

**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): December 4, 2019

SEMGROUP CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-34736
(Commission File Number)

20-3533152
(IRS Employer Identification No.)

**Two Warren Place
6120 S. Yale Avenue, Suite 1500
Tulsa, OK 74136-4231**
(Address of principal executive offices)

(918) 524-8100
(Registrant's Telephone Number, including Area Code)

Not Applicable
(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))

Securities registered pursuant to Section 12(b):

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock	SEMG	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.02 Termination of a Material Definitive Agreement.

In connection with the consummation of the Merger (defined below), on December 5, 2019, SemGroup Corporation, a Delaware corporation (the “Company” or “SemGroup”), terminated all commitments under that certain Amended and Restated Credit Agreement (as amended, supplemented or otherwise modified, the “Credit Agreement”) dated as of September 30, 2016 among SemGroup, as borrower, a syndicate of banks and financial institutions, as lenders, and Wells Fargo Bank, National Association, as administrative and collateral agent. In connection with the termination of the Credit Agreement, on December 5, 2019, all outstanding obligations for principal, interest and fees under the Credit Agreement were paid off in full and all liens securing any obligations under the Credit Agreement were released.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On December 5, 2019, Energy Transfer LP, a Delaware limited partnership (“ET”), completed the acquisition of the Company, pursuant to the terms of the Agreement and Plan of Merger, dated as of September 15, 2019 (the “Merger Agreement”), by and among the Company, ET and Nautilus Merger Sub LLC, a Delaware limited liability company and a wholly owned subsidiary of ET (“Merger Sub”). Under the terms of the Merger Agreement, Merger Sub merged with and into the Company (the “Merger”), with the Company surviving the Merger as a direct wholly owned subsidiary of ET.

At the effective time of the Merger on December 5, 2019 (the “Effective Time”), each share of the Company’s Class A Common Stock, par value \$0.01 per share (the “Common Stock”), issued and outstanding immediately prior to the Effective Time was converted into the right to receive (x) \$6.80 in cash, without interest (the “Per Share Cash Amount”) and (y) 0.7275 (the “Exchange Ratio”) of a common unit representing a limited partner interest in ET (the “ET Common Units”) and together with the Per Share Cash Amount, the “Merger Consideration”). No fractional ET Common Units were issued in the Merger, and the Company’s stockholders received cash in lieu of fractional ET Common Units.

The issuance of ET Common Units in connection with the Merger was registered under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to ET’s registration statement on Form S-4 (File No. 333-234080), declared effective by the Securities and Exchange Commission (the “SEC”) on October 30, 2019. The Company’s proxy statement/prospectus (the “Proxy Statement/Prospectus”) included in ET’s registration statement contains additional information about the Merger.

The foregoing description of the Merger and the Merger Agreement and the transactions contemplated thereby is not complete and is subject to and qualified in its entirety by reference to the Merger Agreement, a copy of which is attached hereto as Exhibit 2.1 and is incorporated herein by reference.

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

In connection with the consummation of the Merger, the New York Stock Exchange (the “Exchange”) was notified that each outstanding share of the Company’s Common Stock was converted into the right to receive the Merger Consideration described above, subject to the terms and conditions of the Merger Agreement. SemGroup requested that the Exchange file a notification of removal from listing on Form 25 with the SEC with respect to the delisting of the Company’s shares of Common Stock. The Company’s Common Stock ceased being traded following the close of trading on December 4, 2019 and will no longer be listed on the Exchange. Furthermore, the Company intends to file with the SEC a Form 15 requesting that the reporting obligations of the Company under Sections 13(a) and 15(d) of the Exchange Act be suspended.

Item 3.03. Material Modification to Rights of Security Holders.

The information set forth in Items 2.01, 3.01 and 5.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.03.

Pursuant to the terms of the Merger Agreement, each share of the Company’s Common Stock issued and outstanding immediately prior to the Effective Time was converted into the right to receive the Merger Consideration as described above. At the Effective Time, holders of the Company’s shares of Common Stock ceased to have any rights as stockholders of the Company, other than the right to receive the Merger Consideration as set forth above.

