SUNOCO LOGISTICS PARTNERS L.P.
Form 424B5
January 08, 2013
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CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Aggregate offering price	Amount of registration fee[a]
3.45% Senior Notes due 2023	$350,000,000	$349,909,000	$47,740
Guarantee of 3.45% Senior Notes due 2023[b]			
4.95% Senior Notes due 2043	$350,000,000	$347,560,500	$47,740
Guarantee of 4.95% Senior Notes due 2043[b]			

(a) The filing fee, calculated in accordance with Rule 457(r), has been transmitted to the SEC in connection with the securities offered from Registration Statement File No. 333-185192 by means of this prospectus supplement.
(b) Pursuant to Rule 457(n), no separate fee for the guarantee is payable.

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Filed Pursuant to Rule 424(B)(5)
Registration No. 333-185192
333-185192-01

Prospectus supplement

(To prospectus dated November 29, 2012)

$700,000,000

Sunoco Logistics Partners Operations L.P.

$350,000,000 3.45% Senior Notes due 2023

$350,000,000 4.95% Senior Notes due 2043

Guaranteed By

Sunoco Logistics Partners L.P.

This is an offering by Sunoco Logistics Partners Operations L.P. of $350,000,000 of 3.45% Senior Notes due 2023 (the 2023 notes) and $350,000,000 of 4.95% Senior Notes due 2043 (the 2043 notes and, together with the 2023 notes, the notes). Interest is payable on the notes on January 15 and July 15 of each year beginning July 15, 2013. Interest on the notes will accrue from January 10, 2013. The 2023 notes will mature on January 15, 2023, and the 2043 notes will mature on January 15, 2043.

We may redeem all or part of the notes of either series at any time or from time to time at the applicable redemption prices described in this prospectus supplement under the caption Description of the notes Optional redemption. The notes will not be entitled to the benefit of any sinking fund payment.

The notes will be our senior unsecured obligations and will rank equally in right of payment with all of our existing and future senior debt and senior to any future subordinated debt that we may incur. The notes will be fully and unconditionally guaranteed by our parent, Sunoco Logistics Partners L.P., on a senior unsecured basis so long as it guarantees any of our other long-term debt. The guarantee will rank equally in right of payment with all of the existing and future senior debt of the guarantor.

Investing in the notes involves risks. Please read Risk factors beginning on page S-10 of this prospectus supplement and on page 5 of the accompanying prospectus.

	Per 2023 note	Total	Per 2043 note	Total
Public offering price(1)	99.974%	$ 349,909,000	99.303%	$ 347,560,500

Underwriting discount	0.650%	$ 2,275,000	0.875%	$ 3,062,500
Proceeds to Sunoco Logistics Partners Operations L.P. (before expenses)	99.324%	$347,634,000	98.428%	$344,498,000

(1) Plus accrued interest from January 10, 2013 if delivery occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes will not be listed on any national securities exchange. Currently, there is no public market for the notes.

It is expected that delivery of the notes will be made to investors in registered book-entry form only through the facilities of The Depository Trust Company on or about January 10, 2013.

Joint book-running managers

J.P. Morgan **Citigroup**

Mitsubishi UFJ Securities **Mizuho Securities** **RBS**

Co-managers

Deutsche Bank Securities **Goldman, Sachs & Co.** **PNC Capital Markets LLC**
Scotiabank **TD Securities** **US Bancorp**

Prospectus supplement dated January 7, 2013.

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This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of notes. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to this offering of notes. Generally, when we refer only to the prospectus, we are referring to both parts combined. If the information about the notes offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and any free writing prospectus relating to this offering. We have not authorized anyone to provide you with additional or different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We are offering to sell the notes, and seeking offers to buy the notes, only in jurisdictions where offers and sales are permitted. You should not assume that the information included in this prospectus supplement, the accompanying prospectus or any free writing prospectus is accurate as of any date other than the dates shown in these documents or that any information we have incorporated by reference is accurate as of any date other than the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since such dates.

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Prospectus supplement

Prospectus dated November 29, 2012

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Forward-looking statements

All of the statements, other than statements of historical fact, included or incorporated by reference into this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference contain forward-looking statements. These forward-looking statements discuss our goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition, or state other information relating to us, based on the current beliefs of our management as well as assumptions made by, and information currently available to, our management. Words such as may, anticipates, believes, expects, estimates, planned, intends, projects, scheduled phrases or expressions identify forward-looking statements. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference.

Although we believe these forward-looking statements are reasonable, they are based upon a number of assumptions, any or all of which ultimately may prove to be inaccurate. These statements are also subject to numerous assumptions, uncertainties and risks that may cause future results to be materially different from the results projected, forecasted, estimated or budgeted, including, but not limited to, the following:

- changes in demand for, or supply of, crude oil, refined petroleum products and natural gas liquids that impact demand for our pipeline, terminalling and storage services;
- changes in the short-term and long-term demand for crude oil, refined petroleum products and natural gas liquids we buy and sell;
- an increase in the competition encountered by our terminals, pipelines and acquisition and marketing operations;
- our ability to successfully consummate announced acquisitions or expansions and integrate them into our existing business operations;
- delays related to construction of, or work on, new or existing facilities and the issuance of applicable permits;
- changes in the financial condition or operating results of joint ventures or other holdings in which we have an equity ownership interest;
- changes in the general economic conditions in the United States;
- changes in laws and regulations to which we are subject, including federal, state and local tax, safety, environmental and employment laws;
- changes in regulations governing the composition of the products that we transport, terminal and store;
- improvements in energy efficiency and technology resulting in reduced demand for petroleum products;
- our ability to manage growth and/or control costs;

the ability of Energy Transfer Partners, L.P. (ETP) to successfully integrate our operations and employees, and realize anticipated synergies;

the effect of changes in accounting principles and tax laws and interpretations of both;

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- global and domestic economic repercussions, including disruptions in the crude oil, refined petroleum products and natural gas liquids markets, from terrorist activities, international hostilities and other events, and the government s response thereto;
- changes in the level of operating expenses and hazards related to operating facilities (including equipment malfunction, explosions, fires, spills and the effects of severe weather conditions);
- the occurrence of operational hazards or unforeseen interruptions for which we may not be adequately insured;
- the age of, and changes in the reliability and efficiency of, our operating facilities;
- changes in the expected level of capital, operating or remediation spending related to environmental matters;
- changes in insurance markets resulting in increased costs and reductions in the level and types of coverage available;
- risks related to labor relations and workplace safety;
- non-performance by or disputes with major customers, suppliers or other business partners;
- changes in our tariff rates implemented by federal and/or state government regulators;
- the amount of our debt, which could make us vulnerable to adverse general economic and industry conditions, limit our ability to borrow additional funds, place us at competitive disadvantages compared to competitors that have less debt, or have other adverse consequences;
- restrictive covenants in our credit agreements and other debt agreements;
- changes in our or ETP s credit ratings, as assigned by ratings agencies;
- the condition of the debt capital markets and equity capital markets in the United States, and our ability to raise capital in a cost-effective way;
- performance of financial institutions impacting our liquidity, including those supporting our credit facilities;
- the effectiveness of our risk management activities, including the use of derivative financial instruments to hedge commodity risks;
- changes in interest rates on our outstanding debt, which could increase the costs of borrowing; and

- the costs and effects of legal and administrative claims and proceedings against us or any entity in which we have an ownership interest, and changes in the status of, or the initiation of new litigation, claims or proceedings, to which we, or any entity in which we have an ownership interest, are a party.

These factors are not necessarily all of the important factors that could cause our actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on our future results. We undertake no obligation to update publicly any forward-looking statement whether as a result of new information or future events.

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Summary

This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus. It does not contain all of the information that you should consider before making an investment decision. You should read the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference for a more complete understanding of this offering. Please read Risk factors beginning on page S-10 of this prospectus supplement and page 5 of the accompanying prospectus for more information about important risks that you should consider before investing in the notes.

As used in this prospectus supplement, unless the context otherwise indicates, the terms we, us, our and similar terms mean Sunoco Logistics Partners Operations L.P., together with our operating subsidiaries. References to the master partnership, our parent, or Sunoco Logistics Partners refer to Sunoco Logistics Partners L.P. References to ETP mean Energy Transfer Partners, L.P., which owns and controls the general partner of the master partnership. Except where the context otherwise requires, references to, and descriptions of, our assets, operations and financial results include the assets, operations and financial results of the master partnership and its subsidiaries and predecessors.

Sunoco Logistics Partners Operations L.P.

Formed in December 2001 by Sunoco Logistics Partners, we are a Delaware limited partnership that owns and operates a logistics business, consisting of complementary pipeline, terminalling and acquisition and marketing assets, used in the purchase, sale, transportation and storage of crude oil, refined petroleum products and natural gas liquids. Our portfolio of geographically diverse assets earns revenues in 30 states located throughout the United States. Sunoco Logistics Partners conducts substantially all of its business through us. We are the borrower under the master partnership s revolving credit facilities, and we are the issuer of the master partnership s publicly traded notes, all of which are guaranteed by Sunoco Logistics Partners. Our financial results do not differ materially from those of Sunoco Logistics Partners. The number and dollar amount of reconciling items between our consolidated financial statements and those of Sunoco Logistics Partners are insignificant. All financial results presented or incorporated by reference in this prospectus supplement and the accompanying prospectus are those of Sunoco Logistics Partners.

Our business is comprised of four segments:

The *Crude Oil Pipelines* segment consists of approximately 5,400 miles of crude oil pipelines, located principally in Oklahoma and Texas.

The *Crude Oil Acquisition and Marketing* business gathers, purchases, markets and sells crude oil using our fleet of approximately 200 crude oil transport trucks and third-party assets; and approximately 120 crude oil truck unloading facilities.

The *Terminal Facilities* consist of an aggregate crude oil and refined petroleum products storage capacity of approximately 40 million barrels, including the 22 million barrel Nederland, Texas crude oil terminal; the 5 million barrel Eagle Point, New Jersey refined products and crude oil terminal; approximately 40 active refined petroleum products marketing terminals located in the northeast, midwest and southwest United States; and several refinery terminals located in the northeast United States.

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The *Refined Products Pipeline System* consists of approximately 2,500 miles of refined product pipelines and joint venture interests in four refined products pipelines.

We generate revenues by charging tariffs for transporting refined products, crude oil and other hydrocarbons through our pipelines and by charging fees for storing refined products, crude oil and other hydrocarbons in, and for providing other services at, our terminals. We also generate revenues by acquiring and marketing domestic crude oil, refined petroleum products and natural gas liquids. Our policy is to purchase only commodity product for which we have a market and to structure our sales contracts so that price fluctuations for those products do not materially affect the margin we receive. We also seek to maintain a position that is substantially balanced within our various commodity purchase and sales activities. We do not enter into futures contracts or other derivative instruments to speculate on crude oil or refined products prices, as these activities could expose us to significant losses. We do use derivative contracts as economic hedges against price changes related to our forecasted refined products purchase and sale activities. These derivatives are intended to have equal and opposite effects on the purchase and sale activities.

Our business strategies

Our primary business strategies are to:

- generate stable cash flows;
- increase our pipeline and terminal throughput;
- utilize our crude oil gathering assets to maximize value for producers;
- pursue economically accretive organic growth opportunities;
- continue to improve our operating efficiency and to reduce our costs; and
- increase our cash distributions to unitholders.

Our competitive strengths

We believe that we are well-positioned to execute our business strategies successfully because of the following competitive strengths:

We have a complementary portfolio of geographically and operationally diverse pipelines and terminal facilities that are strategically located in areas with high demand. Our assets include refined product pipelines and terminals in the northeastern, midwestern and southwestern United States, a crude oil terminal on the Texas Gulf Coast, crude oil pipelines in Oklahoma, Texas and Michigan, and a crude oil pipeline that originates in Longview, Texas and passes through Louisiana, Arkansas, Mississippi, Tennessee, Kentucky and Ohio and terminates in Samaria, Michigan. We also own equity interests in four refined product pipelines located in the central and western regions of the United States. This geographic and asset diversity provides us with a base of stable cash flows.

Our pipelines and terminal facilities are efficient and well-maintained. In recent years, we have made significant investments to upgrade our asset base. All of our refined product pipelines and terminal facilities and most of our crude oil pipelines are automated to provide continuous, real-time, operational data. We continually undertake internal inspection programs and other procedures to monitor the integrity of our pipelines.

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Our integrated operations provide the energy industry with an efficient and cost-effective means to move products from the wellhead to the wholesale marketplace. We provide diversified services for end users and consumers of crude oil, including the purchase and sale of crude oil gathered from the wellhead, transportation to refineries via truck and pipeline, and storage at terminals. Our pipeline systems also transport refined products from refineries to various terminals for distribution to the wholesale refined products markets.

Our executive officers and directors have extensive energy industry experience. Our executive officers and directors have broad experience in the energy industry. As a result, we have the expertise to execute our business strategies and manage our assets and operations effectively. The master partnership s general partner has adopted incentive compensation plans to closely align the interests of its executive officers with the interests of its other stakeholders.

2013 expansion capital plan

Our $700 million 2013 expansion capital plan consists of the following previously announced projects, as well as the continued expansion of our butane blending business, our Nederland Terminal and our Eagle Point Terminal:

Mariner East. This is a pipeline project to deliver propane and ethane from the Marcellus Shale areas in Western Pennsylvania to Marcus Hook, Pennsylvania, where it will be processed, stored and distributed to various domestic and waterborne markets.

Mariner West. This is pipeline project to deliver ethane from the Marcellus Shale processing and fractionation areas in Western Pennsylvania to the Sarnia, Ontario petrochemical market.

Allegheny Access. This is a pipeline project to transport refined products from the Midwest to eastern Ohio and western Pennsylvania markets.

Permian Express Phase I. This is a pipeline project to transport West Texas crude oil to Gulf Coast markets, providing continuous pipeline service from Wichita Falls, Texas to the Nederland/Beaumont, Texas markets.

West Texas Crude expansion projects. These are pipeline projects being developed to deliver crude oil from West Texas to our Nederland Terminal, to the Mid-Valley Pipeline at Longview, Texas and to the Houston, Texas market.

Recent developments

Acquisition of Sunoco, Inc.

On October 5, 2012, Sunoco, Inc. was acquired by ETP. Prior to this transaction, Sunoco, Inc., through its wholly-owned subsidiary, Sunoco Partners LLC, served as the master partnership s general partner and owned a two percent general partner interest, all of the incentive distribution rights and a 32.4 percent limited partner interest in the master partnership. In connection with the acquisition, Sunoco, Inc. s interests in the general partner and the master partnership were contributed to ETP, resulting in a change of control of the master partnership s general partner. As a result, the master partnership s assets and liabilities are required to be adjusted to fair value on the closing date by application of push-down accounting. The new basis of accounting will be reflected in the master partnership s financial statements beginning in the fourth quarter 2012. Due to these transactions, both the master partnership and Sunoco, Inc. became consolidated subsidiaries of ETP.

