that the broker or other nominee does not have discretionary authority as to certain common units to vote on the proposals (a "broker non-vote"), such common units will be considered present at the meeting for purposes of determining the presence of a quorum but will not be considered entitled to vote.

Q: What vote is required to approve the proposals?

A:

Under the New York Stock Exchange Listed Company Manual ("NYSE Manual"), the Restated LTIP requires the approval of a majority of the votes cast by our common unitholders, provided that the total votes cast on the LTIP Proposal represent more than 50% of all common units entitled to vote. Votes "for" and "against" and abstentions count as votes cast, while broker non-votes do not count as votes cast. Thus, the total sum of votes "for," plus votes "against," plus abstentions in respect of the LTIP Proposal, which is referred to the "NYSE Votes Cast," must be greater than 50% of the total number of our outstanding common units. Once the NYSE Votes Cast requirement is satisfied, the number of votes cast "for" the LTIP Proposal must represent a majority of the NYSE Votes Cast in respect of the LTIP Proposal in order to be approved. Thus, broker non-votes can make it difficult to satisfy the NYSE Votes Cast requirement, and abstentions have the effect of a vote against the LTIP Proposal.

Edgar Filing: GLOBAL PARTNERS LP - Form PRE 14A

The proxy provides common unitholders the opportunity to vote on the LTIP Proposal. However, the Restated LTIP will not become effective unless approved by the common unitholders.

Table of Contents

Approval of the Adjournment Proposal requires the approval of a majority of the votes cast of the outstanding common units represented either in person or by proxy at the special meeting.

A properly executed proxy submitted without voting instructions will be voted (except to the extent that the authority to vote has been withheld) **"FOR"** the LTIP Proposal and **"FOR"** the Adjournment Proposal.

Q: If my common units are held in "street name" by my broker or other nominee, will my broker or other nominee vote my common units for me?

A: If you own your common units in "street name" through a broker or other nominee, your broker or other nominee will not be permitted to exercise voting discretion with respect to the matters to be acted upon at the special meeting. Thus, if you do not give your broker or other nominee specific instructions, your common units will (i) not be voted and have no effect on the LTIP Proposal and (ii) not be voted and have no effect on the Adjournment Proposal. This is generally referred to as a "broker non-vote." Broker non-votes will be considered present at the meeting for purposes of determining the presence of a quorum.

Q: Who can I contact for further information?

A: If you have questions about the proposals, please contact our proxy solicitor:

Morrow & Co., LLC
470 West Avenue
Stamford, CT 06902
E-mail: GLP.info@morrowco.com
Phone (unitholders): (800) 607-0088
Phone (banks and brokerage firms): (203) 658-9400

Table of Contents

GLOBAL PARTNERS LP

Who We Are

We are a publicly traded Delaware master limited partnership formed in March 2005. We own, control or have access to one of the largest terminal networks of refined petroleum products and renewable fuels in Massachusetts, Maine, Connecticut, Vermont, New Hampshire, Rhode Island, New York, New Jersey and Pennsylvania (collectively, the "Northeast"). We are one of the largest distributors of gasoline (including gasoline blendstocks such as ethanol and naphtha), distillates (such as home heating oil, diesel and kerosene), residual oil and renewable fuels to wholesalers, retailers and commercial customers in the New England states and New York. In addition, we sell crude oil and natural gas. On March 1, 2012, we acquired Alliance Energy LLC ("Alliance"), a gasoline distributor and operator of gasoline stations and convenience stores. Alliance's portfolio includes approximately 540 gasoline stations in New England, New York, New Jersey and Pennsylvania. Alliance owns or has long-term leases on approximately 250 sites and has supply contracts for the remaining stations. With the completion of the acquisition, we now have a portfolio of approximately 800 owned, leased or supplied gas stations, expanding our geographic footprint for such stations to include Connecticut, Maine, New Jersey, New York and Pennsylvania. In addition, while our existing stations are flying the Mobil flag, Alliance is a top-tier distributor of multiple brands, including Exxon, Mobil, Shell, Sunoco, CITGO and Gulf. In 2011, we sold approximately \$14.8 billion of refined petroleum products, renewable fuels and small amounts of natural gas and crude oil. In addition, we had other revenues of approximately \$58.8 million, primarily from convenience store sales at our directly operated stores and gas station rental income.