SemGroup equity awards were treated as follows in connection with the Merger:

- Each award of SemGroup restricted share units, vested or unvested (other than those held by non-employee directors of SemGroup) (a “SemGroup RSU Award”), that was outstanding immediately prior to the Effective Time was assumed by ET and converted into a restricted unit award to receive a number of ET Common Units (an “Assumed RSU Award”) equal to the number of shares of Common Stock subject to such SemGroup RSU Award immediately prior to the Effective Time multiplied by a ratio equal to the Per Share Cash Amount divided by the closing price of one ET Common Unit on the Exchange on the date prior to the closing date plus the Exchange Ratio, rounded up or down to the nearest whole ET Common Unit. Each Assumed RSU Award (i) is otherwise subject to same terms and conditions as were applicable to the corresponding original SemGroup RSU Award and (ii) will fully accelerate upon a termination without “cause,” for “good reason” or as a result of the holder’s death or disability.
- Each award of SemGroup restricted stock (other than those held by non-employee directors of SemGroup) (a “SemGroup Restricted Stock Award”) that was outstanding immediately prior to the Effective Time was assumed by ET and converted into a restricted unit award representing a contractual right upon vesting to receive a number of ET Common Units (an “Assumed Restricted Stock Award”) equal to the product obtained by multiplying (x) the number of shares of Common Stock subject to such SemGroup Restricted Stock Award immediately prior to the Effective Time by (y) the Exchange Ratio, rounded up or down to the nearest whole ET Common Unit. Each Assumed Restricted Stock Award (i) is otherwise subject to the same terms and conditions as were applicable to the corresponding original SemGroup Restricted Stock Award and (ii) will fully accelerate upon a termination without “cause,” for “good reason” or as a result of the holder’s death or disability.
- Each award of SemGroup restricted stock and SemGroup restricted share units held by a non-employee director of SemGroup was fully vested and settled with shares of SemGroup’s Common Stock prior to consummation of the Merger. As of the Effective Time, such shares of SemGroup’s Common Stock converted into the right to receive the Merger Consideration pursuant to the terms of the Merger Agreement.
- Each award of SemGroup performance share units was fully vested with performance deemed achieved at target and settled with shares of SemGroup’s Common Stock prior to consummation of the Merger. As of the Effective Time, such shares of SemGroup’s Common Stock converted into the right to receive the Merger Consideration pursuant to the terms of the Merger Agreement.

Item 5.01. Changes in Control of Registrant.

As a result of the Merger, a change of control of SemGroup occurred on December 5, 2019, and SemGroup is now a direct wholly owned subsidiary of ET.

The information in Item 2.01, 3.03 and 5.02 is incorporated herein by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

At the Effective Time, each member of the Company’s board of directors resigned from the board and ceased to be directors of the Company. The members of the Company’s board immediately prior to the Effective Time were Ronald A. Ballschmiede, Sarah M. Barpoulis, Carlin G. Conner, Karl F. Kurz, James H. Lytal, William J. McAdam and Thomas R. McDaniel. None of these resignations were a result of any disagreement with the Company, its management or its board of directors.

Effective on December 5, 2019, Kelcy L. Warren and Thomas E. Long were elected to the Company’s board of directors pursuant to the terms of the Merger Agreement.

Also at the Effective Time, each of the Company’s existing officers, including Carlin G. Conner, Robert N. Fitzgerald, Susan S. Lindberg, Timothy R. O’Sullivan, Thomas F. DeLorbe and Thomas D. Sell, were replaced with officers of Merger Sub pursuant to the terms of the Merger Agreement.

Effective on December 5, 2019, Kelcy L. Warren was appointed Chief Executive Officer of the Company and Thomas E. Long was appointed Chief Financial Officer of the Company.

With respect to each of Messrs. Warren and Long, there are no arrangements or understandings between such director and any other persons pursuant to which he will serve as a director (other than the Merger Agreement). Mr. Warren is the Chief Executive Officer and Chairman of the general partner of ET and the Chief Executive Officer and Chairman of the general partner of Energy Transfer Operating, L.P., a Delaware limited partnership and a subsidiary of ET (“ETO”). Mr. Long is the Chief Financial Officer of the general partner of ET and the Chief Financial Officer of the general partner of ETO. There are no relationships between Messrs. Warren and Long and the Company or any related person of the Company that would require disclosure pursuant to Item 404(a) of Regulation S-K.