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Distribution payment

On November 7, 2012, Sunoco Partners LLC, the general partner of the master partnership, declared a cash distribution of $0.5175 per common unit ($2.07 annualized), representing the distribution for the third quarter 2012. The distribution, in the total amount of $74 million, was paid on November 14, 2012 to common unitholders of record on November 8, 2012.

Our ownership, structure and management

We are the operating subsidiary of the master partnership. We and our subsidiaries conduct the master partnership s operations and own its operating assets. Our general partner has sole responsibility for conducting our business and for managing our operations. The officers of our general partner are the same as the officers of Sunoco Partners LLC, the general partner of the master partnership. The sole director of our general partner is also a director of Sunoco Partners LLC.

Our principal executive offices are located at 1818 Market Street, Suite 1500, Philadelphia, Pennsylvania 19103, and our phone number is (866) 248-4344.

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The following chart depicts the organization and ownership of us, our subsidiaries and the master partnership as of December 31, 2012.

	Percentage Interest
Ownership of Sunoco Logistics Partners Operations L.P.	
Sunoco Logistics Partners GP LLC General Partner Interest	0.01%
Sunoco Logistics Partners L.P. Limited Partner Interest	99.99%
Total	100.0%
Ownership of Sunoco Logistics Partners L.P.	
Public Common Units	66.3%
Sunoco Partners LLC Common Units	31.7%
Sunoco Partners LLC General Partner Interest	2.0%
Total	100.0%

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The offering

Issuer	Sunoco Logistics Partners Operations L.P.
Securities	$350,000,000 of 3.45% Senior Notes due 2023. $350,000,000 of 4.95% Senior Notes due 2043.
Maturity dates	January 15, 2023 for the 2023 notes. January 15, 2043 for the 2043 notes.
Interest payment dates	We will pay interest on the notes in arrears each January 15 and July 15, beginning July 15, 2013.
Mandatory redemption	We will not be required to make mandatory redemption or sinking fund payments on the notes or to repurchase the notes at the option of the holders.
Optional redemption	We may redeem some or all of the notes of either series at any time or from time to time prior to maturity. If we elect to redeem the 2023 notes prior to October 15, 2022 (the date that is three months prior to the maturity date of the 2023 notes) or redeem the 2043 notes prior to July 15, 2042 (the date that is six months prior to the maturity date of the 2043 notes), we will pay an amount equal to the greater of 100% of the principal amount of the notes to be redeemed and the sum of the present values of the remaining scheduled payments of principal and interest on the notes, plus a make-whole premium. If we elect to redeem the 2023 notes on or after October 15, 2022 (the date that is three months prior to the maturity date of the 2023 notes) or redeem the 2043 notes on or after July 15, 2042 (the date that is six months prior to the maturity date of the 2043 notes), we will pay an amount equal to 100% of the principal amount of the notes to be redeemed. We will pay accrued and unpaid interest, if any, on the notes redeemed to the redemption date. Please read Description of the notes Optional redemption.
Guarantees	The notes will be guaranteed by our parent, Sunoco Logistics Partners L.P., on a senior unsecured basis so long as it guarantees any of our other long-term debt. Any of our subsidiaries that in the future become guarantors or co-issuers of our long-term debt must guarantee the notes on the same basis. If we cannot make payments on the notes when they are due, the guarantors must make them instead.
Ranking	The notes will be our general unsecured obligations. The notes will rank equally in right of payment with all our existing and future senior debt, including debt under our revolving credit facilities, our outstanding 8.75% Senior Notes due 2014, 6.125% Senior Notes due

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	2016, 5.50% Senior Notes due 2020, 4.65% Senior Notes due 2022, 6.85% Senior Notes due 2040 and 6.10% Senior Notes due 2042 and senior in right of payment to any subordinated debt that we may incur. The parent guarantee of the notes will rank equally in right of payment with the guarantor s existing and future senior debt, including Sunoco Logistics Partners guarantees of debt under our revolving credit facilities, our outstanding 8.75% Senior Notes due 2014, 6.125% Senior Notes due 2016, 5.50% Senior Notes due 2020, 4.65% Senior Notes due 2022, 6.85% Senior Notes due 2040 and 6.10% Senior Notes due 2042 and senior in right of payment to any subordinated debt the guarantor may incur. Neither we nor the guarantor currently has any secured debt outstanding.
Certain covenants	The indenture governing the notes limits our ability and the ability of our subsidiaries, among other things, to: create liens without equally and ratably securing the notes; and engage in certain sale and leaseback transactions. The indenture also limits our ability to engage in mergers, consolidations and certain sales of assets. These covenants are subject to important exceptions and qualifications, as described under Description of the notes Important covenants.
Use of proceeds	We will use the net proceeds of this notes offering to repay in full the balance outstanding under our $350 million revolving credit facility, which was $93 million as of December 31, 2012, and the balance outstanding under the $200 million revolving credit facility under which Sunoco Partners Marketing & Terminals L.P. is the borrower, and we are the guarantor. The balance outstanding under this latter facility was $26 million as of December 31, 2012. We will use the remainder of the net proceeds for general partnership purposes, including to partially finance our $700 million 2013 expansion capital plan. Please read Use of proceeds, Capitalization and Underwriting.
Trustee	U.S. Bank National Association.
Governing law	The notes and the indenture will be governed by New York law.
Risk factors	Please read Risk factors beginning on page S-10 of this prospectus supplement and on page 5 of the accompanying prospectus for a discussion of factors you should carefully consider before investing in the notes.

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Risk factors

An investment in our senior notes involves risks. You should carefully consider all of the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference as provided under Where you can find more information, including our parent s Annual Report on Form 10-K for the year ended December 31, 2011, as updated by subsequent Quarterly Reports on Form 10-Q and the risk factors described under Risk Factors in such reports. This prospectus supplement, the accompanying prospectus and the documents incorporated by reference also contain forward-looking statements that involve risks and uncertainties. Please read Forward-looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of certain factors, including the risks described below, elsewhere in this prospectus supplement, in the accompanying prospectus and in the documents incorporated by reference. If any of these risks occur, our business, financial condition, results of operations, cash flows or prospects could be adversely affected.

Risks related to the notes

The notes and the guarantee will be effectively subordinated to any secured debt of ours or the guarantor as well as to any debt of our non-guarantor subsidiaries, and, in the event of our bankruptcy or liquidation, holders of the notes will be paid from any assets remaining after payments to any holders of our secured debt.

The notes and the guarantee will be general unsecured senior obligations of us and the guarantor, respectively, and effectively subordinated to any secured debt that we or the guarantor may have to the extent of the value of the assets securing that debt. The indenture will permit the guarantor and us to incur secured debt provided certain conditions are met. The notes will be effectively subordinated to the liabilities of any of our subsidiaries unless such subsidiaries guarantee the notes in the future.

If we are declared bankrupt or insolvent, or are liquidated, the holders of our secured debt will be entitled to be paid from our assets securing their debt before any payment may be made with respect to the notes. If any of the preceding events occur, we may not have sufficient assets to pay amounts due on our secured debt and the notes.

We do not have the same flexibility as other types of organizations to accumulate cash, which may limit cash available to service the notes or to repay them at maturity.

Our partnership agreement requires us to distribute, on a quarterly basis, 100% of our available cash to our general partner and Sunoco Logistics Partners within 45 days following the end of every quarter. Sunoco Logistics Partners partnership agreement requires it to distribute, on a quarterly basis, 100% of its available cash to its unitholders of record within 45 days following the end of every quarter. Available cash with respect to any quarter is generally all of our or Sunoco Logistics Partners , as applicable, cash on hand at the end of such quarter, less cash reserves for certain purposes. The sole director of our general partner and the board of directors of Sunoco Logistics Partners general partner will determine the amount and timing of such distributions and have broad discretion to establish and make additions to our or Sunoco Logistics Partners , as applicable, reserves or the reserves of our or Sunoco Logistics Partners , as applicable, operating subsidiaries as they determine are necessary or appropriate. As a result, we and Sunoco Logistics Partners do not have the same flexibility as corporations or other entities

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that do not pay dividends or that have complete flexibility regarding the amounts they will distribute to their equity holders. Although our payment obligations to our partners are subordinate to our payment obligations to you, the timing and amount of our quarterly distributions to our partners could significantly reduce the cash available to pay the principal, premium (if any) and interest on the notes.

The notes have no established trading market or history, and liquidity of trading markets for the notes may be limited.

The notes of each series will constitute a new issue of securities with no established trading market. Although the underwriters have indicated that they intend to make a market in the notes of each series, they are not obligated to do so and any of their market-making activities may be terminated or limited at any time. In addition, we do not intend to apply for a listing of the notes on any securities exchange or interdealer quotation system. As a result, there can be no assurance as to the liquidity of markets that may develop for the notes, the ability of noteholders to sell their notes or the prices at which notes could be sold. The notes may trade at prices that are lower than their respective public offering price depending on many factors, including prevailing interest rates and the markets for similar securities. The liquidity of trading markets for the notes may also be adversely affected by general declines or disruptions in the markets for debt securities. Those market declines or disruptions could adversely affect the liquidity of and market for the notes independent of our financial performance or prospects.

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Use of proceeds

We expect to receive net proceeds of approximately $691 million from the sale of $700 million in aggregate principal amount of notes we are offering, after deducting the underwriting discounts and estimated offering expenses.

We will use the net proceeds of this notes offering to repay in full the balance outstanding under our $350 million revolving credit facility, which was $93 million as of December 31, 2012, and the balance outstanding under the $200 million revolving credit facility under which Sunoco Partners Marketing & Terminals L.P. is the borrower, and we are the guarantor. The balance outstanding under this latter facility was $26 million as of December 31, 2012.

We will use the remainder of the net proceeds for general partnership purposes, including to partially finance our $700 million 2013 expansion capital plan described under Summary 2013 expansion capital plan.

Affiliates of certain of the underwriters participating in this offering are lenders under our revolving credit facilities and, accordingly, will receive a portion of the net proceeds of this offering through our payment on these facilities. Please read Underwriting.

Our $350 million revolving credit facility matures on August 22, 2016. Within the past year, we have used borrowings under this facility for general partnership purposes. The $200 million revolving credit facility matures on August 12, 2013. Within the past year, Sunoco Partners Marketing & Terminals L.P. has used borrowings under this facility to finance the purchase from time to time of eligible hedged hydrocarbon inventory. Our West Texas Gulf Pipe Line Company joint venture subsidiary is the borrower under a $35 million revolving credit facility that expires in April 2015. This credit facility is available to fund West Texas Gulf s general corporate purposes including working capital and capital expenditures. As of December 31, 2012, the aggregate borrowings under all these revolving credit facilities had a weighted average interest rate of 1.75%.

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Ratio of earnings to fixed charges

The ratio of earnings to fixed charges for both Sunoco Logistics Partners L.P. and Sunoco Logistics Partners Operations L.P. for each of the periods indicated is as follows:

	Year Ended December 31,					Nine Months Ended September 30,
	2007	2008	2009	2010	2011	2012
Ratio of earnings to fixed charges	3.77x	6.69x	5.68x	5.20x	4.28x	6.02x

For purposes of calculating the ratio of earnings to fixed charges:

- fixed charges represent interest expense (including amounts capitalized), amortization of debt costs and the portion of rental expense representing the interest factor; and
- earnings represent the aggregate of income from continuing operations (before adjustment for minority interest, extraordinary loss and equity earnings), fixed charges and distributions from equity investments, less capitalized interest.

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Capitalization

The following table sets forth the cash and cash equivalents and total capitalization of Sunoco Logistics Partners as of September 30, 2012:

on an actual basis; and

as adjusted to give effect to our offering of the notes and the application of proceeds as described in Use of proceeds.

This table should be read together with our historical financial statements and the accompanying notes incorporated by reference into this prospectus supplement and the accompanying prospectus.

	As of September 30, 2012	
	Actual	As adjusted
	(in millions)	
Cash and cash equivalents	$ 2	$ 574
$350 million revolving credit facility due August 2016[a]	96	
$200 million revolving credit facility due August 2013[b]	74	
$35 million revolving credit facility due April 2015[c]	9	9
8.75% Senior Notes due 2014	175	175
6.125% Senior Notes due 2016	175	175
5.50% Senior Notes due 2020	250	250
4.65% Senior Notes due 2022	300	300
6.85% Senior Notes due 2040	250	250
6.10% Senior Notes due 2042	300	300
3.45% Senior Notes due 2023		350
4.95% Senior Notes due 2043		350
Less unamortized bond discount	(2)	(5)
Total debt	1,627	2,154
Equity		
Limited partners	1,254	1,254
General partner	44	44
Accumulated other comprehensive loss	(20)	(20)
Total Sunoco Logistics Partners L.P. Equity	1,278	1,278
Noncontrolling interests	101	101
Total equity	1,379	1,379
Total capitalization	$ 3,006	$ 3,533

(a) As of December 31, 2012, we had $93 million outstanding under our $350 million revolving credit facility.

(b) As of December 31, 2012, we had $26 million outstanding under our $200 million revolving credit facility.

(c) As of December 31, 2012, we had $20 million outstanding under our $35 million revolving credit facility.

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Description of the notes

We will issue the notes under an indenture governing our senior debt securities referred to in the accompanying prospectus, as supplemented by separate indenture supplements creating the notes of each series. The notes will be issued in the form of one or more global notes registered in the name of the nominee of the depository for the notes, The Depository Trust Company, as described in the accompanying prospectus under Description of the Debt Securities Book-Entry, Delivery and Form. The following description and the description in the accompanying prospectus under Description of the Debt Securities summarize the material provisions of the notes, the indenture and the indenture supplements. These descriptions do not restate the indenture and the indenture supplements in their entirety. We urge you to read the indenture and the indenture supplements because they, and not this description, define your rights as a holder of the notes. We have filed a copy of the indenture as an exhibit to the registration statement of which this prospectus supplement and the accompanying prospectus are a part. After the closing of this offering, we will file a copy of the indenture supplement for each series of notes as an exhibit to a Current Report on Form 8-K filed by Sunoco Logistics Partners.

The notes are senior debt securities as that term is used in the accompanying prospectus. The description of the notes in this prospectus supplement replaces the description of the general provisions of the senior debt securities in the accompanying prospectus to the extent that the following description is inconsistent with those provisions.

In this Description of the notes, the expressions we, our, us or the like refer to Sunoco Logistics Partners Operations L.P., excluding its subsidiaries, and references to the indenture mean the indenture as supplemented by the indenture supplements creating the notes.