As of December 31, 2011, we owned, leased or maintained dedicated storage facilities at 23 refined petroleum product bulk terminals, each with the capacity of more than 50,000 barrels, including 22 located throughout the Northeast, that are supplied primarily by marine transport, pipeline, rail and/or truck and that collectively have approximately 10.2 million barrels of storage capacity. Additionally, we have storage capacity at our Albany, New York terminal to store crude oil and at select locations to store renewable fuels. We also have throughput and exchange agreements at numerous bulk terminals and inland storage facilities. In addition, we have storage agreements at several of our terminals granting storage rights to third parties for which we receive a fee.

Our Structure and Ownership

Our 0.83% general partner interest is held by Global GP LLC, our general partner. Our general partner, which is owned by affiliates of the Slifka family, manages our operations and activities and employs our officers and substantially all of our personnel except for our retail gasoline station and convenience store employees, who are employed by our subsidiary, Global Montello Group Corp. As of the record date, our general partner and affiliates of our general partner, including its directors and executive officers, owned 11,387,521 common units, representing 41.5% of our outstanding units. Our general partner also owns our incentive distribution rights. Our general partner and its affiliates perform all of our management, administrative and operating functions, and we reimburse them for all related direct and indirect expenses.

Table of Contents

**APPROVAL OF THE AMENDMENT AND RESTATEMENT OF
THE GLOBAL PARTNERS LP LONG-TERM INCENTIVE PLAN**

Our board of directors has approved an amendment and restatement of the Global Partners LP Long-Term Incentive Plan (the "LTIP"), which we refer to as the Restated LTIP, subject to the approval of our unitholders. The LTIP is integral to our compensation strategy and our board of directors believes that increasing the aggregate number of common units that may be delivered with respect to awards under the LTIP will provide the flexibility that we need to keep pace with our competitors and for the Partnership to effectively recruit, motivate and retain the caliber of employees and directors essential for achievement of our success. Accordingly, the Restated LTIP (i) increases the number of common units available for delivery with respect to awards under the LTIP so that, as of the effective date of the Restated LTIP, a total of 4,300,000 common units are available for delivery with respect to awards under the Restated LTIP, (ii) adds a prohibition on repricing of unit options and unit appreciation rights without approval of our unitholders, except in the case of adjustments implemented to reflect certain Partnership transactions, (iii) adds a prohibition on granting unit options or unit appreciation rights with an exercise price less than the fair market value of a common unit on the date of grant (other than "substitute awards" described below), (iv) permits the granting of fully-vested common units, and (v) incorporates certain other non-material ministerial changes. While we are cognizant of the potential dilutive effect of compensatory unit awards, we also recognize the significant motivational, retention and performance benefits that are achieved from making awards under the LTIP.

Description of the Restated LTIP

The description of the Restated LTIP set forth below is a summary of the material features of the Restated LTIP. This summary, however, does not purport to be a complete description of all the provisions of the Restated LTIP. The summary is qualified in its entirety by reference to the Restated LTIP, a copy of which is attached hereto as Exhibit A and incorporated herein by reference.

The purpose of the Restated LTIP is to promote our interests by providing incentive compensation awards that encourage superior performance. The Restated LTIP is also intended to enhance the ability of our General Partner to attract and retain the services of individuals who are essential for our growth and profitability and to encourage those individuals to devote their best efforts to advancing our business.

Common Units Subject to the Restated LTIP

If the Restated LTIP is approved by our unitholders, the maximum number of common units that may be delivered with respect to awards under the Restated LTIP will be increased to 4,300,000 common units, which would be subject to the same adjustments as currently provided in the LTIP.