Item 5.07. Submission of Matters to a Vote of Security Holders.

On December 4, 2019, the Company held a special meeting of stockholders (the “Special Meeting”) in Tulsa, Oklahoma to consider certain proposals related to the Merger Agreement. A total of 79,606,089 shares of Common Stock were entitled to vote as of October 25, 2019, the record date for the Special Meeting (the “Record Date”). There were 63,809,553 shares of Common Stock present, in person or by proxy, at the Special Meeting (or 82.7% of the outstanding shares of Common Stock). As of the Record Date, there were 350,000 shares of the Company’s Series A Cumulative Perpetual Convertible Preferred Stock (“Preferred Stock”) outstanding. Holders of shares of Preferred Stock were entitled to vote together with the holders of shares of Common Stock as a single class. Each holder of shares of Preferred Stock was entitled to a number of votes equal to the number of votes such holder would have had if all shares of Preferred Stock held by such holder had been converted into shares of Common Stock as of the Record Date. As of the Record Date, the outstanding shares of Preferred Stock were convertible into an aggregate of 11,987,820 shares of Common Stock and such amount represented an equal number of votes that holders of Preferred Stock were entitled to cast, in person or by proxy, at the Special Meeting. Giving effect to the Preferred Stock on an as-converted basis, there were 11,646,578 shares of Preferred Stock present, in person or by proxy, at the Special Meeting.

Set forth below are the matters acted upon the stockholders at the Special Meeting, and the final results of each such proposal. Voting results below give effect to votes cast, in person or by proxy, by holders of Preferred Stock on an as-converted basis.

Proposal 1 - Merger Agreement Proposal

The Company’s stockholders approved and adopted the Merger Agreement. The results of the vote were as follows:

<u>For</u>	<u>Against</u>	<u>Abstain</u>
75,205,576	139,913	110,642

Proposal 2 - Advisory Vote on Executive Compensation

The Company’s stockholders voted to approve, on an advisory (non-binding) basis, specified compensation that may be paid or become payable to the Company’s named executive officers in connection with the Merger. The results of the vote were as follows:

<u>For</u>	<u>Against</u>	<u>Abstain</u>
66,399,144	8,933,561	123,426

Item 7.01 Regulation FD Disclosure.

On December 4, 2019, the Company issued a press release announcing stockholder approval of the Merger. On December 5, 2019, the Company and ET issued a joint press release announcing the completion of the Merger. A copy of the press releases are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits**(d) Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
2.1	Agreement and Plan of Merger, dated as of September 15, 2019 by and among SemGroup Corporation, Energy Transfer LP and Nautilus Merger Sub LLC (filed as Exhibit 2.1 to the Company’s current report on Form 8-K dated September 15, 2019, filed September 16, 2019, and incorporated herein by reference)
99.1	Press Release of SemGroup Corporation dated December 4, 2019
99.2	Joint Press Release of Energy Transfer LP and SemGroup Corporation dated December 5, 2019
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* All schedules to the Merger Agreement have been omitted pursuant to Item 601(b)(2) of Regulation SK. A copy of any omitted schedule and/or exhibit will be furnished to the Securities and Exchange Commission upon request.

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.

SEMGROUP CORPORATION

Dated: December 5, 2019

By: /s/ Thomas E. Long

Name: Thomas E. Long

Title: Chief Financial Officer



SemGroup Shareholders Approve Merger Transaction with Energy Transfer

TULSA, Okla., Dec. 04, 2019 (GLOBE NEWSWIRE) — SemGroup® Corporation (NYSE: SEMG) today announced its shareholders voted to approve the previously announced merger agreement whereby SemGroup will be acquired by Energy Transfer LP (NYSE: ET) (“ET” or “Energy Transfer”) in a unit and cash transaction.

At completion of the merger, SemGroup shareholders will receive \$6.80 per share in cash and 0.7275 of an ET common unit for each SemGroup share, or approximately 40% cash and 60% equity.

The merger was announced on September 16, 2019 and the final voting results will be disclosed in a Current Report on Form 8-K to be filed with the Securities and Exchange Commission.

The transaction is expected to close December 5, 2019.

Advisors

Jefferies LLC acted as exclusive financial advisor to SemGroup and Kirkland & Ellis LLP acted as legal counsel. BofA Merrill Lynch acted as exclusive financial advisor to Energy Transfer and Latham & Watkins LLP acted as legal counsel.

About SemGroup

SemGroup® Corporation (NYSE: SEMG) moves energy across North America through a network of pipelines, processing plants, refinery-connected storage facilities and deep-water marine terminals with import and export capabilities. SemGroup serves as a versatile connection between upstream oil and gas producers and downstream refiners and end users. Key areas of operation and growth include western Canada, the Mid-Continent and the Gulf Coast. SemGroup is committed to safe, environmentally sound operations. Headquartered in Tulsa, Okla., the company has additional offices in Calgary, Alberta; Denver, Colo.; and Houston, Texas. SemGroup uses its Investor Relations website and social media outlets as channels of distribution of material company information. Such information is routinely posted and accessible on SemGroup’s Investor Relations website at www.semgroup.com, SemGroup’s Twitter account and LinkedIn account.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements generally can be identified by the fact that they do not relate strictly to historical or current facts. Statements preceded by, followed by or that otherwise include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “plans,” “may increase,” “may fluctuate,” “will,” “should,” “would,” “may” and “could” or similar words or expressions are generally intended to identify forward-looking statements. Specific forward-looking statements include statements regarding SemGroup’s plans and expectations with respect to the proposed transaction and the anticipated impact of the proposed transaction on SemGroup’s results of operations, financial position, growth opportunities and competitive position. These statements reflect SemGroup’s current views with respect to future events based on management’s experience and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. No assurances can be given, however, as of this date that these events will occur or that these projections will be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are difficult to predict and could cause actual results to be materially different from those expressed in or implied by such forward-looking statements. Some of these factors include SemGroup’s ability to consummate the proposed transaction on the expected timeframe or at all, including due to

the failure of certain closing conditions; the volatility of oil and natural gas prices; any sustained reduction in demand for, or supply of, the petroleum products we gather, transport, process, market and store; the overall forward markets for crude oil, natural gas and natural gas liquids; operational, regulatory and environment risks; cost and availability of equipment and labor; SemGroup's ability to finance its activities; and other risks more fully discussed in SemGroup's filings with the Securities and Exchange Commission (the "SEC"), including its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, available on SemGroup's website or the SEC's website at www.sec.gov. Any forward-looking statement speaks only as of the date of which such statement is made and SemGroup undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

Important Additional Information Regarding the Transaction Filed With the SEC

In connection with the proposed transaction, Energy Transfer has filed a registration on Form S-4 that includes a proxy statement of SemGroup. The registration statement was declared effective by the SEC on October 30, 2019. SemGroup and Energy Transfer may also file other documents with the SEC regarding the proposed transaction. INVESTORS AND SECURITY HOLDERS OF SEMGROUP ARE ADVISED TO CAREFULLY READ THE PROXY STATEMENT AND ANY REGISTRATION STATEMENT/PROSPECTUS (INCLUDING ALL AMENDMENTS AND SUPPLEMENTS THERETO) WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTION, THE PARTIES TO THE TRANSACTION AND THE RISKS ASSOCIATED WITH THE TRANSACTION. A definitive proxy statement has been sent and any registration statement/prospectus, as applicable, will be sent to security holders of SemGroup in connection with SemGroup's shareholder meetings. Investors and security holders may obtain a free copy of the proxy statement, any registration statement/prospectus and other relevant documents filed by SemGroup with the SEC from the SEC's website at www.sec.gov. Security holders and other interested parties are able to obtain, without charge, a copy of the proxy statement, any registration statement/prospectus and other relevant documents by directing a request by mail or telephone to Investor Relations, SemGroup Corporation, 6120 S. Yale Ave, Suite 1500, Tulsa, OK 74136-4231. Copies of the documents filed by SemGroup with the SEC are available free of charge on SemGroup's website at ir.semgroup.com.

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**Energy Transfer and SemGroup Announce Successful Completion of Merger**

*Energy Transfer Expands Vast Pipeline Network and
Acquires Strategic Position on the Houston Ship Channel*

DALLAS and TULSA, OK, December 5, 2019 — Energy Transfer LP (NYSE: ET) and SemGroup Corporation (NYSE: SEMG) today announced the completion of their previously announced merger, which resulted in the acquisition of Tulsa-based SemGroup by Dallas-based Energy Transfer. The terms of the agreement were approved by the holders of a majority of SemGroup's outstanding voting stock at a special meeting of SemGroup stockholders on December 4, 2019. As a result of the merger, Energy Transfer issued approximately 57.6 million of its common units to SemGroup stockholders.

Effective with the opening of the market today, SemGroup will cease to be a publicly traded company and its common stock will discontinue trading on the NYSE.

The combined operations of the two companies are expected to generate annual run-rate efficiencies of more than \$170 million, consisting of commercial and operational synergies of \$80 million, financial savings of \$50 million and cost savings of \$40 million.

Energy Transfer's acquisition of SemGroup's Houston Fuel Oil Terminal (HFOTCO) strengthens its crude oil transportation, terminalling and export capabilities, and provides Energy Transfer a strategic position on the Houston Ship Channel. HFOTCO is a world-class crude oil terminal with more than 18 million barrels of crude oil storage capacity, five deep-water ship docks and seven barge docks.

To provide shippers further access from the Houston Ship Channel to markets along the Gulf Coast, Energy Transfer is constructing the Ted Collins pipeline, a 75-mile crude line that will connect HFOTCO to Energy Transfer's Nederland terminal. The pipeline is expected to be in service in 2021, and will have an initial capacity of 500 [thousand] barrels per day.

This acquisition expands Energy Transfer's pipeline footprint by adding crude oil and NGL gathering systems and transmission lines in the DJ Basin in Colorado and the Anadarko Basin in Oklahoma and Kansas with connections to crude oil terminals in Cushing, Oklahoma. The acquisition will also provide a significant natural gas gathering and processing presence in the Alberta Basin in western Canada.

Energy Transfer LP (NYSE: ET) owns and operates one of the largest and most diversified portfolios of energy assets in the United States, with a strategic footprint in all of the major domestic production basins. ET is a publicly traded limited partnership with core operations that include complementary natural gas midstream, intrastate and interstate transportation and storage assets; crude oil, NGL and refined product transportation and terminalling assets; NGL fractionation; and various acquisition and marketing assets. ET, through its ownership of Energy Transfer Operating, L.P., also owns Lake Charles LNG Company, as well as the general partner interests, the incentive distribution rights and 28.5 million common units of Sunoco LP (NYSE: SUN), and the general partner interests and 46.1 million common units of USA Compression Partners, LP (NYSE: USAC). For more information, visit the Energy Transfer LP website at www.energytransfer.com.

SemGroup Corporation moves energy across North America through a network of pipelines, processing plants, refinery-connected storage facilities and deep-water marine terminals with import and export capabilities. SemGroup serves as a versatile connection between upstream oil and gas producers and downstream refiners and end users. Key areas of operation and growth include western Canada, the Mid-Continent and the Gulf Coast. SemGroup is committed to safe, environmentally sound operations. Headquartered in Tulsa, Okla., the company has additional offices in Calgary, Alberta; Denver, Colorado; and Houston, Texas.

Forward-Looking Statements

This release includes “forward-looking” statements. Forward-looking statements are identified as any statement that does not relate strictly to historical or current facts. Statements using words such as “anticipate,” “believe,” “intend,” “project,” “plan,” “expect,” “continue,” “estimate,” “goal,” “forecast,” “may” or similar expressions help identify forward-looking statements. Energy Transfer and SemGroup cannot give any assurance that expectations and projections about future events will prove to be correct. Forward-looking statements are subject to a variety of risks, uncertainties and assumptions. These risks and uncertainties include the risk that the anticipated benefits from the transaction described above may not be fully realized. Additional risks include: the ability of Energy Transfer to successfully integrate SemGroup’s operations and employees and realize anticipated synergies and cost savings, the potential impact of the consummation of the transaction on relationships, including with employees, suppliers, customers, competitors and credit rating agencies, the ability to achieve revenue, DCF and EBITDA growth, and volatility in the price of oil, natural gas, and natural gas liquids. Actual results and outcomes may differ materially from those expressed in such forward-looking statements. These and other risks and uncertainties are discussed in more detail in filings made by Energy Transfer and SemGroup with the Securities and Exchange Commission, which are available to the public. Energy Transfer and SemGroup undertake no obligation to update publicly or to revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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