Principal and maturity

The 2023 notes will mature on January 15, 2023, unless sooner redeemed, and the 2043 notes will mature on January 15, 2043, unless sooner redeemed. The notes will not be entitled to the benefits of a sinking fund or mandatory redemption or repurchase requirements. We will issue the 2023 notes in an initial aggregate principal amount of $350 million and issue the 2043 notes in an initial aggregate principal amount of $350 million. Thereafter we may from time to time, without the consent of the existing holders, create and issue further notes of either series having the same terms and conditions as the notes of that series being offered hereby in all respects, except for issue date, issue price and, if applicable, the first payment of interest thereon. Additional notes issued in this manner will be consolidated with, and will form a single series with, the previously outstanding notes of the same series.

The notes will be issued only in registered form without coupons, in denominations of $2,000 or integral multiples of $1,000 in excess thereof.

Interest

The notes will bear interest from January 10, 2013 at the annual rates set forth on the cover page of this prospectus supplement, payable semi-annually in arrears on January 15 and July 15 of each year (each an interest payment date) to noteholders in whose name the notes are registered at the close of business on January 1 or July 1 (whether or not a business day) preceding the applicable interest payment date. If an interest payment date or a redemption

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date occurs on a date that is not a business day, payment will be made on the next business day and no additional interest will accrue. Interest payments will commence on July 15, 2013. Under the indenture, a business day is any day, other than Saturday or Sunday, that is not a day on which banking institutions in The City of New York are authorized by law, regulation or executive order to remain closed.

Interest on the notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Ranking

The notes of each series will be unsecured obligations of Sunoco Logistics Partners Operations L.P. The notes will rank equally in right of payment with all of our other existing and future senior debt from time to time outstanding, including debt under our revolving credit facilities and our outstanding 8.75% Senior Notes due 2014, 6.125% Senior Notes due 2016, 5.50% Senior Notes due 2020, 4.65% Senior Notes due in 2022, 6.85% Senior Notes due 2040 and 6.10% Senior Notes due in 2042, and senior in right of payment to any future subordinated debt that we may incur. The indenture does not limit our ability to incur additional debt.

Parent guarantee of notes

We are a subsidiary of the master partnership, Sunoco Logistics Partners L.P. Like the master partnership, we are also a holding company that conducts all of our operations through our subsidiaries. Initially the master partnership will fully and unconditionally guarantee the due and punctual payment of the principal, any premium and interest on the notes when and as they become due and payable, whether at stated maturity or otherwise. The master partnership has guaranteed our obligations under our revolving credit facilities and our outstanding 8.75% Senior Notes due 2014, 6.125% Senior Notes due 2016, 5.50% Senior Notes due 2020, 4.65% Senior Notes due in 2022, 6.85% Senior Notes due 2040 and 6.10% Senior Notes due in 2042. The master partnership s guarantee of the notes will rank equally in right of payment with its other existing and future senior debt from time to time outstanding, including the master partnership s guarantees under our revolving credit facilities, our outstanding 8.75% Senior Notes due 2014, 6.125% Senior Notes due 2016, 5.50% Senior Notes due 2020, 4.65% Senior Notes due in 2022, 6.85% Senior Notes due 2040 and 6.10% Senior Notes due in 2042, and senior in right of payment to any future subordinated debt that the guarantor may incur.

The parent guarantee provides that upon a default in payment of principal or any premium or interest on a note, the holder of the note may institute legal proceedings directly against the guarantor to enforce the guarantee without first proceeding against us. The guarantor is obligated under its guarantee only up to an amount that would not constitute a fraudulent conveyance or fraudulent transfer under federal or state law.

Addition and releases of guarantors

The indenture also requires our subsidiaries that in the future become guarantors or co-obligors of our Funded Debt, as defined below, to fully and unconditionally guarantee, as guarantors, our payment obligations on the notes.

In the indenture, the term subsidiary means, with respect to any person:

- any corporation, association or other business entity of which more than 50% of the total voting power of the equity interests entitled, without regard to the occurrence of any

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contingency, to vote in the election of directors, managers, trustees or equivalent persons thereof is at the time of determination owned or controlled, directly or indirectly, by that person or one or more of the other subsidiaries of that person or a combination thereof; or

any partnership of which more than 50% of the partner s equity interests, considering all partners equity interests as a single class, is at the time of determination owned or controlled, directly or indirectly, by that person or one or more of the other subsidiaries of that person or a combination thereof.

Funded Debt means all debt:

maturing one year or more from the date of its creation;

directly or indirectly renewable or extendable, at the option of the debtor, by its terms or by the terms of any instrument or agreement relating to the debt, to a date one year or more from the date of its creation; or

under a revolving credit or similar agreement obligating the lender or lenders to extend credit over a period of one year or more.

The term debt means, with respect to any specified person, any obligation created or assumed by such person for the repayment of borrowed money and any guarantee thereof.

The guarantee of the master partnership or any future subsidiary guarantor may be released under certain circumstances. If we exercise our legal or covenant defeasance option with respect to the notes as described in the accompanying prospectus under Description of the Debt Securities Defeasance, then any subsidiary guarantor will be released with respect to the notes. Further, if no default has occurred and is continuing under the indenture with respect to the notes, the master partnership or any future subsidiary guarantor will be unconditionally released and discharged from its guarantee:

in the case of any future subsidiary guarantor, automatically upon any sale, exchange or transfer, whether by way of merger or otherwise, to any person that is not our affiliate, of all of our direct or indirect limited partnership or other equity interests in the subsidiary guarantor;

in the case of any future subsidiary guarantor, automatically upon the merger of the subsidiary guarantor into us, the master partnership or any other subsidiary guarantor or the liquidation and dissolution of the subsidiary guarantor;

in the case of the master partnership, automatically upon the merger of the master partnership into us or any subsidiary guarantor, or the liquidation or dissolution of the master partnership; or

in the case of the master partnership or any future subsidiary guarantor, following delivery of a written notice by us to the trustee, upon the release of all guarantees by the master partnership or such future subsidiary guarantor of any Funded Debt of ours other than any senior debt securities issued under the indenture, except a release as a result of payment under such guarantees.

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Optional redemption

The 2023 notes will be redeemable, in whole or in part, at our option at any time prior to October 15, 2022 (the date that is three months prior to the maturity date of the 2023 notes) and the 2043 notes will be redeemable, in whole or in part, at our option at any time prior to July 15, 2042 (the date that is six months prior to the maturity date of the 2043 notes), at a price equal to the greater of:

- 100% of the principal amount of the notes to be redeemed; and
- the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below) plus 25 basis points in the case of the 2023 notes and 30 basis points in the case of the 2043 notes;

plus, in either case, accrued and unpaid interest, if any, to the date of redemption. The actual redemption price, calculated as provided in this description, will be calculated and certified to the trustee and us by the Independent Investment Banker (as defined below).

On or after October 15, 2022 (the date that is three months prior to the maturity date of the 2023 notes), the 2023 notes will be redeemable, at our option, in whole or in part, at a price equal to 100% of the principal amount of the 2023 notes to be redeemed plus accrued and unpaid interest, if any, to the date of redemption. On or after July 15, 2042 (the date that is six months prior to the maturity date of the 2043 notes), the 2043 notes will be redeemable, at our option, in whole or in part, at a price equal to 100% of the principal amount of the 2043 notes to be redeemed plus accrued and unpaid interest, if any, to the date of redemption.

Notes called for redemption become due on the date fixed for redemption. Notices of redemption will be mailed at least 30 but not more than 60 days before the redemption date to each holder of the notes to be redeemed at its registered address. The notice of redemption for the notes of a series will state, among other things, the amount of notes to be redeemed, if less than all of the outstanding notes of such series are to be redeemed, the redemption date, the redemption price (or the method of calculating it) and each place that payment will be made upon presentation and surrender of notes to be redeemed. Unless we default in payment of the redemption price, interest will cease to accrue on any notes that have been called for redemption on the redemption date. If less than all the notes of a series are redeemed at any time, the trustee will select the notes (or any portion of notes in integral multiples of $1,000) to be redeemed on a pro rata basis or by any other method the trustee deems fair and appropriate, but beneficial interests in notes in global form will be selected for redemption in accordance with DTC s customary practices.

In the indenture, the following terms have the meanings set forth below:

Treasury Rate means the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate shall be calculated on the third business day preceding the redemption date.

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Comparable Treasury Issue means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the notes of a series to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes of such series.

Comparable Treasury Price means with respect to any redemption date (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

Independent Investment Banker means either of J.P. Morgan Securities LLC or Citigroup Global Markets Inc. as specified by us, and any successor firm or, if such firm is unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by us.

Reference Treasury Dealer means each of J.P. Morgan Securities LLC and Citigroup Global Markets Inc. and three other primary U.S. government securities dealers (each a Primary Treasury Dealer), as specified by us; provided, that (1) if any of the foregoing shall cease to be a Primary Treasury Dealer, we will substitute therefor another Primary Treasury Dealer and (2) if we fail to select a substitute within a reasonable period of time, then the substitute will be a Primary Treasury Dealer selected by the Independent Investment Banker.

Reference Treasury Dealer Quotations means, with respect to the Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

Important covenants

We are subject to certain covenants under the indenture with respect to the notes. In addition to the covenants described in the accompanying prospectus under Description of the Debt Securities Specific Covenants Reports and Consolidation, Merger or Sale, we are subject to the following two additional important covenants:

Limitations on liens

We will not, nor will we permit any subsidiary to, create, assume, incur or suffer to exist any lien upon any Principal Property, as defined below, or upon any shares of capital stock of any subsidiary owning or leasing any Principal Property, whether owned or leased on the date of the indenture or thereafter acquired, to secure any of our debt or debt of any other person, other than the notes and any other senior debt securities issued under the indenture, without making effective provision for all of the notes outstanding under the indenture to be secured equally and ratably with, or prior to, that debt so long as that debt is so secured.

Principal Property means, whether owned or leased on the date of the indenture or thereafter acquired, any pipeline, terminal or other logistics property or asset of ours or any subsidiary, including any related property or asset employed in the transportation, distribution, storage,

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terminalling, processing or marketing of crude oil, refined products (including gasoline, diesel fuel, jet fuel, heating oil, distillates, liquefied petroleum gas, natural gas liquids, blend stocks, ethanol, xylene, toluene and petrochemical feedstocks) or fuel additives, that is located in the United States of America or any territory or political subdivision thereof, except:

(1) any of those properties or assets consisting of inventories, furniture, office fixtures and equipment, including data processing equipment, vehicles and equipment used on, or with, vehicles; and

(2) any of those properties or assets which, in the opinion of the board of directors of Sunoco Logistics Partners GP LLC, our general partner, is not material in relation to our activities or our subsidiaries, taken as a whole.

There is excluded from this restriction:

(1) Permitted Liens, as defined below;

(2) any lien upon any property or asset created at the time of acquisition of that property or asset by us or any subsidiary or within one year after that time to secure all or a portion of the purchase price for that property or asset or debt incurred to finance the purchase price, whether that debt was incurred prior to, at the time of or within one year after the date of the acquisition;

(3) any lien upon any property or asset to secure all or part of the cost of construction, development, repair or improvements thereon or to secure debt incurred prior to, at the time of, or within one year after completion of the construction, development, repair or improvements or the commencement of full operations thereof, whichever is later, to provide funds for that purpose;

(4) any lien upon any property or asset existing thereon at the time of the acquisition thereof by us or any subsidiary, whether or not the obligations secured thereby are assumed by us or any subsidiary; provided, however, that the lien only encumbers the property or asset so acquired;

(5) any lien upon any property or asset of an entity existing thereon at the time that entity becomes a subsidiary by acquisition, merger or otherwise; provided, however, that the lien only encumbers the property or asset of that entity at the time it becomes a subsidiary;

(6) any lien upon any property or asset of ours or any subsidiary in existence on the date the notes are first issued or provided for pursuant to agreements existing on that date, including, without limitation, pursuant to our revolving credit facility;

(7) liens imposed by law or order as a result of any proceeding before any court or regulatory body that is being contested in good faith, and liens which secure a judgment or other court-ordered award or settlement as to which we or the applicable subsidiary has not exhausted our or its appellate rights;

(8) any extension, renewal, refinancing, refunding or replacement, or successive extensions, renewals, refinancings, refundings or replacements, of liens, in whole or in part, referred to in clauses (1) through (7) above; provided, however, that any extension, renewal, refinancing, refunding or replacement lien shall be limited to the property or asset covered by the lien extended, renewed, refinanced, refunded or replaced and that the obligations secured by any extension, renewal, refinancing, refunding or replacement lien shall be in an amount not greater than the amount of the obligations secured by the lien extended,

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renewed, refinanced, refunded or replaced and any expenses of ours and our subsidiaries, including any premium, incurred in connection with any extension, renewal, refinancing, refunding or replacement; or

(9) any lien resulting from the deposit of moneys or evidence of indebtedness in trust for the purpose of defeasing debt of ours or any subsidiary.

Notwithstanding the preceding, under the indenture, we may, and may permit any subsidiary to, create, assume, incur, or suffer to exist any lien upon any Principal Property or upon any shares of capital stock of any subsidiary owning of leasing any Principal Property to secure debt of ours or any other person, other than the notes and any other debt securities issued under the indenture, that is not excepted by clauses (1) through (9) above, without securing the notes; provided that the aggregate principal amount of all debt then outstanding secured by that lien and all similar liens, together with all Attributable Indebtedness, as defined below, from Sale-Leaseback Transactions (excluding Sale-Leaseback Transactions permitted by clauses (1) through (4), inclusive, of the first paragraph of the restriction on sale-leasebacks covenant described below) does not exceed 10% of Consolidated Net Tangible Assets, as defined below.

Commodity Trading Obligations with respect to any person, means the obligations of such person under (1) any commodity swap agreement, commodity future agreement, commodity option agreement, commodity cap agreement, commodity floor agreement, commodity collar agreement, commodity hedge agreement, and any put, call or other agreement or arrangement, or combination thereof, designed to protect such person against fluctuations in commodity prices or (2) any commodity swap agreement, commodity future agreement, commodity option agreement, commodity hedge agreement, and any put, call or other agreement or arrangement, or combination thereof (including an agreement or arrangement to hedge foreign exchange risks) in respect of commodities entered into by us pursuant to asset optimization and risk management policies and procedures adopted in good faith by the Board of Directors.

Permitted Hedging Obligations of any person shall mean (1) hedging obligations entered into in the ordinary course of business and in accordance with such person s established risk management policies that are designed to protect such person against, among other things, fluctuations in interest rates or currency exchange rates and which in the case of agreements relating to interest rates shall have a notional amount no greater than the payments due with respect to the debt being hedged thereby and (2) Commodity Trading Obligations.