The common units to be delivered under the Restated LTIP may be units otherwise issuable by the Partnership, units acquired in the open market and/or from any person. To the extent that an award terminates or is cancelled prior to and without the delivery of common units (or if an award is forfeited), the units subject to the award may be used again with respect to new awards granted under the Restated LTIP.

Administration

Like the current LTIP, the Restated LTIP will generally be administered by the Compensation Committee of our General Partner's board of directors (the "Committee"). The Committee has the full authority, subject to the terms of the Restated LTIP, to establish, amend, suspend, or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Restated LTIP, to designate participants under the Restated LTIP, to determine the number of units

Table of Contents

to be covered by awards, to determine the type or types of awards to be grants to a participant, and to determine the terms and conditions of any award.

Eligibility

All employees, consultants and directors of the General Partner and its affiliates that perform services for us are eligible to be selected to participate in the Restated LTIP. The selection of which eligible individuals will receive awards is within the sole discretion of the Committee.

Term of the Restated LTIP

The term of the Restated LTIP will expire on the earlier of (1) the date it is terminated by our board of directors, (2) the date common units are no longer available under the Restated LTIP for delivery pursuant to awards and (3) the tenth anniversary of the unitholders' approval of the Restated LTIP (, 2022).

Awards under the Restated LTIP

Unit Options and Unit Appreciation Rights

Unit options represent the right to purchase a number of common units at a specified exercise price. Unit appreciation rights represent the right to receive common units equal to the appreciation in the value of a number of common units over a specified exercise price, either in cash or in common units, as determined by the Committee. Unit options and unit appreciation rights may be granted to such eligible individuals and with such terms as the Committee may determine, consistent with the Restated LTIP; however, unit options and unit appreciation rights must generally have exercise prices that are no less than the fair market value of their underlying common units as of the date of grant. If a participant's employment, consulting relationship or membership on our board of directors terminates for any reason, the participant's unvested unit options and unit appreciation rights will be automatically forfeited unless, and to the extent, the award agreement provides otherwise or the Committee determines otherwise.

Restricted Units and Phantom Units

A restricted unit is a common unit that is subject to forfeiture. Upon vesting, the forfeiture restrictions lapse and the participant holds a common unit that is not subject to forfeiture. A phantom unit is a notional unit that entitles the participant to receive a common unit upon the vesting of the phantom unit or on a deferred basis upon specified future dates or events, which may be linked to service, performance criteria, and/or other specified criteria. Restricted units and phantom units that vest and/or become payable based on the achievement of performance conditions specified by the Committee. If a participant's employment, consulting relationship or membership on our board of directors terminates for any reason, the participant's restricted units and phantom units will be automatically forfeited unless, and to the extent, the award agreement provides otherwise or the Committee determines otherwise. Distributions made by us with respect to awards of restricted units may, in the discretion of the Committee, be subject to the same vesting requirements as the restricted units. The Committee, in its discretion, may also grant tandem distribution equivalent rights with respect to phantom units.

Unit Awards

Unit awards are awards that, in whole or in part, are valued by reference to the value of a common unit. Unit awards may contain such vesting, payment and other terms and conditions as the Committee may deem appropriate in accordance with the terms of the Restated LTIP.

Table of Contents

Substitute Awards

Substitute awards may be granted under the Restated LTIP in substitution for similar awards held by individuals who become employees, consultants and directors of the Partnership or one of its affiliates as a result of a merger, consolidation or acquisition by us or an affiliate of another entity or the assets of another entity.

Adjustments

Upon certain transactions involving the Partnership, the number of units available for delivery under the Restated LTIP, the number and kind of units or property subject to awards and the exercise or other unit price will be adjusted as determined by the Committee.

Upon a change of control (as defined in the Restated LTIP) of the General Partner or the Partnership, all outstanding awards under the Restated LTIP will automatically become fully vested and payable.

Miscellaneous

Our board of directors or the Committee may amend or modify the Restated LTIP at any time; provided, however, that unitholder approval will be obtained for any amendment to the Restated LTIP to the extent necessary to comply with any applicable law, regulation or securities exchange rule. Our board of directors may also amend any outstanding award made under the Restated LTIP, provided that no change in any outstanding award may be made that would materially reduce the rights or benefits of the participant without the consent of the affected participant.

Repricing of unit options and unit appreciation rights, directly or indirectly, is prohibited under the Restated LTIP without approval of our unitholders, except in the case of adjustments implemented to reflect certain Partnership transactions.

U.S. Federal Income Tax Consequences of the Restated LTIP

The following discussion is for general information purposes only and is intended to summarize briefly the U.S. federal tax consequences to participants arising from participation in the Restated LTIP. This description is based on current law, which is subject to change (possibly retroactively). The tax treatment of participants in the Restated LTIP may vary depending on their particular circumstances and, therefore, may be subject to special rules not discussed below. No attempt has been made to discuss any potential foreign, state, or local tax consequences. In addition, unit options or unit appreciation rights that provide for a "deferral of compensation" within the meaning of Section 409A of the Internal Revenue Code ("Section 409A"), phantom units, and certain other awards that may be granted pursuant to the Restated LTIP could be subject to additional taxes unless they are designed to comply with certain restrictions set forth in Section 409A and the guidance promulgated thereunder.

Unit Options and Unit Appreciation Rights

Participants will not realize taxable income upon the grant of a unit option or a unit appreciation right. Upon the exercise or, if later, the settlement of a unit option or a unit appreciation right, the participant will recognize ordinary compensation income in an amount equal to the excess of (i) the fair market value of the common units received over (ii) the exercise price (if any) paid therefor. A participant will generally have a tax basis in any common units received pursuant to the exercise of a unit appreciation right, or pursuant to the cash exercise of a unit option, that equals the fair market value of the common units on the date of exercise. Subject to the discussion under "*Tax Code Limitations on Deductibility*" below, we will be entitled to a deduction for federal income tax purposes that corresponds as to timing and amount with the compensation income recognized by a participant under the foregoing rules.

Table of Contents

When a participant sells the common units acquired as a result of the exercise of a unit option or unit appreciation right, any appreciation (or depreciation) in the value of the common units after the exercise date is treated as long- or short-term capital gain (or loss) for federal income tax purposes, depending on the holding period. The common units must be held for more than 12 months in order to qualify for long-term capital gain treatment.

Phantom Units, Restricted Units and Other Awards

A participant will not have taxable income at the time of a grant of an award in the form of a phantom unit award, but rather, will generally recognize ordinary compensation income at the time he receives common units in settlement of the phantom unit award in an amount equal to the fair market value of the common units received. In addition, the participant will be subject to ordinary income tax upon the payment of a contingent right, granted in tandem with a specific phantom unit, to receive an amount in cash equal to, and at the same time as, the cash distributions made by the Partnership with respect to a common unit during the period such phantom unit is outstanding (a "DER"). In general, a participant will recognize ordinary compensation income as a result of the receipt of common units pursuant to a restricted unit award or a unit award in an amount equal to the fair market value of the common units when the common units are received. However, if the common units are not transferable or are subject to a substantial risk of forfeiture when received, the participant will recognize ordinary compensation income in an amount equal to the fair market value of common units (i) when the common units first become transferable or are no longer subject to a substantial risk of forfeiture, in cases where a participant does not make a valid election under Section 83(b) of the Internal Revenue Code ("Section 83(b)") or (ii) when the common units are received, in cases where a participant makes a valid election under Section 83(b).

A participant who is an employee will be subject to withholding for federal, and generally for state and local, income taxes at the time he recognizes income under the rules described above with respect to common units (or cash with respect to a DER) received. Directors and consultants must make their own arrangements for satisfying any tax obligations they may incur in connection with the receipt of an award under the Restated LTIP. Distributions that are received by a participant prior to the time that the common units underlying an award are taxed to the participant under the rules described in the preceding paragraph are taxed as additional compensation, not as distributions on common units. The tax basis in the common units received by a participant will equal the amount recognized by him as compensation income under the rules described in the preceding paragraph, and the participant's capital gains holding period in those common units will commence on the date of receipt of the common units.