Permitted Liens means:

(1) liens upon rights of way for pipeline purposes;

(2) any statutory or governmental lien or lien arising by operation of law, or any mechanic s, repairman s, materialman s, supplier s, carrier s, landlord s, warehouseman s or similar lien incurred in the ordinary course of business which is not yet due or which is being contested in good faith by appropriate proceedings and any undetermined lien which is incidental to construction, development, improvement or repair;

(3) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or by any provision of law, to purchase or recapture or to designate a purchaser of, any property;

(4) liens of taxes and assessments which are (A) for the then current year, (B) not at the time delinquent, or (C) delinquent but the validity of which is being contested at the time by us or any subsidiary in good faith;

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(5) liens of, or to secure performance of, leases, other than capital leases;

(6) any lien upon, or deposits of, any assets in favor of any surety company or clerk of court for the purpose of obtaining indemnity or stay of judicial proceedings;

(7) any lien upon property or assets acquired or sold by us or any subsidiary resulting from the exercise of any rights arising out of defaults on receivables;

(8) any lien incurred in the ordinary course of business in connection with worker s compensation, unemployment insurance, temporary disability, social security, retiree health or similar laws or regulations or to secure obligations imposed by statute or governmental regulations;

(9) any lien in favor of us or any subsidiary;

(10) any lien in favor of the United States of America or any state of the United States, or any department, agency or instrumentality or political subdivision of the United States of America or any state of the United States, to secure partial, progress, advance or other payments pursuant to any contract or statute, or any debt incurred by us or any subsidiary for the purpose of financing all or any part of the purchase price of, or the cost of constructing, developing, repairing or improving, the property or assets subject to the lien;

(11) any lien securing industrial development, pollution control or similar revenue bonds;

(12) any lien securing debt of ours or any subsidiary, all or a portion of the net proceeds of which are used, substantially concurrent with the funding thereof (and for purposes of determining substantial concurrence, taking into consideration, among other things, required notices to be given to holders of outstanding notes under the indenture in connection with the refunding, refinancing or repurchase, and the required corresponding durations thereof), to refinance, refund or repurchase all outstanding notes under the indenture, including the amount of all accrued interest thereon and reasonable fees and expenses and premium, if any, incurred by us or any subsidiary in connection therewith;

(13) liens in favor of any person to secure obligations under the provisions of any letters of credit, bank guarantees, bonds or surety obligations required or requested by any governmental authority in connection with any contract or statute;

(14) any easements, exceptions or reservations in any property or assets of us or any subsidiary granted or reserved for the purpose of pipelines, roads, the removal of oil, gas, coal or other minerals, and other like purposes, or for the joint or common use of real property, facilities and equipment, which are incidental to, and do not materially interfere with, the ordinary conduct of its business or the business of us and our subsidiaries, taken as a whole;

(15) liens securing Permitted Hedging Obligations; or

(16) any lien upon or deposits of any assets to secure performance of bids, trade contracts, leases or statutory obligations.

Consolidated Net Tangible Assets means, at any date of determination, the total amount of assets after deducting:

all current liabilities, excluding:

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any current liabilities that by their terms are extendable or renewable at the option of the obligor to a time more than one year after the time as of which the amount is being computed; and

current maturities of long-term debt; and

the value, net of any applicable reserves, of all goodwill, trade names, trademarks, patents and other like intangible assets,

all as set forth, or as on a pro forma basis would set forth, on our consolidated balance sheet for our most recently completed fiscal quarter, prepared in accordance with generally accepted accounting principles.

Restriction on sale-leasebacks

We will not, and will not permit any of our subsidiaries to, engage in the sale or transfer by us or any subsidiary of any Principal Property to a person, other than us or a subsidiary, and the taking back by us or any subsidiary, as the case may be, of a lease of the Principal Property, which we call a Sale-Leaseback Transaction, unless:

(1) the Sale-Leaseback Transaction occurs within one year from the date of completion of the acquisition of the Principal Property subject thereto or the date of the completion of construction, development or substantial repair or improvement, or commencement of full operations on the Principal Property, whichever is later;

(2) the Sale-Leaseback Transaction involves a lease for a period, including renewals, of not more than three years;

(3) we or a subsidiary would be entitled to incur debt secured by a lien on the Principal Property subject thereto in a principal amount equal to or exceeding the Attributable Indebtedness from the Sale-Leaseback Transaction without equally and ratably securing the notes; or

(4) we or a subsidiary, within a one-year period after the Sale-Leaseback Transaction, applies or causes to be applied an amount not less than the Attributable Indebtedness from the Sale-Leaseback Transaction to:

the prepayment, repayment, redemption, reduction or retirement of any of our debt or debt of any subsidiary that is not subordinated to the notes; or

the expenditure or expenditures for Principal Property used or to be used in the ordinary course of our business or the business of our subsidiaries.

Attributable Indebtedness, when used with respect to any Sale-Leaseback Transaction, means, as at the time of determination, the present value, discounted at the rate set forth or implicit in the terms of the lease included in the transaction, of the total obligations of the lessee for rental payments, other than amounts required to be paid on account of property taxes, maintenance, repairs, insurance, assessments, utilities, operating and labor costs and other items that constitute payments for property rights, during the remaining term of the lease included in the Sale-Leaseback Transaction, including any period for which the lease has been extended. In the case of any lease that is terminable by the lessee upon the payment of a penalty or other termination payment, the amount shall be the lesser of the amount determined assuming termination upon the first date the lease may be terminated, in which case the amount shall also include the

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amount of the penalty or termination payment, but no rent shall be considered as required to be paid under the lease subsequent to the first date upon which it may be so terminated, or the amount determined assuming no termination.

Notwithstanding the preceding, the indenture provides that we may, and may permit any subsidiary to, effect any Sale-Leaseback Transaction that is not excepted by clauses (1) through (4), inclusive, of the first paragraph above, provided that the Attributable Indebtedness from the Sale-Leaseback Transaction and any other Sale-Leaseback Transaction that is not so excepted, together with the aggregate principal amount of outstanding debt, other than the notes and any other senior debt securities issued under the indenture, secured by liens upon Principal Properties, or upon any shares of capital stock of any subsidiary owning or leasing any Principal Property, and in any case not excepted by clauses (1) through (9), inclusive, of the first paragraph of the limitation on liens covenant described above, does not exceed 10% of the Consolidated Net Tangible Assets.

Events of default

In addition to the Events of Default described in the accompanying prospectus under Description of the Debt Securities Events of Default, Remedies and Notice Events of Default, the following constitutes an Event of Default under the indenture in respect of the notes of each series:

- the acceleration of the maturity of any other debt of ours or any of our subsidiaries or a default in the payment of any principal or interest in respect of any other debt of us or any of our subsidiaries having an outstanding principal amount of $25 million or more individually or in the aggregate and such default shall be continuing for a period of 30 days.

Legal defeasance and covenant defeasance

The notes of each series will be subject to both legal defeasance and covenant defeasance as described in the accompanying prospectus under Description of the Debt Securities Defeasance.

Satisfaction and discharge

The indenture will be discharged and will cease to be of further effect with respect to the notes of either series (except as to surviving rights of registration of transfer or exchange of the notes provided for in the indenture) when

- either (1) all the notes of that series previously authenticated and delivered (except lost, stolen or destroyed notes that have been replaced or paid and notes for whose payment we have deposited with the trustee money that has been repaid to us thereafter) have been delivered to the trustee for cancellation or (2) all such notes not theretofore delivered to the trustee for cancellation have become due and payable or will become due and payable at their stated maturity within one year, or are to be called for redemption within one year under arrangements satisfactory to the trustee for the giving of notice of redemption;

- we have deposited with the trustee as trust funds cash sufficient to pay in full at stated maturity or upon redemption all such notes not delivered to the trustee for cancellation; and

- we have paid all other sums payable under the indenture by us with respect to such notes.

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Certain United States federal income tax considerations

The following discussion summarizes certain U.S. federal income tax considerations that may be relevant to the acquisition, ownership and disposition of the notes, but does not purport to be a complete analysis of all potential tax effects. This discussion is based upon the provisions of the Internal Revenue Code of 1986, as amended (the Code), applicable Treasury Regulations promulgated and proposed thereunder, Internal Revenue Service (IRS) rulings and pronouncements and judicial decisions, all as of the date hereof and all of which are subject to change at any time. Any such change may be applied retroactively in a manner that could adversely affect a holder of the notes. We cannot assure you that the IRS will not challenge one or more of the tax consequences described herein, and we have not obtained, nor do we intend to obtain, a ruling from the IRS or an opinion of counsel with respect to the U.S. federal tax consequences of acquiring, holding or disposing of the notes.

This discussion is limited to persons purchasing the notes in this offering for cash at the issue price (the first price at which a substantial amount of the issue of notes is sold to purchasers other than bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and holding the notes as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). Moreover, the effects of other U.S. federal tax laws (such as estate and gift tax laws or the Medicare tax on investment income) and any applicable state, local or foreign tax laws are not discussed. In addition, this discussion does not address all of the U.S. federal income tax considerations that may be relevant to a particular holder in light of the holder s particular circumstances, or to holders subject to special rules, including, without limitation:

- dealers in securities or currencies;
- traders in securities, commodities or currencies;
- U.S. holders (as defined below) whose functional currency is not the U.S. dollar;
- persons holding the notes as part of a hedge, straddle, conversion transaction, or other risk reduction transaction;
- U.S. expatriates and certain former citizens or long-term residents of the United States;
- banks, insurance companies and other financial institutions;
- regulated investment companies and real estate investment trusts;
- persons subject to the alternative minimum tax;
- tax-exempt organizations;
- controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships, S corporations or other pass-through entities; and

persons deemed to sell the notes under the constructive sale provisions of the Code.

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If a partnership or other entity taxed as a partnership for U.S. federal income tax purposes holds notes, the tax treatment of the partners in the partnership generally will depend on the status of the particular partner in question and the activities of the partnership. Such partners should consult their tax advisors as to the specific tax consequences to them of acquiring, holding and disposing of the notes.

Investors considering the purchase of notes should consult their tax advisors regarding the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences of the purchase, ownership or disposition of the notes under U.S. federal estate or gift tax laws, and the applicability and effect of state, local or foreign tax laws and tax treaties.

Tax consequences to U.S. holders

The following is a summary of certain U.S. federal income tax considerations that will apply to you if you are a U.S. holder of the notes. The term U.S. holder means a beneficial owner of a note who or which is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity that is taxable as a corporation) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more U.S. persons, or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Interest on the notes

Stated interest paid or accrued on the notes generally will be taxable to you as ordinary income at the time such interest is received or accrued, in accordance with your regular method of accounting for U.S. federal income tax purposes.

Sale, exchange or disposition of the notes

You will recognize taxable gain or loss on the sale, exchange, redemption, retirement or other taxable disposition of a note equal to the difference, if any, between:

- the amount realized upon the disposition of the note (less any amount attributable to accrued interest, which will be taxable as interest to the extent not already included in income); and
- your adjusted tax basis in the note.

Your adjusted tax basis in a note generally will equal the amount that you paid for the note. Any gain or loss will be capital gain or loss and will be long-term capital gain or loss if at the time of the sale or other taxable disposition you have held the note for more than one year. Otherwise, such gain or loss will be short-term capital gain or loss. Long-term capital gains recognized by certain non-corporate U.S. holders, including individuals, generally will be subject to a reduced rate of tax. The deductibility of capital losses is subject to limitations.

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Information reporting and backup withholding

You may be subject to information reporting on interest on the notes and on the proceeds received upon the sale or other disposition (including a retirement or redemption) of the notes, and backup withholding also may apply to payments of such amounts. Certain U.S. holders are generally not subject to information reporting or backup withholding. You will be subject to backup withholding if you are not otherwise exempt and you:

- fail to furnish a taxpayer identification number (TIN), which, for an individual, is ordinarily his or her social security number;
- furnish an incorrect TIN;
- are notified by the IRS that you have failed properly to report payments of interest or dividends; or
- fail to certify under penalties of perjury, that you have furnished a correct TIN and that the IRS has not notified you that you are subject to backup withholding.

U.S. holders should consult their tax advisors regarding their qualification for an exemption from backup withholding and the procedures for obtaining such an exemption, if applicable. Backup withholding is not an additional tax, and you may use amounts withheld as a credit against your U.S. federal income tax liability, if any, or you may claim a refund if you timely provide certain information to the IRS.

Tax consequences to non-U.S. holders

The following is a summary of certain U.S. federal income tax considerations that will apply to you if you are a non-U.S. holder of the notes. A non-U.S. holder is a beneficial owner of a note that is an individual, corporation, estate or trust that is not a U.S. holder.

Interest on the notes

Interest paid on a note to you that is not effectively connected with your conduct of a U.S. trade or business generally will not be subject to U.S. federal withholding tax of 30% (or, if applicable, a lower treaty rate) provided that:

- you do not directly, indirectly or constructively, own 10% or more of our capital or profits interests;
- you are not a controlled foreign corporation that is related to us through actual or constructive capital or profits interest ownership, and you are not a bank that received such note on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of your trade or business; and
- (1) you certify in a statement provided to the applicable withholding agent, under penalties of perjury, that you are not a U.S. person within the meaning of the Code and provide your name and address, (2) a securities clearing organization, bank or other financial institution that holds customers securities in the ordinary course of its trade or business and holds the note on your behalf certifies to the applicable withholding agent under penalties of perjury that it, or the financial institution between it and you, has received from you a statement, under penalties of perjury, that you are not a U.S. person and you provide the applicable withholding agent with a copy of such statement, or (3) you hold your note directly through a qualified intermediary and certain conditions are satisfied.

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Even if the above conditions are not met, you may be entitled to a reduction in or an exemption from withholding tax on interest if you provide the applicable withholding agent with a properly executed (1) IRS Form W-8BEN claiming an exemption from or reduction of the withholding tax under the benefit of a tax treaty between the United States and your country of residence, or (2) IRS Form W-8ECI stating that interest paid on a note is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States.

If interest paid to you is effectively connected with your conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, you also maintain a U.S. permanent establishment to which such interest is attributable), then, although exempt from U.S. federal withholding tax (provided you provide the appropriate certification), you generally will be subject to U.S. federal income tax on such interest in the same manner as if you were a U.S. holder. In addition, if you are a foreign corporation, such interest may be subject to a branch profits tax at a rate of 30% or lower applicable treaty rate.

Sale, exchange or disposition of the notes

Any gain realized by you on the sale, exchange, retirement, redemption or other disposition of a note generally will not be subject to U.S. federal income tax (other than any amount allocable to accrued and unpaid interest, which generally will be taxable as interest and may be subject to the rules discussed above in Tax consequences to non-U.S. holders Interest on the notes) unless:

- the gain is effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable tax treaty, is also attributable to your permanent establishment in the United States); or
- you are an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other requirements are met.

If you recognize gain described in the first bullet point above, you will be required to pay U.S. federal income tax on the net gain derived from the sale generally in the same manner as if you were a U.S. holder, and if you are a foreign corporation, you may also be required to pay an additional branch profits tax at a 30% rate (or a lower rate if so specified by an applicable income tax treaty). If you are a non-U.S. holder described in the second bullet point above, you will be subject to U.S. federal income tax at a rate of 30% (or, if applicable, a lower treaty rate) on the gain derived from the sale or other disposition of the note, which may be offset by certain U.S. source capital losses, even though you are not considered a resident of the United States.

You should consult your tax advisor regarding potentially applicable income tax treaties that may provide for different rules.

Information reporting and backup withholding

You generally will not be subject to backup withholding and information reporting with respect to payments of interest on the notes if you have provided the statement described above under Interest on the notes and the applicable withholding agent does not have actual knowledge or reason to know that you are a U.S. person, within the meaning of the Code. In addition, you will not be subject to backup withholding or information reporting with respect to the proceeds of the sale or other disposition of a note (including a retirement or redemption of a note) within

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the United States or conducted through certain U.S.-related brokers, if the payor receives the statement described above and does not have actual knowledge or reason to know that you are a U.S. person or you otherwise establish an exemption. However, we may be required to report annually to the IRS and to you the amount of, and the tax withheld with respect to, any interest paid to you, regardless of whether any tax was actually withheld. Copies of these information returns may also be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which you reside.

Backup withholding is not an additional tax. A non-U.S. holder generally will be entitled to credit any amounts withheld under the backup withholding rules against the holder s U.S. federal income tax liability, if any, or may claim a refund provided that the required information is furnished to the IRS in a timely manner.

Additional withholding tax on payments made to foreign accounts

Withholding taxes may be imposed under the Foreign Account Tax Compliance Act (FATCA) on certain types of payments made to foreign financial institutions (as specially defined in the Internal Revenue Code) and certain other non-United States entities. Specifically, a 30% withholding tax may be imposed on interest on, or gross proceeds from the sale or other disposition of, the notes paid to a foreign financial institution (as defined in the Code) or a non-financial foreign entity, unless (i) the foreign financial institution undertakes certain diligence and reporting, (ii) the non-financial foreign entity either certifies it does not have any substantial United States owners or furnishes identifying information regarding each substantial United States owner or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in clause (i) above, it must enter into an agreement with the United States Treasury requiring, among other things, that it undertake to identify accounts held by certain United States persons or United States-owned foreign entities, annually report certain information about such accounts and withhold 30% on payments to non-compliant foreign financial institutions and certain other account holders.

Under proposed Treasury Regulations, debt securities that were outstanding on or before January 1, 2013, are grandfathered from the application of the withholding rules under FATCA. For those that are not grandfathered (which would include the notes), the proposed Treasury Regulations and subsequent IRS guidance indicate that withholding under FATCA will apply to payments of interest on debt securities made on or after January 1, 2014, and to payments of gross proceeds from the sale or other disposition of debt securities on or after January 1, 2017.

The proposed Treasury Regulations described above will not be effective until they are issued in their final form, and as a result, it is not certain that the provisions under the proposed Treasury Regulations would become effective in their current form. Prospective investors should consult their tax advisors regarding these withholding provisions.

The preceding discussion of certain U.S. federal income tax considerations is for general information only and is not tax advice. Each prospective investor should consult their tax advisor regarding the particular federal, state, local and foreign tax consequences of purchasing, holding, and disposing of our notes, including the consequences of any proposed change in applicable laws.

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Underwriting

Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement by and among us and the underwriters named below, for whom J.P. Morgan Securities LLC and Citigroup Global Markets Inc. are acting as representatives, we have agreed to sell to each of the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the principal amount of the notes indicated in the following table:

Underwriter	Principal amount of 2023 notes	Principal amount of 2043 notes
J.P. Morgan Securities LLC	$ 80,500,000	$ 80,500,000
Citigroup Global Markets Inc.	80,500,000	80,500,000
Mitsubishi UFJ Securities (USA), Inc.	42,000,000	42,000,000
Mizuho Securities USA Inc.	42,000,000	42,000,000
RBS Securities Inc.	42,000,000	42,000,000
Deutsche Bank Securities Inc.	10,500,000	10,500,000
Goldman, Sachs & Co.	10,500,000	10,500,000
PNC Capital Markets LLC	10,500,000	10,500,000
Scotia Capital (USA) Inc.	10,500,000	10,500,000
TD Securities (USA) LLC	10,500,000	10,500,000
U.S. Bancorp Investments, Inc.	10,500,000	10,500,000
Total	$ 350,000,000	$ 350,000,000

Under the terms and conditions of the underwriting agreement, if the underwriters take any of the notes, then they are obligated to take and pay for all the notes.

The notes of each series are new issues of securities with no established trading market and will not be listed on any national securities exchange. The underwriters have advised us that they intend to make a market for each series of the notes, but they have no obligation to do so and may discontinue market-making at any time without providing any notice. No assurance can be given as to the liquidity of any trading market for the notes.

Notes of each series sold by the underwriters to the public will initially be offered at the public offering price set forth on the cover page of this prospectus supplement. Any notes sold by the underwriters to securities dealers may be sold at a discount from the public offering price of up to 0.40% of the principal amount of the 2023 notes or up to 0.50% of the principal amount of the 2043 notes. The underwriters may allow, and any such dealer may reallow, a concession not in excess of 0.25% of the principal amount of the 2023 notes or 0.25% of the principal amount of the 2043 notes to certain other dealers. After the initial offering of the notes to the public, the underwriters may change the offering price and other selling terms.

The following table summarizes the compensation to be paid by us to the underwriters:

	Per 2023 note	Total	Per 2043 note	Total
Underwriting discount paid by us	0.650%	$ 2,275,000	0.875%	$ 3,062,500

We estimate that the total expenses of this offering to be paid by us, excluding underwriting discounts, will be approximately $1 million.

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We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended (the Securities Act), or to contribute to payments that the underwriters may be required to make in respect of any such liabilities.

In connection with the offering, the underwriters may purchase and sell notes in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of notes than it is required to purchase in the offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market prices of the notes while the offering is in progress. These activities by the underwriters may stabilize, maintain or otherwise affect the market prices of the notes. As a result, the prices of the notes may be higher than the prices that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time. These transactions may be effected in the over-the-counter market or otherwise.

A prospectus in electronic format may be made available on the websites maintained by one or more of the underwriters. Other than the prospectus in electronic format, the information on any underwriter s or selling group member s website and any information contained in any other website maintained by any underwriter or selling group member is not part of the prospectus or the registration statement of which this prospectus supplement forms a part, has not been approved and/or endorsed by us or any underwriter or selling group member in its capacity as underwriter or selling group member and should not be relied upon by investors.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. In addition, affiliates of certain of the underwriters are lenders and agents under certain of our credit facilities for which they receive interest and fees as provided in the credit agreements related to these facilities. Affiliates of each of the underwriters are lenders under our $350 million revolving credit facility. Affiliates of J.P. Morgan Securities LLC, Citigroup Global Markets Inc., Mitsubishi UFJ Securities (USA), Inc., Mizuho Securities USA Inc., RBS Securities Inc., Deutsche Bank Securities Inc., PNC Capital Markets LLC, Scotia Capital (USA) Inc., TD Securities (USA) LLC and U.S. Bancorp Investments, Inc. are lenders under the $200 million revolving credit facility under which Sunoco Partners Marketing & Terminals L.P. is the borrower and we are the guarantor. None of the foregoing affiliates of the underwriters is expected to receive greater than 5% of the net proceeds from this offering through our payment on these facilities. There is no conflict of interest between us and the underwriters under FINRA Rule 5121.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and instruments of the company or its subsidiaries. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

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Legal

The validity of the notes will be passed upon for us by our counsel, Latham & Watkins LLP, Houston, Texas. Certain legal matters relating to the offering of the notes will be passed upon for the underwriters by Andrews Kurth LLP, Houston, Texas.

Experts

The consolidated financial statements of Sunoco Logistics Partners L.P. appearing in Sunoco Logistics Partners L.P. s Annual Report (Form 10-K) for the year ended December 31, 2011 and the effectiveness of Sunoco Logistics Partners L.P. s internal control over financial reporting as of December 31, 2011 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon included therein, and incorporated herein by reference. Such financial statements are incorporated herein in reliance upon the reports of Ernst & Young, LLP pertaining to such financial statements and the effectiveness of our internal control over financial reporting given on the authority of such firm as experts in accounting and auditing.

Where you can find more information

We and the master partnership have filed a registration statement with the Securities and Exchange Commission, or SEC, under the Securities Act that registers the securities offered by this prospectus supplement. The registration statement, including the attached exhibits, contains additional relevant information about us and the master partnership. We are not a reporting company under the Exchange Act. However, the master partnership, Sunoco Logistics Partners L.P., files annual, quarterly and other reports and other information with the SEC. You may read and copy any document the master partnership files at the SEC s public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-732-0330 for further information on their public reference room. The master partnership s SEC filings are also available at the SEC s web site at *http://www.sec.gov*. You can also obtain information about us and the master partnership at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

Incorporation by reference

The SEC allows us to incorporate by reference the information the master partnership has filed with the SEC. This means that we can disclose important information to you without actually including the specific information in this prospectus supplement or the accompanying prospectus by referring you to those documents. These other documents contain important information about us, our financial condition and our results of operations. The information incorporated by reference is an important part of this prospectus supplement and the accompanying prospectus. Information that the master partnership files later with the SEC and that is deemed to be filed with the SEC will automatically update and supersede information contained in this prospectus supplement, the accompanying prospectus and in the other documents previously filed with the SEC, and may replace information contained in this prospectus supplement and the accompanying prospectus.

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We incorporate the documents listed below and any future filings made by the master partnership with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (excluding any information furnished under Items 2.02 or 7.01 on any Current Report on Form 8-K) after the date of this prospectus supplement and until the termination of this offering. These reports contain important information about us, our financial condition and our results of operations.

- Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 24, 2012;
- Amendment No. 1 to Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 29, 2012
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012 (filed on May 3, 2012), June 30, 2012 (filed on August 2, 2012), and September 30, 2012 (filed on November 8, 2012); and
- Current Reports on Form 8-K filed on February 2, 2012, March 6, 2012, May 2, 2012, May 3, 2012, July 24, 2012, August 14, 2012, October 12, 2012, October 25, 2012, November 9, 2012, December 11, 2012 and January 7, 2013.

The master partnership makes available free of charge on or through its Internet website, *www.sunocologistics.com*, its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after it electronically files such material with, or furnishes it to, the SEC. Information contained on the master partnership s Internet website is not part of this prospectus supplement or the accompanying prospectus (unless specifically incorporated by reference into this prospectus supplement or the accompanying prospectus as described above).

You may request a copy of any document incorporated by reference into this prospectus, at no cost, by writing or calling us at the following address:

Investor Relations Department

Sunoco Logistics Partners L.P.

1818 Market Street, Suite 1500

Philadelphia, Pennsylvania 19103

(866) 248-4344

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PROSPECTUS

Sunoco Logistics Partners L.P.

Common Units

Representing Limited Partner Interests

Sunoco Logistics Partners Operations L.P.

Debt Securities

Fully and Unconditionally Guaranteed by

Sunoco Logistics Partners L.P.

Sunoco Logistics Partners L.P. or selling unitholders may offer and sell, in one or more offerings from time to time, common units representing limited partner interests in Sunoco Logistics Partners L.P. Sunoco Logistics Partners L.P. s common units are listed for trading on the New York Stock Exchange under the symbol SXL.

Sunoco Logistics Partners Operations L.P. may offer and sell, in one or more offerings from time to time, debt securities issued by Sunoco Logistics Partners Operations L.P., which will be fully and unconditionally guaranteed by Sunoco Logistics Partners L.P., and may be guaranteed by one or more of Sunoco Logistics Partners L.P. s subsidiaries. We will provide information in the related prospectus supplement regarding the trading market, if any, for any debt securities Sunoco Logistics Partners Operations L.P. may offer.

We or selling unitholders may offer and sell these securities in amounts, at prices and on terms to be determined by market conditions and other factors at the time of our offerings. This prospectus describes only the general terms of these securities and the general manner in which we or selling unitholders will offer the securities. The specific terms of any securities that we or selling unitholders offer will be included in a supplement to this prospectus. The prospectus supplement will describe the specific manner in which we or selling unitholders will offer the securities, and also may add, update or change information contained in this prospectus. We or selling unitholders will sell these securities through underwriters on a firm commitment basis. The names of any underwriters and the specific terms of a plan of distribution will be stated in a supplement to this prospectus. Selling unitholders that are affiliates of Sunoco Logistics Partners L.P. may be deemed to be underwriters within the meaning of the Securities Act of 1933, as amended, and, as a result, may be deemed to be offering securities, indirectly, on our behalf. We will not receive any of the proceeds from the sale of common units by selling unitholders.

You should carefully read this prospectus and the applicable prospectus supplement before you invest in any of our securities. You also should read the documents to which we have referred you in the Where You Can Find More Information section of this prospectus for additional information about us and our financial statements. This prospectus may not be used to consummate sales of our securities unless it is accompanied by a prospectus supplement.

Investing in our securities involves risks. Limited partnerships are inherently different from corporations. You should carefully consider the risk factors on page 5 of this prospectus and in the applicable prospectus supplement before you make an investment in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 29, 2012.

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In making your investment decision, you should rely only on the information contained or incorporated by reference into this prospectus, the applicable prospectus supplement and any free writing prospectus relating to such offering. We have not authorized anyone else to provide you with any other information. If anyone provides you with additional, different or inconsistent information, you should not rely on it.

We are not offering to sell these securities, or seeking offers to buy these securities, in any jurisdiction where the offer or sale is not permitted.

You should not assume that the information contained in this prospectus, the applicable prospectus supplement or any related free writing prospectus is accurate as of any date other than the date on the front cover of those documents. You should not assume that the information contained in the documents incorporated by reference into this prospectus, the applicable prospectus supplement or any related free writing prospectus is accurate as of any date other than the respective dates of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates. We will disclose any material changes regarding those matters in an amendment to this prospectus, a prospectus supplement or a future filing with the Securities and Exchange Commission that is incorporated by reference into this prospectus.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we have filed with the Securities and Exchange Commission (the SEC) using a shelf registration process. Under this shelf registration process, Sunoco Logistics Partners L.P. (Sunoco Logistics Partners) or selling unitholders may offer and sell, in one or more offerings from time to time, common units representing limited partner interests in Sunoco Logistics Partners (the common units), or Sunoco Logistics Partners Operations L.P. (the Operating Partnership) may offer and sell, in one or more offerings from time to time, debt securities issued by the Operating Partnership (the debt securities), as described in this prospectus. The debt securities will be fully and unconditionally guaranteed by Sunoco Logistics Partners and may be guaranteed by one or more of Sunoco Logistics Partners subsidiaries (other than the Operating Partnership).

This prospectus contains a general description of us, the common units, the debt securities and the guarantees of the debt securities. Each time we or selling unitholders, as applicable, offer and sell common units or debt securities with this prospectus, we or selling unitholders, as applicable, will provide a prospectus supplement that will contain specific information about the terms of that offering and the securities offered by us or selling unitholders in that offering. The prospectus supplement also may add to, update or change information contained in this prospectus. You should carefully read this prospectus and the applicable prospectus supplement before you invest in any of our securities. You also should carefully read the documents to which we have referred you in the Where You Can Find More Information section of this prospectus for additional information about us and our financial statements. To the extent information in this prospectus is inconsistent with information contained in the applicable prospectus supplement, you should rely on the information in the prospectus supplement.

As used in this prospectus, we, us and our and similar terms mean Sunoco Logistics Partners and its subsidiaries, except that those terms, when used in this prospectus in connection with the common units described herein, shall mean Sunoco Logistics Partners, and when used in connection with the debt securities described herein, shall mean the Operating Partnership, unless the context indicates otherwise. References to our general partner mean Sunoco Partners LLC, the general partner of Sunoco Logistics Partners. Occasionally, in this prospectus, we refer to Sunoco Logistics Partners as the Guarantor. The Guarantor will fully and unconditionally guarantee the Operating Partnership s payment obligations under any series of debt securities offered by this prospectus.

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SUNOCO LOGISTICS PARTNERS L.P. AND

SUNOCO LOGISTICS PARTNERS OPERATIONS L.P.

Sunoco Logistics Partners is a publicly traded Delaware limited partnership formed in October 2001 that owns and operates a crude oil and refined products logistics business, consisting of a geographically diverse portfolio of complementary pipeline, terminalling and acquisition and marketing assets, used in the purchase, sale, transportation and storage of crude oil and refined products. The Operating Partnership, a Delaware limited partnership formed in December 2001, is a direct wholly owned subsidiary of Sunoco Logistics Partners that owns the operating subsidiaries of Sunoco Logistics Partners.

We are principally engaged in the transportation, terminalling and storage of crude oil and refined products. Our portfolio of geographically diverse assets earns revenues in 30 states located throughout the United States. We also generate revenues by purchasing and selling domestic crude oil. Generally, as we purchase crude oil we simultaneously enter into corresponding sale transactions involving physical deliveries of crude oil, which enables us to secure a profit on the transaction at the time of purchase and establish a substantially balanced position, thereby minimizing exposure to crude oil price volatility after the initial purchase. However, the margins we receive from these transactions may vary from period to period. We do not enter into futures contracts or other derivative instruments in connection with these purchases and sales unless they result in the physical delivery of crude oil.

Sunoco Partners LLC, a Pennsylvania limited liability company and the general partner of Sunoco Logistics Partners, is a wholly owned subsidiary of Energy Transfer Partners, L.P., a publicly traded Delaware limited partnership (ETP). Our general partner holds no assets other than its investment in Sunoco Logistics Partners and notes receivable and other amounts receivable from affiliates of ETP.

Our principal executive offices are located at 1818 Market Street, Suite 1500, Philadelphia, Pennsylvania 19103, and our phone number is 866-248-4344.

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WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement with the SEC under the Securities Act of 1933, as amended (the Securities Act), that registers the offer and sale of the securities offered by this prospectus. The registration statement, including the attached exhibits, contains additional relevant information about us. The rules and regulations of the SEC allow us to omit some information included in the registration statement from this prospectus.

Sunoco Logistics Partners files annual, quarterly and other reports and other information with the SEC. You may read and copy any materials we file with the SEC at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-732-0330. The SEC maintains an Internet site (*http://www.sec.gov*) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. Our SEC filings also are available on the SEC s website. You also can obtain information about us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference the information Sunoco Logistics Partners has filed with the SEC. This means that we can disclose important information to you without actually including the specific information in this prospectus by referring you to other documents filed separately with the SEC. These other documents contain important information about us, our financial condition and our results of operations. The information incorporated by reference is an important part of this prospectus. Information that Sunoco Logistics Partners later provides to the SEC, and which is deemed to be filed with the SEC, will automatically update and supersede information contained in this prospectus and in the other documents previously filed with the SEC, and may replace information contained in this prospectus. Therefore, before you decide to invest in any securities offered by this prospectus, you should always check for, and carefully read, any reports and other documents that we may have filed with the SEC after the date of this prospectus.

We incorporate by reference into this prospectus the documents listed below filed by Sunoco Logistics Partners:

- Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 24, 2012;
- Amendment No. 1 to Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 29, 2012;
- Quarterly Reports on Form 10-Q for the quarters ended September 30, 2012 (filed on November 8, 2012), June 30, 2012 (filed on August 2, 2012) and March 31, 2012 (filed on May 3, 2012);
- Current Reports on Form 8-K filed on November 9, 2012, October 25, 2012, October 12, 2012, August 14, 2012, July 24, 2012, May 3, 2012, May 2, 2012, March 6, 2012 and February 2, 2012; and
- the description of our common units contained in Sunoco Logistics Partners registration statement on Form 8-A, filed on January 28, 2002, as amended by Amendment No. 1 thereto filed on May 13, 2005 and Amendment No. 2 thereto filed on January 29, 2010, and any subsequent amendment thereto filed for the purpose of updating such description.

In addition, all documents subsequently filed by Sunoco Logistics Partners with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act) (excluding any information furnished and not filed with the SEC on any Current Report on Form 8-K, unless otherwise noted), prior to the completion or termination of the applicable offering under this prospectus and the related prospectus supplement, shall be deemed to be incorporated by reference into this prospectus.

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As previously disclosed in the Sunoco Logistics Partners Quarterly Report on Form 10-Q for the quarter ended March 31, 2012, the Financial Accounting Standards Board (FASB) codified guidance in June 2011 related to the presentation of comprehensive income. The guidance requires entities to present net income and other comprehensive income in a single continuous statement of comprehensive income or in two separate, but consecutive, statements. The new guidance does not change the components that are recognized in net income and the components that are recognized in other comprehensive income. We have elected to present the components of net income and other comprehensive income (loss) in one continuous statement. The revised presentation is retroactively applied to all periods. The following presents the retroactive presentation and should be read in conjunction with the information in Sunoco Logistics Partners Annual Report on Form 10-K for the year ended December 31, 2011.

	Year Ended December 31,		
(unaudited, $ millions)	**2009**	**2010**	**2011**
Net Income	$ 250	$ 348	$ 322
Net Income attributable to noncontrolling interests		2	9
Net Income attributable to Sunoco Logistics Partners L.P.	250	350	331
Other comprehensive income/(loss):			
Change in cash flow hedges	1	(2)	4
Recognition of funded status of affiliates postretirement plans		1	
Total Comprehensive Income	251	347	326
Less: Comprehensive Income attributable to noncontrolling interests		2	9
Comprehensive Income attributable to Sunoco Logistics Partners L.P.	$ 251	$ 345	$ 317

We make available free of charge on or through our Internet website, *www.sunocologistics.com*, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Information contained on our Internet website is not a part of this prospectus and is not incorporated by reference into this prospectus (unless specifically incorporated by reference into this prospectus as described above).

You may obtain any of the documents incorporated by reference into this prospectus from the SEC through the SEC s website at the address provided above. We will provide to each person, including any beneficial owner, to whom this prospectus is delivered a copy of any or all of the information that is incorporated by reference into this prospectus (excluding any exhibit to those documents, unless the exhibit is specifically incorporated by reference into such documents), at no cost, by visiting our internet website at *www.sunocologistics.com*, or by writing or calling us at the following address:

Investor Relations

Sunoco Logistics Partners L.P.

1818 Market Street, Suite 1500

Philadelphia, Pennsylvania 19103

Telephone: (866) 248-4344

In making your investment decision, you should rely only on the information contained or incorporated by reference into this prospectus, the applicable prospectus supplement and any free writing prospectus relating to such offering. We have not authorized anyone else to provide you with any other information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. You should not assume that the information contained in this prospectus, the applicable prospectus supplement or any related free writing prospectus is accurate as of any date other than the date on the front cover of those documents. You should not assume that the information contained in the documents incorporated by reference into this prospectus, the applicable prospectus supplement or any related free writing prospectus is accurate as of any date other than the respective dates of those documents.

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RISK FACTORS

An investment in our securities involves risks. Before you invest in our securities, you should carefully consider the risk factors included in our most recent Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, which are incorporated herein by reference, and those risk factors that may be included in the applicable prospectus supplement, together with all of the other information contained in or incorporated by reference into this prospectus or any prospectus supplement as provided under Incorporation by Reference. This prospectus also contains forward-looking statements that involve risks and uncertainties. Please read Forward-Looking Statements.

If any of these risks were to materialize, our business, financial condition, results of operations, cash flows or prospects could be adversely affected. In that case, our ability to make distributions to our unitholders or pay interest on, or the principal of, any debt securities may be reduced, the trading price of our securities could decline and you could lose all or part of your investment.

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FORWARD-LOOKING STATEMENTS

All of the statements, other than statements of historical fact, included or incorporated by reference into this prospectus, the accompanying prospectus supplement and the documents we incorporate by reference contain forward-looking statements. These forward-looking statements discuss our goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition, or state other information relating to us, based on the current beliefs of our management as well as assumptions made by, and information currently available to, our management. Words such as may, anticipates, believes, expects, estimates, planned, intends, projects, scheduled or other or expressions identify forward-looking statements. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this prospectus, the accompanying prospectus supplement and the documents we incorporate by reference.

Although we believe these forward-looking statements are reasonable, they are based upon a number of assumptions, any or all of which ultimately may prove to be inaccurate. These statements are also subject to numerous assumptions, uncertainties and risks that may cause future results to be materially different from the results projected, forecasted, estimated or budgeted, including, but not limited to, the following:

- changes in demand for, or supply of, crude oil, petroleum products and natural gas liquids that impact demand for our pipeline, terminalling and storage services;
- changes in the short-term and long-term demand for crude oil, refined petroleum products and natural gas liquids we buy and sell;
- an increase in the competition encountered by our terminals, pipelines and acquisition and marketing operations;
- our ability to successfully consummate announced acquisitions or expansions and integrate them into our existing business operations;
- delays related to construction of, or work on, new or existing facilities and the issuance of applicable permits;
- changes in the financial condition or operating results of joint ventures or other holdings in which we have an equity ownership interest;
- changes in the general economic conditions in the United States;
- changes in laws and regulations to which we are subject, including federal, state and local tax, safety, environmental and employment laws;
- changes in regulations governing the composition of the products that we transport, terminal and store;
- improvements in energy efficiency and technology resulting in reduced demand for petroleum products;
- our ability to manage growth and/or control costs;

the ability of ETP to successfully integrate our operations and employees, and realize anticipated synergies;

the effect of changes in accounting principles and tax laws and interpretations of both;

global and domestic economic repercussions, including disruptions in the crude oil and petroleum products markets, from terrorist activities, international hostilities and other events, and the government s response thereto;

changes in the level of operating expenses and hazards related to operating facilities (including equipment malfunction, explosions, fires, spills and the effects of severe weather conditions);

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the occurrence of operational hazards or unforeseen interruptions for which we may not be adequately insured;

the age of, and changes in the reliability and efficiency of, our operating facilities;

changes in the expected level of capital, operating or remediation spending related to environmental matters;

changes in insurance markets resulting in increased costs and reductions in the level and types of coverage available;

risks related to labor relations and workplace safety;

non-performance by or disputes with major customers, suppliers or other business partners;

changes in our tariff rates implemented by federal and/or state government regulators;

the amount of our debt, which could make us vulnerable to adverse general economic and industry conditions, limit our ability to borrow additional funds, place us at competitive disadvantages compared to competitors that have less debt, or have other adverse consequences;

restrictive covenants in our credit agreements and other debt agreements;

changes in our or ETP s credit ratings, as assigned by ratings agencies;

the condition of the debt capital markets and equity capital markets in the United States, and our ability to raise capital in a cost-effective way;

performance of financial institutions impacting our liquidity, including those supporting our credit facilities;

the effectiveness of our risk management activities, including the use of derivative financial instruments to hedge commodity risks;

changes in interest rates on our outstanding debt, which could increase the costs of borrowing; and

the costs and effects of legal and administrative claims and proceedings against us or any entity in which we have an ownership interest, and changes in the status of, or the initiation of new litigation, claims or proceedings, to which we, or any entity in which we have an ownership interest, are a party.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. We undertake no obligation to update publicly any forward-looking statement whether as a result of new information or future events.

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USE OF PROCEEDS

Unless we specify otherwise in any prospectus supplement, we will use the net proceeds (after the payment of offering expenses and underwriting discounts and commissions) from our sale of securities for general partnership purposes, which may include, among other things:

- paying or refinancing all or a portion of our indebtedness outstanding at the time; and
- funding working capital, capital expenditures or acquisitions (which may consist of acquisitions of discrete assets or businesses).

The actual application of proceeds from the sale of any particular offering of securities using this prospectus will be described in the applicable prospectus supplement relating to such offering. The precise amount and timing of the application of these proceeds will depend upon our funding requirements and the availability and cost of other funds.

We will not receive any of the proceeds from the sale of common units by selling unitholders.

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RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges for both Sunoco Logistics Partners and the Operating Partnership for each of the periods indicated is as follows:

	Year Ended December 31,					Nine Months Ended September 30,
	2007	2008	2009	2010	2011	2012
Ratio of Earnings to Fixed Charges	3.77x	6.69x	5.68x	5.20x	4.28x	6.02x

For purposes of calculating the ratio of earnings to fixed charges:

- fixed charges represent interest expense (including amounts capitalized), amortization of debt costs and the portion of rental expense representing the interest factor; and

- earnings represent the aggregate of income from continuing operations (before adjustment for minority interest, extraordinary loss and equity earnings), fixed charges and distributions from equity investments, less capitalized interest.

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DESCRIPTION OF THE COMMON UNITS

Our common units represent limited partner interests that entitle the holders to participate in our cash distributions and to exercise the rights and privileges available to limited partners under our Third Amended and Restated Agreement of Limited Partnership, as amended by Amendment No. 1 and Amendment No. 2 thereto (as amended, our partnership agreement). For a description of the rights of holders of our common units to cash distributions, please read Cash Distributions in this prospectus. For a description of the rights and privileges of limited partners under our partnership agreement, including voting rights, please read Description of Our Partnership Agreement in this prospectus. We urge you to read our partnership agreement, as our partnership agreement, and not this description, governs our common units.

References in this Description of the Common Units to we, us and our mean Sunoco Logistics Partners L.P.

Number of Common Units

As of September 30, 2012, we had 103,562,297 common units outstanding, of which 70,031,660 are held by the public and 33,530,637 are held by our general partner. The common units represent an aggregate 98% limited partner interest in us and the general partner interest held by our general partner represents an aggregate 2% general partner interest in us.

Timing of Distributions

We pay distributions no later than 45 days after March 31, June 30, September 30 and December 31 to holders of record on the applicable record date. For additional information, please read Cash Distributions.

Issuance of Additional Partnership Securities; Preemptive Rights

In general, we may issue additional partnership securities for any partnership purpose at any time and from time to time to such persons for such consideration and on such terms and conditions as shall be established by our general partner in its sole discretion, all without the approval of any limited partners. The holders of our common units do not have preemptive rights to acquire additional common units or other partnership securities. For additional information, please read Description of Our Partnership Agreement Issuance of Additional Partnership Securities; Preemptive Rights ..

Voting Rights

Unlike the holders of common stock in a corporation, our limited partners have only limited voting rights on matters affecting our business. Our limited partners have no right to elect our general partner or the directors of our general partner on an annual or other continuing basis. Our general partner may not be removed except by the vote of the holders of at least $66\,^{2}/_{3}\%$ of the outstanding common units, including common units owned by our general partner and its affiliates. Each holder of common units is entitled to one vote for each common unit on all matters submitted to a vote of the unitholders. For additional information, please read Description of Our Partnership Agreement Meetings; Voting.

Limited Call Right

If at any time our general partner and its affiliates hold more than 80% of the total limited partner interests of any class then outstanding, our general partner will then have the right, which right it may assign and transfer in whole or in part to us or any affiliate of our general partner, exercisable at its option, to purchase all, but not less than all, of such limited partner interests of such class then outstanding held by persons other than our general partner and its affiliates. For additional information, please read Description of Our Partnership Agreement Limited Call Right.

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Exchange Listing

Our common units are listed on the New York Stock Exchange under the symbol SXL.

Transfer Agent and Registrar Duties

American Stock Transfer & Trust Company serves as registrar and transfer agent for our common units. We pay all fees charged by the transfer agent for transfers of common units, except the following that must be paid by unitholders:

- surety bond premiums to replace lost or stolen certificates, taxes and other governmental charges;
- special charges for services requested by a holder of common units; and
- other similar fees or charges.

There is no charge to unitholders for disbursements of our cash distributions. We will indemnify the transfer agent, its agents and each of their stockholders, directors, officers and employees against all claims and losses that may arise out of acts performed or omitted for its activities as transfer agent, except for any liability due to any gross negligence or intentional misconduct of the indemnified person or entity.

Transfer of Common Units

Any transfers of a common unit will not be recorded by the transfer agent or recognized by us unless the transferee executes and delivers a transfer application. By executing and delivering a transfer application, the transferee of common units:

- becomes the record holder of the common units and is an assignee until admitted as a substituted limited partner;
- automatically requests admission as a substituted limited partner;
- agrees to comply with and be bound by and to have executed our partnership agreement;
- represents and warrants that such transferee has the right, power and authority and, if an individual, the capacity to enter into our partnership agreement;
- grants the powers of attorney set forth in our partnership agreement; and
- gives the consents and approvals and makes the waivers contained in our partnership agreement.

An assignee will become a substituted limited partner for the transferred common units upon the consent of our general partner and the recording of the name of the assignee on our books and records. Our general partner may withhold its consent in its sole discretion.

A transferee s broker, agent or nominee may complete, execute and deliver a transfer application. We are entitled to treat the nominee holder of a common unit as the absolute owner. In that case, the beneficial holder s rights are limited solely to those that it has against the nominee holder as a result of any agreement between the beneficial owner and the nominee holder.

Common units are securities and are transferable according to the laws governing transfer of securities. In addition to other rights acquired upon admission as a substituted limited partner for the transferred common units, a purchaser or transferee of common units who does not execute and deliver a transfer application obtains only:

the right to assign the common units to a purchaser or other transferee; and

the right to transfer the right to seek admission as a substituted limited partner for the transferred common units.

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Thus, a purchaser or transferee of common units who does not execute and deliver a transfer application:

- will not receive cash distributions or federal income tax allocations, unless the common units are held in a nominee or street name account and the nominee or broker has executed and delivered a transfer application; and
- may not receive some federal income tax information or reports furnished to record holders of common units.

The transferor of common units has a duty to provide the transferee with all information that may be necessary to transfer the common units. The transferor does not have a duty to insure the execution of the transfer application by the transferee and has no liability or responsibility if the transferee neglects or chooses not to execute and forward the transfer application to the transfer agent.

Until a common unit has been transferred on our books, we and the transfer agent may treat the record holder of the common unit as the absolute owner for all purposes, except as otherwise required by law or stock exchange regulations.

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CASH DISTRIBUTIONS

References in this Cash Distributions section to we, us and our mean Sunoco Logistics Partners L.P.

Distributions of Available Cash

General. Our partnership agreement provides that we will distribute all of our available cash to unitholders of record on the applicable record date within 45 days after the end of each quarter.

Definition of Available Cash. Available cash generally means, for each fiscal quarter:

all cash on hand at the end of the quarter;

less the amount of cash reserves that our general partner establishes to:

provide for the proper conduct of our business;

comply with applicable law, any of our debt instruments or other agreements; or

provide funds for distributions to our unitholders and to our general partner for any one or more of the next four quarters;

plus all cash on hand on the date of determination of available cash for the quarter resulting from working capital borrowings made after the end of the quarter.

Working capital borrowings are generally borrowings that are made under our credit facilities and in all cases are used solely for working capital purposes or to pay distributions to partners.

Intent to Distribute the Minimum Quarterly Distribution. We intend to distribute to the holders of common units on a quarterly basis at least the minimum quarterly distribution of $0.15 per unit, or $0.60 per year, to the extent we have sufficient cash from our operations after establishment of cash reserves and payment of fees and expenses, including payments to our general partner. However, there is no guarantee that we will pay the quarterly distribution in this amount, or the minimum quarterly distribution on the common units in any quarter, and we will be prohibited from making any distributions to unitholders if it would cause an event of default, or an event of default is existing, under our credit facilities or the debt securities.

Operating Surplus and Capital Surplus

General. All cash distributed to unitholders will be characterized as either operating surplus or capital surplus. We distribute available cash from operating surplus differently than available cash from capital surplus.

Definition of Operating Surplus. Operating surplus for any period generally means:

our cash balance on the closing date of our initial public offering; *plus*

$15.0 million (as described below); *plus*

all of our cash receipts after the closing of our initial public offering, excluding cash from borrowings that are not working capital borrowings, sales of equity and debt securities and sales or other dispositions of assets outside the ordinary course of business; *plus*

working capital borrowings made after the end of a quarter but before the date of determination of operating surplus for the quarter; *less*

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all of our operating expenditures after the closing of our initial public offering, including the repayment of working capital borrowings, but not the repayment of other borrowings, and including maintenance capital expenditures; *less*

the amount of cash reserves established by our general partner in good faith to provide funds for future operating expenditures.

Definition of Capital Surplus. Generally, capital surplus will be generated only by:

borrowings other than working capital borrowings;

sales of debt and equity securities; and

sales or other disposition of assets for cash, other than inventory, accounts receivable and other current assets sold in the ordinary course of business or as part of normal retirements or replacements of assets.

Characterization of Cash Distributions. We will treat all available cash distributed as coming from operating surplus until the sum of all available cash distributed since we began operations equals the operating surplus as of the most recent date of determination of available cash. We will treat any amount distributed in excess of operating surplus, regardless of its source, as capital surplus. As reflected above, operating surplus includes $15.0 million in addition to our cash balance on the closing date of our initial public offering, cash receipts from our operations and cash from working capital borrowings. This amount does not reflect actual cash on hand that is available for distribution to our unitholders. Rather, it is a provision that will enable us, if we choose, to distribute as operating surplus up to $15.0 million of cash we receive in the future from non-operating sources, such as asset sales, issuances of securities and long-term borrowings, that would otherwise be distributed as capital surplus. We do not anticipate that we will make any distributions from capital surplus.

Distributions of Available Cash from Operating Surplus

We will make distributions of available cash from operating surplus for any quarter in the following manner:

First, 98% to all unitholders, pro rata, and 2% to our general partner, until we distribute for each outstanding unit an amount equal to the minimum quarterly distribution for that quarter; and

Thereafter, in the manner described in Incentive Distribution Rights below.

Incentive Distribution Rights

Incentive distribution rights represent the right to receive an increasing percentage of quarterly distributions of available cash from operating surplus after the minimum quarterly distribution and the target distribution levels have been achieved. Our general partner currently holds all of the incentive distribution rights, but may transfer these rights separately from its general partner interest, subject to restrictions in our partnership agreement.

If for any quarter we have distributed available cash from operating surplus to the unitholders in an amount equal to the minimum quarterly distribution, then we will distribute any additional available cash from operating surplus for that quarter among the unitholders and our general partner in the following manner:

First, 98% to all unitholders, pro rata, and 2% to our general partner, until each unitholder receives a total of $0.1667 per unit for that quarter (the first target distribution);

Second, 85% to all unitholders, pro rata, 13% to the holders of the incentive distribution rights, pro rata, and 2% to our general partner, until each unitholder receives a total of $0.1917 per unit for that quarter (the second target distribution);

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Third, 63% to all unitholders, pro rata, 35% to the holders of the incentive distribution rights, pro rata, and 2% to our general partner, until each unitholder receives a total of $0.5275 per unit for that quarter (the third target distribution); and

Thereafter, 50% to all unitholders, pro rata, 48% to the holders of the incentive distribution rights, pro rata, and 2% to our general partner.

Percentage Allocations of Available Cash from Operating Surplus

The following table illustrates the percentage allocations of the additional available cash from operating surplus between the unitholders and our general partner up to the various target distribution levels.

The amounts set forth under Marginal Percentage Interest in Distributions are the percentage interests of our general partner and the unitholders in any available cash from operating surplus we distribute up to and including the corresponding amount in the column Total Quarterly Distribution Target Amount, until available cash from operating surplus we distribute reaches the next target distribution level, if any.

The percentage interests shown for the unitholders and our general partner for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution.

		Marginal Percentage Interest in Distributions	
	Total Quarterly Distribution Target Amount	Unitholders	General Partner[1]
Minimum Quarterly Distribution	up to $0.150	98%	2%
First Target Distribution	above $0.150 up to $0.1667	98%	2%
Second Target Distribution	above $0.1667 up to $0.1917	85%	15%
Third Target Distribution	above $0.1917 up to $0.5275	63%	37%
Thereafter	above $0.5275	50%	50%

(1) Includes our general partner s 2% general partner interest.

Distributions from Capital Surplus

We will make distributions of available cash from capital surplus, if any, in the following manner:

First, 98% to all unitholders, pro rata, and 2% to our general partner, until a hypothetical holder of a common unit acquired in our initial public offering has received with respect to such common unit, during the period since our initial public offering through such date, distributions of available cash that are deemed to be capital surplus in an aggregate amount equal to the initial public offering price; and

Thereafter, we will make all distributions of available cash from capital surplus as if they were from operating surplus.

Our partnership agreement treats a distribution of capital surplus as the repayment of the initial unit price from the initial public offering, which is a return of capital. The initial public offering price less any distributions of capital surplus per unit is referred to as the unrecovered initial unit price. Each time a distribution of capital surplus is made, the minimum quarterly distribution and the target distribution levels will be reduced in the same proportion as the corresponding reduction in the unrecovered initial unit price. Because distributions of capital

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surplus will reduce the minimum quarterly distribution, after any of these distributions are made, it may be easier for our general partner to receive incentive distributions. However, any distribution of capital surplus before the unrecovered initial unit price is reduced to zero cannot be applied to the payment of the minimum quarterly distribution or any arrearages.

Once we distribute capital surplus on a unit in an amount equal to the initial unit price, we will reduce the minimum quarterly distribution and the target distribution levels to zero. We will then make all future distributions from operating surplus, with 50% being paid to the holders of units, 48% to the holders of the incentive distribution rights and 2% to our general partner.

Adjustment to the Minimum Quarterly Distribution and Target Distribution Levels

In addition to adjusting the minimum quarterly distribution and target distribution levels to reflect a distribution of capital surplus, if we combine our units into fewer units or subdivide our units into a greater number of units, we will proportionately adjust:

- the minimum quarterly distribution;
- target distribution levels; and
- the unrecovered initial unit price.

For example, if a two-for-one split of the common units should occur, the minimum quarterly distribution, the target distribution levels and the unrecovered initial unit price would each be reduced to 50% of its initial level. We will not make any adjustment by reason of the issuance of additional units for cash or property.

In addition, if legislation is enacted or if existing law is modified or interpreted in a manner that causes us to become taxable as a corporation or otherwise subject to taxation as an entity for federal, state or local income tax purposes, we will reduce the minimum quarterly distribution and the target distribution levels by multiplying the same by one minus the sum of the highest marginal federal corporate income tax rate that could apply and any increase in the effective overall state and local income tax rates. For example, if we became subject to a maximum marginal federal and effective state and local income tax rate of 38%, then the minimum quarterly distribution and the target distribution levels would each be reduced to 62% of their previous levels.

Distributions of Cash Upon Liquidation

General. If we dissolve in accordance with our partnership agreement, we will sell or otherwise dispose of our assets in a process called liquidation. We will first apply the proceeds of liquidation to the payment of our creditors. We will distribute any remaining proceeds to the unitholders and our general partner, in accordance with their capital account balances, as adjusted to reflect any gain or loss upon the sale or other disposition of our assets in liquidation.

Manner of Adjustments for Gain. The manner of the adjustment for gain is set forth in our partnership agreement. After January 26, 2010 (the date of our Third Amended and Restated Agreement of Limited Partnership), we generally will allocate any gain to the partners in the following manner:

- *First*, to our general partner and the holders of units who have negative balances in their capital accounts to the extent of and in proportion to those negative balances;
- *Second*, 98% to the common unitholders, pro rata, and 2% to our general partner, until the capital account for each common unit is equal to the sum of:

the unrecovered initial unit price; and

the amount of the minimum quarterly distribution for the quarter during which our liquidation occurs.

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Third, 98% to all unitholders, pro rata, and 2% to our general partner, until we allocate under this paragraph an amount per unit equal to:

the sum of the excess of the first target distribution per unit over the minimum quarterly distribution per unit for each quarter of our existence; *less*

the cumulative amount per unit of any distributions of available cash from operating surplus in excess of the minimum quarterly distribution per unit for each quarter of our existence that we distributed 98% to the unitholders, pro rata, and 2% to our general partner;

Fourth, 85% to all unitholders, pro rata, 13% to the holders of the incentive distribution rights, pro rata, and 2% to our general partner, until we allocate under this paragraph an amount per unit equal to:

the sum of the excess of the second target distribution per unit over the first target distribution per unit for each quarter of our existence; *less*

the cumulative amount per unit of any distributions of available cash from operating surplus in excess of the first target distribution per unit for each quarter of our existence that we distributed 85% to the unitholders, pro rata, 13% to the holders of the incentive distribution rights, pro rata, and 2% to our general partner;

Fifth, 63% to all unitholders, pro rata, 35% to the holders of the incentive distribution rights, pro rata, and 2% to our general partner, until we allocate under this paragraph an amount per unit equal to:

the sum of the excess of the third target distribution per unit over the second target distribution per unit for each quarter of our existence; *less*

the cumulative amount per unit of any distributions of available cash from operating surplus in excess of the second target distribution per unit for each quarter of our existence that we distributed 63% to the unitholders, pro rata, 35% to the holders of the incentive distribution rights, pro rata, and 2% to our general partner; and

Thereafter, 50% to all unitholders, pro rata, 48% to the holders of the incentive distribution rights, pro rata, and 2% to our general partner.

Manner of Adjustments for Losses. Upon our liquidation, after making allocations of loss to our general partner and the unitholders in a manner intended to offset in reverse order the allocations of gains that have previously been allocated, we will generally allocate any loss to our general partner and the unitholders in the following manner:

First, 98% to the holders of common units in proportion to the positive balances in their capital accounts and 2% to our general partner, until the capital accounts of the common unitholders have been reduced to zero; and

Thereafter, 100% to our general partner.

Adjustments to Capital Accounts upon the Issuance of Partnership Interests.

We will make adjustments to capital accounts upon the issuance of additional partnership interests. In doing so, we will allocate any unrealized and, for tax purposes, unrecognized gain or loss resulting from the adjustments to the unitholders and our general partner in the same manner as we allocate gain or loss upon liquidation. In the event that we make positive adjustments to the capital accounts upon the issuance of additional partnership interests, we will allocate any later negative adjustments to the capital accounts resulting from the issuance of additional partnership interests or upon our liquidation in a manner that results, to the extent possible, in our general partner s capital account balances equaling the amount that they would have been if no earlier positive adjustments to the capital accounts had been made.

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DESCRIPTION OF OUR PARTNERSHIP AGREEMENT

This description is a summary of the material provisions of our partnership agreement. The following provisions of our partnership agreement are summarized elsewhere in this prospectus:

- distributions of our available cash are described under Cash Distributions;
- allocations of taxable income and other tax matters are described under Material Tax Considerations; and
- a general description of our common units is contained under Description of Our Common Units.

The description of our partnership agreement contained herein does not purport to be complete and is qualified in its entirety by reference to the complete text of our Third Amended and Restated Agreement of Limited Partnership, a copy of which is filed as Exhibit 3.1 to our Current Report on Form 8-K filed with the SEC on January 28, 2010, as amended by Amendment No. 1 thereto, a copy of which is filed as Exhibit 3.1 to our Current Report on Form 8-K filed with the SEC on July 5, 2011, and Amendment No. 2 thereto, a copy of which is filed as Exhibit 3.1 to our Current Report on Form 8-K filed with the SEC on November 28, 2011, each of which is incorporated by reference into this prospectus. We urge you to read our partnership agreement, as our partnership agreement, and not this description, governs our common units.

References in this Description of Our Partnership Agreement to we, us and our mean Sunoco Logistics Partners L.P.

Organization and Duration

We were organized on October 15, 2001 and will continue in existence until we are dissolved pursuant to our partnership agreement and our certificate of limited partnership is cancelled.

Purpose

Under our partnership agreement, the purpose and nature of the business to be conducted by us is to:

(a) serve as a partner of the Operating Partnership and, in connection therewith, to exercise all the rights and powers conferred upon us as a partner of the Operating Partnership pursuant to the Operating Partnership s partnership agreement (the Operating Partnership Agreement) or otherwise;

(b) engage directly in, or enter into or form any corporation, partnership, joint venture, limited liability company or other arrangement to engage indirectly in, any business activity that the Operating Partnership is permitted to engage in by the Operating Partnership Agreement or that its subsidiaries are permitted to engage in by their limited liability company or partnership agreements and, in connection therewith, to exercise all of the rights and powers conferred upon us pursuant to the agreements relating to such business activity;

(c) engage directly in, or enter into or form any corporation, partnership, joint venture, limited liability company or other arrangement to engage indirectly in, any business activity that is approved by our general partner and which lawfully may be conducted by a limited partnership organized pursuant to the Delaware Revised Uniform Limited Partnership Act (the Delaware Act) and, in connection therewith, to exercise all of the rights and powers conferred upon us pursuant to the agreements relating to such business activity; *provided, however*, that our general partner determines, as of the date of the acquisition or commencement of such activity, that such activity (i) generates qualifying income (as such term is defined pursuant to Section 7704 of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code)) or a subsidiary or our activity that generates qualifying income or (ii) enhances the operations of an activity of the Operating Partnership; and

(d) do anything necessary or appropriate to the foregoing, including the making of capital contributions or loans to a member of the partnership group.

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Under the Operating Partnership Agreement, the purpose and nature of the business to be conducted by the Operating Partnership is to (a) acquire, manage, operate and sell the assets or properties now or hereafter acquired by the Operating Partnership, (b) engage directly in, or enter into or form any corporation, partnership, joint venture, limited liability company or other arrangement to engage indirectly in, any business activity that the Operating Partnership is permitted to engage in, and, in connection therewith, to exercise all of the rights and powers conferred upon the Operating Partnership pursuant to the agreements relating to such business activity, (c) engage directly in, or enter into or form any corporation, partnership, joint venture, limited liability company or other arrangement to engage indirectly in, any business activity that is approved by the Operating Partnership s general partner and that lawfully may be conducted by a limited partnership organized pursuant to the Delaware Act and, in connection therewith, to exercise all of the rights and powers conferred upon the Operating Partnership pursuant to the agreements relating to such business activity; *provided, however*, that the Operating Partnership s general partner reasonably determines, as of the date of the acquisition or commencement of such activity, that such activity (i) generates qualifying income (as such term is defined pursuant to Section 7704 of the Internal Revenue Code) or (ii) enhances the operations of an activity of the Operating Partnership that generates qualifying income, and (d) do anything necessary or appropriate to the foregoing, including the making of capital contributions or loans to a member of the partnership group, Sunoco Logistics Partners or any subsidiary of Sunoco Logistics Partners.

Our general partner has no duty or obligation to propose or approve, and may decline to propose or approve, the conduct by us of any business free of any fiduciary duty or obligation whatsoever to us, any limited partner or assignee and, in declining to so propose or approve, is not required to act in good faith or pursuant to any other standard imposed by our partnership agreement, any governing agreement of a member of the partnership group, any other agreement contemplated by our partnership agreement or under the Delaware Act or any other law, rule or regulation.

Board of Directors

Our general partner manages our operations and activities on our behalf through its directors and officers. Our general partner is not elected by our common unitholders and will not be subject to re-election in the future. Common unitholders will not be entitled to elect the directors of our general partner on an annual or other continuing basis. The board of directors of our general partner is chosen by ETP, its sole member, and only ETP has the right to remove directors.

Power of Attorney

Each limited partner, and each person who acquires a common unit from a unitholder and executes and delivers a transfer application, grants to our general partner and, if appointed, a liquidator, a power of attorney to, among other things, execute and file documents required for our qualification, continuance or dissolution. The power of attorney also grants our general partner the authority to amend, and to make consents and waivers under, our partnership agreement.

Capital Contributions

Except as described below under Limited Liability, the common units will be fully paid, and common unitholders will not be required to make additional capital contributions to us.

Limited Liability

Assuming that a limited partner does not participate in the control of our business within the meaning of the Delaware Act and that it otherwise acts in conformity with the provisions of our partnership agreement, the limited partner s liability under the Delaware Act will be limited, subject to possible exceptions, to the amount of capital such limited partner is obligated to contribute to us for its common units plus such limited partner s share

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of any undistributed profits and assets and any funds wrongfully distributed to it as described below. If it were determined, however, that the right, or exercise of the right, by our limited partners as a group:

- to remove or replace our general partner;
- to approve certain amendments to our partnership agreement; or
- to take any other action under our partnership agreement;

constituted participation in the control of our business for the purposes of the Delaware Act, then the limited partners could be held personally liable for our obligations under the laws of Delaware, to the same extent as our general partner. This liability would extend to persons who transact business with us who reasonably believe that a limited partner is a general partner based on such limited partner s conduct. Neither our partnership agreement nor the Delaware Act specifically provides for legal recourse against our general partner if a limited partner were to lose limited liability through any fault of our general partner. While this does not mean that a limited partner could not seek legal recourse, we know of no precedent for this type of a claim in Delaware case law.

Under the Delaware Act, a limited partnership may not make a distribution to a partner if, after the distribution, all liabilities of the limited partnership, other than liabilities to partners on account of their partnership interests and liabilities for which the recourse of creditors is limited to specific property of the limited partnership, would exceed the fair value of the assets of the limited partnership. For the purpose of determining the fair value of the assets of a limited partnership, the Delaware Act provides that the fair value of property subject to liability for which recourse of creditors is limited will be included in the assets of the limited partnership only to the extent that the fair value of that property exceeds the nonrecourse liability. The Delaware Act provides that a limited partner who receives a distribution and knew at the time of the distribution that the distribution was in violation of the Delaware Act will be liable to the limited partnership for the amount of the distribution; *provided, however*, that such limited partner will have no liability for the amount of the distribution after the expiration of three years from the date of the distribution. Under the Delaware Act, an assignee who becomes a substituted limited partner of a limited partnership is liable for the obligations of its assignor to make contributions to the limited partnership, excluding any obligations of the assignor with respect to wrongful distributions, as described above, except the assignee is not obligated for liabilities unknown to it at the time it became a limited partner and that could not be ascertained from the partnership agreement.

Our subsidiaries conduct business in multiple states. Maintenance of our limited liability as a limited partner or member of our subsidiaries formed as limited partnerships or limited liability companies, respectively, may require compliance with legal requirements in the jurisdictions in which such subsidiaries conduct business, including qualifying our subsidiaries to do business there. Limitations on the liability of a limited partner or member for the obligations of a limited partnership or limited liability company, respectively, have not been clearly established in many jurisdictions. If it were determined that we were, by virtue of our limited partner interest or limited liability company interest in our subsidiaries or otherwise, conducting business in any state without compliance with the applicable limited partnership or limited liability company statute, or that the right or exercise of the right by our limited partners as a group to remove or replace our general partner, to approve certain amendments to our partnership agreement or to take other action under our partnership agreement constituted participation in the control of our business for purposes of the statutes of any relevant jurisdiction, then our limited partners could be held personally liable for our obligations under the law of that jurisdiction to the same extent as our general partner under the circumstances. We will operate in a manner that our general partner considers reasonable and necessary or appropriate to preserve the limited liability of the limited partners.

Issuance of Additional Partnership Securities; Preemptive Rights

Our partnership agreement authorizes us to issue an unlimited number of additional partnership securities and options, rights, warrants and appreciation rights relating to the partnership securities for any partnership purpose at any time and from time to time to such persons, for such consideration and on such terms and conditions as our general partner determines, all without the approval of any limited partners.

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It is possible that we will fund acquisitions through the issuance of additional common units or other equity securities. Holders of any additional common units we issue will be entitled to share equally with the then-existing holders of common units in our distributions of available cash. In addition, the issuance of additional partnership interests may dilute (i) the percentage interests of the then-existing holders of common units in our net assets and (ii) the voting rights of the then-existing holders of common units under our partnership agreement.

In accordance with Delaware law and the provisions of our partnership agreement, we may also issue additional partnership securities that have special voting rights to which the common units are not entitled.

Upon issuance of additional partnership securities, our general partner will be required to make additional capital contributions to the extent necessary to maintain its 2% general partner interest in us; *provided, however*, that the capital contributions required of our general partner will be offset to the extent contributions received by us in exchange for the issuance of additional partnership securities are used by us concurrently with such contributions to redeem or repurchase from any person outstanding partnership securities of the same class as the partnership securities that were issued. Moreover, our general partner will have the right, which it may from time to time assign in whole or in part to any of its affiliates, to purchase common units or other partnership securities whenever, and on the same terms that, we issue those securities to persons other than our general partner and its affiliates, to the extent necessary to maintain its percentage interest, including its interest represented by common units, that existed immediately prior to each issuance.

The holders of our common units do not have preemptive rights to acquire additional common units or other partnership securities.

Amendment of the Partnership Agreement

General

Amendments to our partnership agreement may be proposed only by our general partner. Our general partner has no duty or obligation to propose any amendment to our partnership agreement and may decline to do so free of any fiduciary duty or obligation whatsoever to us, any limited partner or assignee and, in declining to propose an amendment, is not required to act in good faith or pursuant to any other standard imposed by our partnership agreement, any governing agreement of a member of the partnership group, any other agreement contemplated under our partnership agreement or under the Delaware Act or any other law, rule or regulation. A proposed amendment will be effective upon its approval by the holders of a majority of the outstanding common units (a unit majority), unless a greater or different percentage is required under our partnership agreement or by Delaware law. Each proposed amendment that requires the approval of the holders of a specified percentage of outstanding units will be set forth in a writing that contains the text of the proposed amendment. If such an amendment is proposed, our general partner will seek the written approval of the requisite percentage of outstanding units or call a meeting of the unitholders to consider and vote on such proposed amendment. Our general partner will notify all record holders upon final adoption of any such proposed amendments.

Restrictions on Certain Amendments

Our partnership agreement provides that:

(1) no provision of our partnership agreement that establishes a percentage of outstanding units (including units deemed owned by our general partner) required to take any action shall be amended, altered, changed, repealed or rescinded in any respect that would have the effect of reducing such voting percentage unless such amendment is approved by the written consent or the affirmative vote of holders of outstanding units whose aggregate outstanding units constitute not less than the voting requirement sought to be reduced;

(2) no amendment to our partnership agreement may (a) enlarge the obligations of any limited partner without its consent, unless such shall be deemed to have occurred as a result of an amendment approved pursuant to clause (3) below, (b) enlarge the obligations of, restrict in any way any action by or rights of, or reduce in any

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way the amounts distributable, reimbursable or otherwise payable to, our general partner or any of its affiliates without its consent, which consent may be given or withheld at its option, (c) change the provision of our partnership agreement providing for our dissolution upon an election to dissolve our partnership by our general partner that is approved by a unit majority (the election to dissolve provision), or (d) change the term of our partnership or, except as set forth in the election to dissolve provision, give any person the right to dissolve our partnership;

(3) except for mergers or consolidations approved pursuant to the partnership agreement, and without limitation of our general partner s authority to adopt amendments to our partnership agreement described below under No Unitholder Approval, any amendment that would have a material adverse effect on the rights or preferences of any class of partnership interests in relation to other classes of partnership interests must be approved by the holders of not less than a majority of the outstanding partnership interests of the class affected;

(4) except for amendments described below under No Unitholder Approval and except in connection with unitholder approval of a merger or consolidation, no amendments shall become effective without the approval of the holders of at least 90% of the outstanding units voting as a single class unless we obtain an opinion of counsel to the effect that such amendment will not affect the limited liability of any limited partner under applicable law; and

(5) except for amendments described below under No Unitholder Approv