Subject to the discussion immediately below, we will be entitled to a deduction for federal income tax purposes that corresponds in timing and amount with the compensation income recognized by a participant under the foregoing rules.

Tax Code Limitations on Deductibility

In order for the amounts described above to be deductible by the Partnership or one of its affiliates, the amounts must constitute reasonable compensation for services rendered or to be rendered and must be ordinary and necessary business expenses.

Limited Partnership Interest

We are not a taxable entity, and as such, we do not incur any federal income tax liability. Instead, each holder of our common units is required to report on his income tax return his share of our income, gains, losses and deductions in computing his federal income tax liability, regardless of whether cash distributions are made to him by us. Distributions by us to a holder of common units are generally not taxable unless the amount of cash distributed is in excess of the holder's adjusted basis in his

Table of Contents

interest. Usually at the beginning of each year, we will mail to each partner a Schedule K-1 showing the amounts of income, gains, losses, and deductions that the partner is required to reflect on his federal income tax return as a limited partner for the preceding year. A limited partner will not qualify for using Form 1040EZ or 1040A, and may not file his federal income tax return until he has received his Schedule K-1 and reflected the relevant information contained therein in his tax return.

Plan Benefits Under the Restated LTIP

The awards, if any, that will be made to eligible persons under the Restated LTIP are subject to the discretion of the Committee and, therefore, we cannot currently determine the benefits or the number of common units subject to awards that may be granted in the future to our executive officers, employees and consultants or to members of our board of directors under the Restated LTIP. Furthermore, because all awards under the Restated LTIP are discretionary, it is not possible to determine which awards would have been granted during the prior fiscal year had the Restated LTIP been in effect at that time. Therefore, the New Plan Benefits Table is not provided.

We have not granted any awards under the current LTIP since April 2010. At this time, we have made no determination regarding future plans to make awards in the event that the Restated LTIP is approved. Any awards granted under the Restated LTIP in 2012 will be subject to a vesting schedule that will be specified in the applicable award agreement, and the number of common units subject to any such awards will be determined at the time such awards are granted.

As required by applicable SEC disclosure rules, in order to comply with Item 10(b)(2)(ii) of Schedule 14A, the following table sets forth, for each of our named executive officers and certain other groups, all common units underlying phantom units granted under the LTIP that remained unvested as of December 31, 2011. Information regarding these phantom unit awards is disclosed in the "Outstanding Equity Awards at Fiscal Year End" table on page 25 of this proxy statement.

Name and Principal Position*	Number of Units	Dollar Value (\$)**
Eric Slifka <i>President and Chief Executive Officer</i>	44,091	\$ 984,552
Thomas J. Hollister <i>Chief Operating Officer and Chief Financial Officer</i>	30,864	\$ 689,193
Edward J. Faneuil <i>Executive Vice President, General Counsel and Secretary</i>	24,251	\$ 541,525
Charles A. Rudinsky <i>Executive Vice President and Chief Accounting Officer</i>	8,819	\$ 196,928
Andrew Slifka <i>Executive Vice President</i>		\$
All current executive officers as a group	108,025	\$ 2,412,198
All current directors who are not executive officers as a group		
All employees, including all current officers who are not executive officers, as a group	138,889	\$ 3,109,391

*

No associate of any of the named executive officers or directors holds or has held any equity-based awards under the LTIP.

**

Estimated using a common unit price of \$22.33, which was the closing price of our common units on May 2, 2012.

Table of Contents

Vote Required

Under the New York Stock Exchange Listed Company Manual ("NYSE Manual"), the approval of a majority of the votes cast by our common unitholders, provided that the total votes cast on the LTIP Proposal represent more than 50% of all common units entitled to vote is required to approve the LTIP Proposal. Votes "for" and "against" and abstentions count as votes cast. Executed proxies returned by a broker or other nominee holding common units in "street name" indicating that the broker or other nominee does not have discretionary authority as to certain common units to vote on the proposals (a "broker non-vote") do not count as votes cast. Thus, the total sum of votes "for," plus votes "against," plus abstentions in respect of the LTIP Proposal, which is referred to as the "NYSE Votes Cast," must be greater than 50% of the total number of our outstanding common units. Once the NYSE Votes Cast requirement is satisfied, the number of votes cast "for" the LTIP Proposal must represent a majority of the NYSE Votes Cast in respect of the LTIP Proposal in order to be approved. Thus, broker non-votes can make it difficult to satisfy the NYSE Votes Cast requirement, and abstentions have the effect of a vote against the LTIP Proposal. A properly executed proxy submitted without voting instructions will be voted (except to the extent that the authority to vote has been withheld) "**FOR**" the LTIP Proposal.

Recommendation

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" APPROVAL OF THE LTIP PROPOSAL.

INTEREST OF DIRECTORS AND EXECUTIVE OFFICERS IN THE RESTATED LTIP

The officers and employees of our General Partner, its affiliates and our subsidiaries and the members of our board of directors will be eligible to receive awards under the Restated LTIP if it is approved. In addition, the Restated LTIP provides for indemnification of our Compensation Committee to the fullest extent permitted by law, with respect to determinations made in connection with the Restated LTIP. Accordingly, the members of our board of directors and the executive officers of our General Partner have a substantial interest in the approval of the LTIP Proposal.

Table of Contents

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT
AND RELATED UNITHOLDER MATTERS**

The following table sets forth as of March 5, 2012 the beneficial ownership of units of Global Partners LP held by certain beneficial owners of more than 5% of the units, by each director and named executive officer of our general partner and by all directors and executive officers of our general partner as a group:

Name of Beneficial Owner(1)	Common Units Beneficially Owned	Percentage of Common Units Beneficially Owned
AE Holdings Corp.(2)	5,850,000	21.3%
Kayne Anderson Capital Advisors L.P.(3)	3,817,411	13.9%
Richard A. Kayne(3)	3,817,411	13.9%
Montello Oil Corporation(4)	2,348,078	8.6%
Global Petroleum Corp.(5)	1,725,463	6.3%
SteelPath Fund Advisors, LLC(6)	1,451,425	5.3%
Gabriel Hammond(6)	1,451,425	5.3%
Stuart Cartner(6)	1,451,425	5.3%
Larea Holdings LLC(7)	564,984	2.1%
Larea Holdings II LLC(8)	282,492	1.0%
Chelsea Terminal Limited Partnership(9)	120,356	*
Global GP LLC(10)	18,632	*
Sandwich Terminal, L.L.C.(11)	8,475	*
Alfred A. Slifka(2)(4)(5)(9)(10)(11)(12)	10,121,114	36.9%
Richard Slifka(2)(4)(5)(8)(9)(10)(11)(12)	10,403,503	37.9%
Eric Slifka(7)(13)	731,220	2.7%
Thomas J. Hollister	40,084	*
Edward J. Faneuil	34,394	*
Charles A. Rudinsky	13,698	*
David K. McKown	2,427	*
Robert J. McCool	11,227	*
Kenneth I. Watchmaker	5,927	*
All directors and executive officers as a group (10 persons)	11,387,521	41.5%

*

Less than 1%

(1)

The address for each person or entity listed other than (i) Kayne Anderson Capital Advisors, L.P., (ii) Richard A. Kayne, (iii) SteelPath Fund Advisors, LLC, (iv) Gabriel Hammond, and (v) Stuart Cartner, is P.O. Box 9161, 800 South Street, Suite 200, Waltham, Massachusetts 02454-9161.

(2)

AE Holdings Corp. owns 5,850,000, or 21.3%, of the common units of Global Partners LP. Alfred A. Slifka and Richard Slifka share voting and investment power with respect to and, therefore, may be deemed to beneficially own the units owned by AE Holdings Corp.

(3)

According to a Schedule 13G/A filed on January 24, 2012, Kayne Anderson Capital Advisors, L.P. and Richard A. Kayne beneficially owned 3,817,411 common units, representing 17.69% of the common units then outstanding. Upon the closing of the Partnership's acquisition of Alliance Energy LLC on March 1, 2012, an additional

Edgar Filing: GLOBAL PARTNERS LP - Form PRE 14A

Table of Contents

5,850,000 common units were issued, thereby reducing the percentage ownership of Kayne Anderson Capital Advisors, L.P. and Richard A. Kayne to 13.9% of the common units outstanding. The address for Kayne Anderson Capital Advisors, L.P. and Richard A. Kayne is 1800 Avenue of the Stars, Second Floor, Los Angeles, California 90067.

- (4) Alfred A. Slifka and Richard Slifka share voting and investment power with respect to and, therefore, may be deemed to beneficially own, the units owned by Montello Oil Corporation.
- (5) Alfred A. Slifka and Richard Slifka share voting and investment power with respect to, and therefore may be deemed to beneficially own, the units owned by Global Petroleum Corp.
- (6) According to a Schedule 13G filed on February 14, 2012, SteelPath Fund Advisors, LLC, Gabriel Hammond and Stuart Cartner beneficially owned 1,451,425 common units, representing 6.7% of the common units then outstanding. Upon the closing of the Partnership's acquisition of Alliance Energy LLC on March 1, 2012, an additional 5,850,000 common units were issued, thereby reducing the percentage ownership of SteelPath Fund Advisors, LLC, Gabriel Hammond and Stuart Cartner to 5.3% of the common units outstanding. The address for SteelPath Fund Advisors, LLC, Gabriel Hammond and Stuart Cartner is 2100 McKinney Ave, Suite 1401, Dallas, TX 75201.
- (7) Eric Slifka has sole voting and investment power with respect to units owned by Larea Holdings LLC. Eric Slifka may, therefore, be deemed to beneficially own the units held by Larea Holdings LLC. Eric Slifka is the son of Alfred A. Slifka.
- (8) Richard Slifka is the trustee of a voting trust with sole voting and investment power with respect to units owned by Larea Holdings II LLC. Richard Slifka may, therefore, be deemed to beneficially own the units held by Larea Holdings II LLC.
- (9) Alfred A. Slifka and Richard Slifka share voting and investment power with respect to and, therefore, may be deemed to beneficially own, the units owned by Chelsea Terminal Limited Partnership.
- (10) Purchased by our general partner for the purpose of assisting us in meeting our anticipated obligations to deliver common units under our Long-Term Incentive Plan to officers, directors and employees, and meeting obligations under existing employment agreements with the officers of our general partner. Alfred A. Slifka and Richard Slifka control Global GP LLC, and thus may be deemed to beneficially own, the units owned by Global GP LLC.
- (11) Alfred A. Slifka and Richard Slifka are equal owners of Sandwich Terminal, L.L.C. and share voting and investment power with respect to and, therefore, may be deemed to beneficially own, the units owned by Sandwich Terminal, L.L.C.
- (12) Beneficially owned unit amounts for each of Alfred A. Slifka and Richard Slifka include the units owned by AE Holdings Corp., Montello Oil Corporation, Global Petroleum Corp., Chelsea Terminal Limited Partnership, Global GP LLC and Sandwich Terminal, L.L.C. Beneficially owned unit amounts for Richard Slifka also include the units owned by Larea Holdings II LLC. Alfred A. Slifka and Richard Slifka are brothers.
- (13) Beneficially owned unit amounts for Eric Slifka include the units owned by Larea Holdings LLC.

Table of Contents

EQUITY COMPENSATION PLAN TABLE

The following table summarizes information about our equity compensation plans as of December 31, 2011: