

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

**FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Act of 1934**

**Date of Report (Date of Earliest Event Reported):
November 27, 2018 (November 20, 2018)**

Commission file number: 001-35653

SUNOCO LP
(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

30-0740483
*(IRS Employer
Identification No.)*

**8111 Westchester Drive, Suite 400
Dallas, TX 75225**
(Address of principal executive offices, including zip codes)

Registrant's telephone number, including area code: (214) 981-0700

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company ☐

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

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

On November 20, 2018, the Compensation Committee of the Board of Directors of Sunoco GP LLC (the “*Company*”), the general partner of Sunoco LP (the “*Partnership*”), was advised that S. Blake Heinemann, Senior Vice President and Chief Sales Officer of the Company intends to retire from the Company effective as of April 1, 2019.

Heinemann Agreements

In connection with Mr. Heinemann’s retirement, Mr. Heinemann and the Partnership intend to enter into a Separation and Restrictive Covenant Agreement and Full Release of Claims (the “*Separation Agreement*”) and a Consulting Agreement (the “*Consulting Agreement*”). The Separation Agreement will become effective after execution and the expiration of a seven (7) day revocation period. The Separation Agreement will provide for the following:

- A twenty (20) month non-compete/non-solicitation covenant in favor of the Company and its affiliates (the “*Restrictive Covenant*”)
- A severance payment to Mr. Heinemann of total gross amount of \$294,201.58, less all required government payroll deductions and withholdings, which is an amount equal to forty-four (44) weeks of Mr. Heinemann’s base salary. The severance payment shall be made over bi-weekly pay periods beginning with the pay period after the effective date of the agreement;
- The acceleration and vesting of 38,276 restricted phantom units previously granted under the Sunoco LP 2012 Long-Term Incentive Plan (the “*Restrictive Covenant Units*”). The Restrictive Covenant Units represent consideration of Mr. Heinemann’s compliance with the Restrictive Covenant;
- Payment of the full cost of Mr. Heinemann’s premium for continued health insurance coverage under the Company’s health insurance plan and the Consolidated Omnibus Budget Reconciliation Act (COBRA) for a period of eight (8) months;
- A standard release of claims in favor of the Company, its parent entities, specifically including Energy Transfer, L.P., and their respective past and present subsidiaries, affiliates, partners, directors, officers, owners, shareholders, employees, benefit plans, benefit plan fiduciaries, predecessors, joint employers, successor employers and agents;
- A mutual non-disparagement clause; and
- A confirmation and acknowledgement by Mr. Heinemann of his obligations with respect to proprietary and confidential information.

The Consulting Agreement, which will become effective on April 2, 2019 and continues until March 31, 2020 (the “*Consulting Term*”), provides that Mr. Heinemann shall be available to provide consulting and advisory duties to the Partnership as requested by the Partnership’s President and Chief Executive Officer. Pursuant to the terms of the Consulting Agreement, in exchange for providing consulting and advisory services to the Partnership and complying with the terms of the Consulting Agreement, including certain non-competition and non-solicitation covenants incorporated by reference in the Separation Agreement, at the conclusion of the Consulting Term, 10,000 Partnership restricted phantom units previously granted to Mr. Heinemann will accelerate and vest (the “*Consulting Units*”). As an independent contractor, Mr. Heinemann will not be entitled to participate in or receive any benefit or right as a Company employee under the employee benefit plans of the Company.

Pursuant to the terms of the Consulting Agreement, the Partnership may terminate the Consulting Agreement for cause, in which event Mr. Heinemann will not be entitled to receive any compensation or other benefits for any period after such termination and the Consulting Units would be pro-rated for the portion of the 365 days the Consulting Agreement was in effect. The Consulting Agreement may also be terminated by mutual agreement between the Partnership and Mr. Heinemann without cause. If the Partnership terminates the Consulting Agreement without cause, it will be required to pay Mr. Heinemann the Consulting Units as if he had completed the Consulting Term.

The foregoing summary of the Separation Agreement and the Consulting Agreement in this Current Report do not purport to be complete and are qualified in their entirety by reference to the full text of the forms of the agreements, which are filed as Exhibit 10.1 and Exhibit 10.2 hereto, and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1	<u>Form of Heinemann Separation Agreement</u>
10.2	<u>Form of Heinemann Consulting Agreement</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 27, 2018

SUNOCO LP

By: Sunoco GP LLC, its general partner

By: */s/ Arnold D. Dodderer*

Arnold D. Dodderer

General Counsel & Assistant Secretary

**SEPARATION AND RESTRICTED COVENANT AGREEMENT
AND FULL RELEASE OF CLAIMS**

This Separation and Restricted Covenant Agreement and Full Release of Claims (the "Agreement") is by and between Sunoco LP and its subsidiaries and affiliates ("SUN" or "Employer") and S. Blake Heinemann ("Employee").

WHEREAS, in connection with certain reorganization activities planned by SUN and the impact such reorganization activities would have on the Employee, the Employee has determined to retire from SUN and terminate his employment status as an officer, director and/or manager of the Partnership and its affiliates, all effective as of April 1, 2019; and

WHEREAS, in order to achieve a final and amicable resolution of the employment relationship in all its aspects, the Employer has agreed, in accordance with the terms and conditions of this Agreement as set forth below, to make a severance payment (the "Severance Payment") to the Employee pursuant to the Sunoco GP LLC Severance Plan, as may be amended or restated from time to time (the "SUN Severance Plan").

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. **Separation from Employment**. Employee has been informed that his employment with Employer shall terminate effective April 1, 2019 (the "Termination Date").
2. **Consideration for Signing**. As consideration for this Agreement the Employer agrees to the following:
 - (a) Employer agrees to pay Employee a Severance Payment under the SUN Severance Plan in the total gross amount of Two Hundred Ninety-Four Thousand Two Hundred One Dollars and Fifty-Eight Cents (\$294,201.58), less required governmental payroll deductions, which is an amount equal to 44 weeks of Employee's base pay at its current rate. This Severance Payment will be paid out in accordance with the Employer's then current payroll practices, currently bi-weekly payments on or before the second regularly scheduled pay day after the Effective Date as defined herein. Employee shall be entitled to receive the Severance Payment, provided that Employee executes this Agreement in a timely manner without revocation as provided for in this Agreement.
 - (b) As further consideration, commencing on May 1, 2019, Employer shall provide the Employee, at no cost to the Employee, eight (8) month(s) of continued health insurance coverage (beginning with the first day of the first month after the Termination Date) under the Employer's health insurance plan and the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), subject to the terms, conditions and limitations of that health insurance plan. Employee must (i) be enrolled in the Employer health insurance plan on the Termination Date to be eligible for continued

coverage; and (ii) make such elections and take such other actions as may be required by the health insurance plan and applicable law to receive continued coverage.

- (d) As consideration for Employee's agreement to be bound by the restrictive covenants found in Section 6 of this Agreement as well as the specific promises and covenants of Sections 5, 6 and 11, Employer agrees to the following:
- (i) As further consideration, Employer shall cause certain restricted common units (as described below), which were either awarded to the Employee under the terms of the Sunoco LP 2012 Long-Term Incentive Plan ("SUN Unit Plan") to be accelerated in their vesting. Employer shall cause 38,276 phantom restricted units awarded to the Employee under the SUN Unit Plan (the "Restrictive Covenant Units"). Employee understands that in connection with this Section 2(e), Employee will be responsible for any and all applicable government withholdings. Employer will settle any applicable governmental withholding through the sale and withholding of common units. Employee further understands and acknowledges that Employee would not be eligible for any other amounts or vestings under the SUN Unit Plan and/or another applicable long-term incentive plan, including the Sunoco LP 2018 Long-Term Incentive Plan as Employee's continued employment on the award vesting dates is required under the applicable Sunoco unit plans. In addition, Employee acknowledges and agrees that any unvested restricted units not otherwise accelerated in accordance with this Agreement or the Consulting Agreement shall become cancelled and null and void as of his Termination Date.

The consideration given to Employee hereunder is expressly and completely conditioned upon Employee's full compliance with the terms and conditions set forth herein, including Employee's agreement to waive any and all claims that the provisions of Section 6 are not fully enforceable as written, and Employee's agreement not to sue or otherwise pursue any legal claim contrary to the foregoing waiver. Notwithstanding anything herein to the contrary, and in addition to any and all other remedies and alternatives which may be available at law or in equity, in the event of a breach or threatened breach of the provisions of this Agreement by Employee, Employer may (in its sole discretion) cease without further obligation to Employee to make any of the remaining payments set forth in this Section.

3. **No Additional Benefits**. Employee agrees that this Agreement resolves any and all outstanding issues arising from Employee's employment and Employee acknowledges and agrees that Employee has received all compensation and benefits to which Employee would otherwise be entitled through the Termination Date and shall receive no other compensation or benefits from Employer other than those set forth above, including under the Energy Transfer/SXL Merger Severance Plan, the Energy Transfer Non-Midstream Severance Plan, the Energy Transfer Partners GP, L.P. Severance Plan, the Energy Transfer Partners, L.L.C. Annual Bonus Plan, the Sunoco GP LLC Annual Bonus Plan and/or the SUN Unit Plan or any other applicable unit plan of Sunoco. However, Employee shall retain any vested interest and vested

rights that Employee may otherwise have under any employee benefit plan sponsored by Employer (including any required COBRA continuation coverage under Section 4980B of the Internal Revenue Code of 1986, as amended), subject to the terms and conditions of such plan.

4. **Release of Claims.** Employee stipulates, agrees, and understands that for and in consideration of the mutual covenants set forth in this Agreement, specifically the payments and considerations set forth in Section 2 (a)-(d) above, the same being good and valuable consideration, Employee hereby acting of Employee's own free will, voluntarily and on behalf of him or herself, Employee's heirs, administrators, executors, successors and assigns, RELEASES, ACQUITS and forever DISCHARGES Employer and Employer's parent entities, specifically including Sunoco GP LLC and Energy Transfer Equity, L.P. and its and their respective past and present subsidiaries, affiliates (specifically including Stripes, LLC Energy Transfer Partners, LLC, and La Grange Acquisitions, LP), partners, directors, officers, owners, shareholders, unitholders, employees, predecessors, joint employers, successor employers, agents and benefit plans (including without limitation, plan sponsors, insurers, trustees, administrators, and fiduciaries), and each of them (collectively "Released Parties"), of and from any and all debts, obligations, claims, counterclaims, demands, judgments, and/or causes of action of any kind whatsoever (whether known or unknown, in tort, contract, at law or in equity, by statute or regulation, or on any basis), based on facts occurring at any time before, or at the time of, Employee's signing of this Agreement, for any damages or other remedies of any kind, including, without limitation, direct or indirect, consequential, compensatory, actual, punitive, or any other damages, attorneys' fees, expenses, reimbursements, costs of any kind or reinstatement. This release includes, but is not limited to, any and all rights or claims, demands, and/or causes of action arising out of Employee's employment or termination from employment with Employer, or relating to purported employment discrimination, retaliation or violations of civil rights, if any, including, but not limited to, claims arising under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Civil Rights Act of 1866 and/or 1871, the Age Discrimination in Employment Act ("ADEA"), the Older Workers Benefit Protection Act of 1990, the Americans With Disabilities Act of 1990, Executive Order 11246, the Equal Pay Act of 1963, the Rehabilitation Act of 1973, the Family and Medical Leave Act, the Sarbanes-Oxley Act of 2002, or any other applicable federal, state, or local statute or ordinance or any other claim, whether statutory or based on common law, arising by reason of Employee's employment with Employer or the termination of such employment or circumstances related thereto, or by reason of any other matter, cause, or thing whatsoever, from the first date of employment with Employer to the date and time of execution of this Agreement. Nothing in this Agreement (including Sections 8 Confidentiality of Agreement, 9 Negative Statements By Employee, or 11 Cooperation of this Agreement) is intended to limit in any way Employee's right or ability to file a charge with or participate in an investigation, hearing or proceeding conducted by the Equal Employment Opportunity Commission ("EEOC") or any other federal, state or local agency

charged with the enforcement of any laws. However, this Agreement does bar Employee's right to recover any personal or monetary relief arising out of any charge, lawsuit, or arbitration, brought by the Employee or anyone on his or her behalf, based on any claim(s) covered by the release in this Agreement.

Employee has a period of forty-five (45) days in which to consider this Agreement and its Exhibits. Employee may choose to sign this Agreement prior to the expiration of the forty-five (45) day period, but is not required to do so. Once Employee signs the Agreement, Employee shall have a period of seven (7) days from the date Employee signs the Agreement to revoke the Agreement. The Agreement shall not become effective or enforceable until the eighth day after Employee signs the Agreement (the "Effective Date"). To revoke this Agreement, Employee must provide written notice of revocation to Employer at, Attention: Christopher Curia, Executive Vice President and Chief Human Resources Officer, 8111 Westchester Drive, Suite 600, Dallas, Texas, 75225 prior to the expiration of the seven (7) day revocation period. No payments under this Agreement shall be due until the expiration of the seven (7) day revocation period. Employer hereby advises Employee to consult with an attorney concerning this Agreement prior to signing the Agreement.

5. **Confidential and Proprietary Information**. Employee acknowledges, agrees and stipulates that during his or her employment Employee had access to confidential and proprietary information relating to the business and affairs of Employer and its parent, subsidiary, and affiliated entities including, by way of example, (i) financial information, including budgets or projections, business plans, pricing policies or strategies, tariff information, business methods, or any other financial, marketing, pricing, or regulatory strategic information; (ii) information about existing or potential customers and their representatives, including customer identities, lists, preferences, customer services and all other customer information; (iii) information about pending or threatened legal or regulatory proceedings; (iv) information about employees and the terms and conditions of their employment; (v) computer techniques, programs and software; (vi) information about potential acquisitions or divestitures; and (vii) any other non-public information that cannot be obtained readily by the public and would be useful or helpful to competitors, customers or industry trade groups if disclosed (collectively, "Confidential Information"). Employee agrees that Employee shall not, at any time, directly or indirectly, for any reason whatsoever, with or without cause, unless pursuant to a lawful subpoena or court order, use, disseminate or disclose any of the Confidential Information to any person or entity. Employee further acknowledges that if Employee were to use or disclose, directly or indirectly, the Confidential Information, that such use and/or disclosure would cause Employer irreparable harm and injury for which no adequate remedy at law exists. Therefore, in the event of the breach or threatened breach of the provisions of this Agreement by Employee, Employer shall be entitled to obtain injunctive relief to enjoin such breach or threatened breach, in addition to all other remedies and alternatives which may be available at law or in equity. Employee acknowledges that the remedies contained in the Agreement for violation of this Agreement are not the exclusive remedies which Employer may pursue.

6. **Non-Compete and Non-Solicit.**

- (a) Employer and Employee acknowledge and agree that in performing the duties and responsibilities of his employment with the Employer, Employee has occupied a position of fiduciary trust and confidence, pursuant to which Employee has developed and acquired a wide experience and knowledge with respect to all aspects of the Business carried on by the Employer, and the manner in which such Business is conducted. It is the express intent and agreement of Employee and the Employer that such knowledge and experience shall not be used in any manner detrimental to the Employer's business by Employee.
- (b) Employer and Employee further acknowledge and agree that in performing the duties and responsibilities of employment, Employee became knowledgeable with respect to a wide variety of Confidential Information which is the exclusive property of the Employer, the disclosure of which may cause irreparable harm to the Employer. Employee therefore agrees following the termination of Employee's employment, Employee shall treat confidentially all Confidential Information belonging to the Employer.
- (c) For the period beginning on the Termination Date and continuing through and including December 31, 2020, Employee acknowledges and agrees that he shall not for any reason, either directly or indirectly (without the prior written consent of the Employer), anywhere the Employer's business operates at the time of the employment termination:
 - (i) hold a 5% or greater equity (including stock options whether or not exercisable), voting or profit participation interest in a Competitive Enterprise, or
 - (ii) associate (including as a director, officer, employee, partner, consultant, agent or advisor) with a Competitive Enterprise and in connection with the Employee's association engage, or directly or indirectly manage or supervise personnel engaged, in any activity that:
 - (1) is substantially related to any activity that the Employee was engaged in with the Employer during the twelve (12) months prior to the Effective Date of this Agreement;
 - (2) calls for the application of specialized knowledge or skills substantially related to those used by the Employee in his activities with the Employer or any of its affiliates; or
 - (3) is substantially related to any activity for which the Employee had direct or indirect managerial or supervisory responsibility with the Employer.
- (d) For the period beginning on the Effective Date and continuing until December 31, 2020, Employee acknowledges and agrees that he shall not for any reason, either directly or indirectly (without the prior written consent of the Employer) acting alone or in conjunction with others (i) solicit, induce, attempt to influence, any employee of the Employer to terminate employment; or (ii) participate in or be aware of prior to or in advance of

any hiring, employment or retaining in any capacity, at a business in which Employee becomes a director, officer or employee of or consultant to, (a) of any active employee of the Employer; or (b) of any employee who was actively employed by the Employer within the previous six (6) months of the date of this Agreement. This restriction will be inapplicable to (i) employees separated from employment with SUN in connection with the divestiture of company-owned retail store locations; or (ii) employees terminated by SUN in connection with any restructuring efforts related to the strategic shift from a retail business to a wholesale and distribution business.

- (e) Employee specifically recognizes and affirms that the provisions of Section 6 are material and essential terms of this Agreement. Employee further acknowledges and agrees that if the non-competition provision found in Section 6(c) or the non-solicit provision found in Section 6(d) is determined to be invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction in an action between Employee and Employer, then Employer shall be entitled to receive from Employee all Restrictive Covenant Units held by Employee. In the Event Employee has sold any or all of the Restrictive Covenant Units obtained under this Agreement, then Employer shall be entitled to receive from Employee a payment equal to the fair market value of the Restrictive Covenant Units on the date of sale, transfer or other disposition.
- (f) Employee acknowledges and agrees that the Employer will suffer irreparable harm if Employee breaches any of the obligations under this Section 6, and that monetary damages would be impossible to quantify and inadequate to compensate the Employer for such a breach. Accordingly, Employee agrees that in the event of a breach by Employee of any of the provisions of this Section 6, the Employer shall be entitled to seek, in addition to any other rights, remedies or damages available to the Employer at law or in equity, a temporary and permanent injunction, without having to prove damages, in order to prevent or restrain any such breach, by Employee, or by any or all of Employee's partners, employers, employees, servants, agents, representatives and any other Persons directly or indirectly acting for, or on behalf of, or in concert with, Employee, and that the Employer shall be entitled to seek all of its costs and expenses incurred in obtaining such relief including reasonable attorneys' and client legal costs and disbursements.
- (g) Employee hereby agrees that all restrictions contained in this Section 6 are reasonable, valid and necessary to protect the Employer's Confidential Information, goodwill and proprietary business interests. Employee further agrees never to file any lawsuit, claim or counterclaim challenging or otherwise seeking to modify or restrict the noncompetition provision set forth in Section 6(c) of this Agreement. Nevertheless, if any of the aforesaid restrictions is found by a court having jurisdiction to be unreasonable, over broad as to geographic area or time or otherwise unenforceable, the Parties intend for the restrictions therein set forth to be modified by such court so

as to be reasonable and enforceable and, as so modified by the court, to be fully enforced. If any covenant or provision of this Section 6 is determined to be void or unenforceable in whole or in part, for any reason, it shall be deemed not to affect or impair the validity of any other covenant or provision of this Agreement, which shall remain in full force and effect. The provisions of this Section 6 shall remain in full force and effect notwithstanding the termination of this Agreement for any reason.

- (h) For the purposes of this Section 6, "Competitive Enterprise" shall mean any business enterprise that either (A) engages in any material activity that directly competes within any material geographical location in which the Employer or any of its affiliates operates with any material activity that the Employer or any of its affiliates is then engaged in or (B) holds a 5% or greater equity, voting or profit participation interest in any enterprise that engages in such a competitive activity. For the avoidance of doubt, the term Competitive Enterprise shall expressly not include any retail or C-store businesses operated in the continental United States.

7. **Employer's Property**. Employee represents that Employee has returned to Employer all written and electronic records, communications, reports, and other materials and data, including any copies, and also all other tangible items, such as computer equipment, purchasing cards and telephone cards, that belong to Employer and are in Employer's possession or under Employee's control.
8. **Confidentiality of Agreement**. Employee agrees not to discuss, disclose or otherwise communicate any of the terms of this Agreement, including without limitation the amounts of the payments or other consideration provided, to anyone except to Employee's attorney, tax advisor and Employee's spouse, if any, or as required by law. Employee understands and agrees that, as a result of this binding promise of strict confidentiality, Employee may not hereafter discuss or otherwise communicate with, among other persons, any of Employer's current or former employees regarding the terms, including the payments or other consideration, included in this Agreement.
9. **Negative Statements By Employee**. To the extent permitted and consistent with law, Employee further agrees that Employee shall make no derogatory, disparaging, defamatory or otherwise negative statements, oral or written, concerning, Employer or any of Employer's parents, subsidiaries or affiliates or any officers, directors, or employees of any of those businesses or any of the services or products of any of those businesses. This paragraph is not intended to limit any rights that Employee has under any statute, regulation, or other law.
10. **Expense Reimbursement**. Employee agrees that any expense reimbursements for expenses incurred during Employee's employment with Employer must be submitted for reimbursement to Employer within six (6) months of the Termination Date. With regard to the required form for any reimbursement request and supporting documentation, Employer's normal policies and rules apply. Employer retains its normal right to reject or approve expense reimbursements subject to its normal policies. Any expense reimbursements submitted by Employee more than six (6) months following the Termination Date shall not be approved.

11. **Cooperation.** For a period of twenty-four (24) months following the Effective Date, Employee agrees to cooperate with Employer as reasonably requested by responding to questions, attending meetings, depositions, governmental proceedings and court hearings, and by cooperating with Employer and its accountants and legal counsel with respect to any investigations, claims or litigation or business, accounting, audit, legal or regulatory issues of which Employee has knowledge. Employer agrees to reimburse Employee for reasonable out-of-pocket expenses actually incurred for travel, meals and lodging, in accordance with Employer's then existing policies, for providing cooperation specifically requested by Employer.
12. **Non-Admission.** This Agreement, and the payment of money and other consideration provided by Employer under this Agreement, is not an admission or indication of any wrongdoing by Employer or Employee.
13. **Entire Agreement.** Employee agrees that this Agreement constitutes the complete agreement between the parties and that no other representations have been made by Employer and that the terms hereof may not be modified except by a written instrument signed by Employer and Employee.
14. **Severability.** In the event that any provision of this Agreement should be held to be void, voidable, or unenforceable, the remaining portions hereof shall remain in full force and effect.
15. **Interpretation Under State Law.** This Agreement shall be construed under the laws of the State of Texas without regard to any conflict of laws provisions thereunder.
16. **Headings.** The headings used in this Agreement are inserted solely for convenience and shall not be used to interpret the meaning of this document.
17. **Knowing and Voluntary.** By signing below, Employee knowingly and voluntarily accepts this Agreement and does so of Employee's own free will.
18. **Section 409A.** Notwithstanding anything in this Agreement to the contrary, the parties intend that this Agreement shall comply with Section 409A of the Internal Revenue Code of 1986, as amended, to the extent applicable, and this Agreement shall be interpreted in a manner consistent with such intent. Notwithstanding anything to the contrary, to the extent that any benefit under this Agreement is determined to be subject to Section 409A of the Code, in no event shall the Employer or any of its affiliates, or any director, officer, employee, delegate, agent or representative thereof, be responsible for any tax, penalty or other liability arising from a violation of Section 409A.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date set forth below.

SUNOCO LP

By: SUNOCO GP LLC, its general partner

Christopher Curia, EVP & CHRO

Dated: _____

EMPLOYEE

S. Blake Heinemann

Dated: _____

Please return executed originals of this Agreement by regular mail to Christopher Curia, Executive Vice President and Chief Human Resources Officer, 8111 Westchester Drive, Suite 600, Dallas, Texas, 75225

EXECUTION VERSION

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this “Agreement”) is effective the 2nd day of April, 2019 (the “Effective Date”), by and between Sunoco LP (the “Partnership”), and S. Blake Heinemann (“Consultant”). Partnership and Consultant may be referred to individually as a “Party” or collectively as the “Parties”.

WITNESSETH:

WHEREAS , the Consultant has determined to retire from the Partnership as its Senior Vice President and Chief Sales Officer as of April 1, 2019;

WHEREAS , the Parties hereto desire that Consultant be retained by the Partnership and serve as a consultant after his employment has ended;

WHEREAS , the Consultant will provide consulting services with respect to, among other things, the Partnership’s dealer operations functions and other related business development opportunities and other matters related to his significant fuel supply industry expertise; and

WHEREAS , the Parties have determined that it would be in the best interests of the Partnership that the Partnership be assured of the services of Consultant.

NOW, THEREFORE , in consideration of the premises and of the mutual promises and covenants set forth herein, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

I. Term of Consultant; Termination . The Partnership hereby engages Consultant, and Consultant hereby accepts engagement, as a consultant on the terms and subject to the conditions of this Agreement. The term of this Agreement shall commence on the Effective Date and shall continue until March 31, 2020 (the “Term”). The Agreement may be terminated (i) by the Partnership upon thirty (30) days written notice to the other Consultant; (ii) by mutual written agreement of the Parties; and (iii) immediately by either Party for cause. The Agreement may be immediately terminated for cause if:

- (a). Either Party breaches any material provision of this Agreement;
- (b). Consultant’s services and execution of duties hereunder are deemed in the sole and reasonable opinion of the Partnership to be deficient or lacking as compared to the standard provided hereunder;
- (c). Consultant is in breach of the covenants and restrictions of his Separation Agreement (as that term is defined below);

(d). Consultant makes any intentional misrepresentation concerning (i) himself; (ii) his services/duties hereunder; or (iii) the Partnership or any of its respective affiliates, parents, subsidiaries, directors, officers or employees; or

(e). Consultant violates any applicable laws, rules or regulations while performing his services/duties under this Agreement.

In the event of a mutual termination or a termination for cause by the Partnership prior to the end of the Term of this Agreement, Consultant would be compensated through the effective date of termination (i.e. all amounts described in Section 2(a) would be prorated for the portion of the 365 days the Agreement was in effect) under this section and not for the full Term. However, if Partnership were to terminate without cause upon thirty (30) days notice or if such termination was the result of the Consultant's death or disability (as reasonably determined by the Partnership), the Partnership would compensate the Consultant as if he has fulfilled the entire Term.

II. Payment for Execution of Services/Duties

(a). **Compensation**. As compensation for the services/duties to be rendered by Consultant hereunder, the Partnership agrees to pay Consultant as follows:

- The continuing vesting eligibility and non-cancellation of 10,000 unvested Phantom Restricted Units ("RSUs") under the Sunoco LP 2012 Long-Term Incentive Plan and vesting of such RSUs as follows, if Consultant satisfies the terms and conditions of the Agreement:

10,000 RSUs accelerated in their vesting as of March 31, 2020

- The right to receive tandem distribution equivalent rights ("DERs") on the unvested RSUs so long as the Agreement is in effect, which rights entitle the Consultant to receive an amount equal to the distributions per common unit made by the Partnership on its outstanding units. Such DERs (on the then unvested RSUs) would be received by the Consultant in May, August and November of 2019 via payroll and in February of 2020 via accounts payable for which Consultant will receive a Form 1099, provided the Agreement is in effect and Consultant is not in breach of the Agreement; and

(b). **Reimbursement of Expenses**. The Partnership shall reimburse Consultant for reasonable and appropriate out-of-pocket expenses advanced or expended by Consultant or incurred by him for or on behalf of the Partnership in connection with his services/duties hereunder in accordance with the then-current policies of the Partnership upon presentation of appropriate documentation or receipts as the Partnership may from time to time require.

III. Services/Duties. Consultant shall report to the Partnership's President and Chief Executive Officer. Consultant shall have such duties and obligations as may be reasonably requested by the

above referenced officer of the Partnership from time to time. Consultant agrees to perform his duties and responsibilities in a diligent, careful, prompt and proper manner and to be available to devote the necessary business time and efforts to the interests of the Partnership as necessary to carry out the duties and obligations reasonably requested hereunder. Consultant shall diligently and conscientiously devote his time and effort consistent with the terms of this Agreement, applicable law, and the general performance guidelines established by the Partnership. Consultant is not party to any other agreement, or under any other duty, which will interfere or conflict with his full compliance with this Agreement. Consultant will not enter into any agreement or undertake any other duty, whether written or oral, in conflict with the provisions of this Agreement.

Additionally, Consultant agrees and acknowledges that he shall be expressly subject to the restrictive covenants and other restrictions, including those in Section 5,6 and 11, provided for under his Separation and Restrictive Covenant Agreement and Full Release of Claims, dated as of even date herewith, by and between Consultant and the Partnership (the "Separation Agreement") and nothing herein is intended to in any way modify, enhance or reduce the scope or duration of such restrictive covenants or Partnership's obligation to Consultant. In the performance of his duties, Consultant shall comply with the policies of the Partnership, as in effect from time to time. Partnership will make Consultant aware of all policies it intends Consultant to comply with. To the extent the Partnership requests for Consultant's services conflict with other personal or professional obligations of Consultant, the Partnership agrees to make reasonable efforts to schedule around such obligations.

IV. Obligations Regarding Confidential Information. As provided for above, Consultant, expressly acknowledges the covenants in his Separation Agreement, including under Section 5. Consultant further agrees Partnership will continue to give Consultant access to and provide Consultant with Confidential Information of the Partnership and its respective affiliates and subsidiaries. The term "Confidential Information" means Information that is or has been disclosed to Consultant or of which Consultant became aware or to which Consultant had access as a consequence of or through his employment with or his services to the Partnership hereunder. The term "Information" means trade secret information, proprietary information, and confidential information of the Partnership or its respective affiliates, parents and subsidiaries relating to its and their business, customers, and methods of doing business, regardless of the form or format of the information, and includes, but is not limited to, material information that is not generally known by the public about their employees, accounts, customers, billing methods, business methods, operations, finances or financial condition, marketing strategies, budgets, business plans, proposed ventures or transactions. The term "Information" does not include any information that has been voluntarily disclosed to the public as authorized by the Partnership or that otherwise enters the public domain through lawful means. Consultant acknowledges and agrees that such Confidential Information has been developed at great expense and is of great value and that maintaining the confidentiality of all such Confidential Information is critically important to the Partnership. Consultant further acknowledges and agrees that the Information is continually evolving and changing and that some or all such Information will be needed by Consultant and provided by the Partnership for the first time in the course of Consultant's consulting relationship with the Partnership. Therefore, Consultant agrees as follows:

Consultant agrees to keep confidential any and all Confidential Information. Consultant agrees that he will not, at any time, both during and after the term of his consulting relationship, communicate or disclose to any person or entity (other than the Partnership), or use for his own benefit or the benefit of any person or entity other than the Partnership, any Confidential Information acquired by Consultant. Consultant agrees that he will not remove from the Partnership's premises, reproduce or otherwise copy, or summarize any Confidential Information except as required in order for Consultant to perform his job duties.

V. INDEPENDENT CONTRACTOR STATUS

(a). **Independent Contractor Status and Purpose**. Consultant shall perform his services/duties hereunder as an independent contractor and not as an agent, employee or joint venture of the Partnership. Consultant shall not have the authority to bind Partnership in any way.

(b). **No Right to Control**. Partnership has no right to control the work of Consultant. Partnership shall not supervise or prescribe the day-to-day activities of Consultant. Consultant shall be free to exercise his own judgment as to the time, routine, place, schedule, priorities, method and manner of performing the services under this Agreement, except where duties/services hereunder require specific times and dates. Consultant shall select his own hours and work days and is under no obligation to account to Partnership for his time. Consultant may use any legal and reasonable means in his discretion to achieve the above objectives, consistent with the terms of this Agreement.

(c). **Provision of Facilities and Equipment**. The Partnership shall provide Consultant with (i) an office suite at the Partnership's location; (ii) any necessary equipment (including computers and printers and fax machines), office supplies, materials; and (iii) appropriate assistance from other persons, including administrative assistance needed for the performance of his services under this Agreement. Consultant may, at his option, vacate the Partnership's offices at any time during the term of this Agreement. If Consultant vacates the Partnership's offices prior to the end of this Agreement, the Partnership shall not have any obligation to provide payment for Consultant's offices from the date on which Consultant vacates the Partnership's offices for the remainder of the term of the Agreement.

VI. CONSULTANT OBLIGATIONS

(a). **Indemnification**. Each Party shall indemnify, defend and hold harmless the other Party (in the case of the Partnership, including, its affiliates, its subsidiaries sub, its employees and directors) from any and all claims, causes of action, losses, costs, injuries or deaths, liabilities, damages and any and all other expenses, including without limitation, reasonable attorney's fees, incurred by or arising from the gross negligence, wilful misconduct or violations of law on the Party of or by any Party in their performance of under this Agreement or resulting from breach of this Agreement by any Party. The indemnification obligation shall continue through the Term of this Agreement, and shall continue subsequent to the termination of this Agreement for actions arising from events occurring during the Term of this Agreement.

(b). **Taxes**. For any payments received by Consultant under this Agreement, Consultant acknowledges that he is responsible for all applicable city, state, federal and other taxes as required

pursuant to any law or governmental regulation or ruling. Consultant acknowledges that Partnership is not withholding any taxes from the payments made to Consultant under this Agreement. Partnership shall report all compensation paid to Consultant hereunder on an IRS Form 1099.

VII. MISCELLANEOUS

(a). Applicable Law, Jurisdiction and Mandatory Forum. This Agreement is entered into under, and shall be governed for all purposes by, the laws of the State of Texas without regard for any conflicts of laws provisions thereunder. Subject to the terms of this section VII, any suit by either Party to enforce any right hereunder or to obtain a declaration of any right or obligation hereunder must be brought in any state or federal court of competent jurisdiction in Dallas County, Texas. Consultant hereby expressly consents to the jurisdiction of the foregoing courts for such purposes.

(b). Successors/Assignment. Consultant acknowledges and agrees that this Agreement shall be binding upon and inure to the benefit of Partnership, its affiliates and subsidiaries or entity which may hereafter acquire or succeed Partnership to all or substantially by any means whether direct or indirect, by purchase, merger, consolidation, or otherwise.

(c). Notices. For purposes of this Agreement, notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by any means which provides a receipt upon delivery and addressed as follows:

If to the Partnership:

Mr. Christopher R. Curia
Executive Vice President & CHRO
Sunoco LP8111 Westchester Drive, Suite 600,
Dallas, Texas, 75225

With a copy to:

Mr. Robert M. Kerrigan, III
Senior Vice President, HR & Administration
Sunoco LP1300 Main Street
Houston, TX 77002

If to Consultant:

Mr. S. Blake Heinemann
2051 Bluestem Dr.
Conroe, TX 77384

or to such other address as either Party may furnish to the other in writing in accordance herewith, except that notices of changes of address shall be effective only upon receipt.

(d). **No Waiver**. No failure by either Party hereto at any time to give notice of any breach by the other Party of, or to require compliance with, any condition or provision of this Agreement shall (i) be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time, or (ii) preclude insistence upon strict compliance in the future.

(e). **Severability**. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

(f). **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

(g). **Headings**. The section headings have been inserted for purposes of convenience and shall not be used for interpretive purposes.

(h). **Affiliate**. As used in this Agreement, “affiliate” shall mean any person or entity which directly or indirectly through one or more intermediaries owns or controls, is owned or controlled by, or is under common ownership or control with Partnership.

(i). **Termination**. Except as otherwise provided in this Agreement, termination of this Agreement pursuant to the provisions of Section I hereof shall not affect any right or obligation of either party hereto which is accrued or vested (i) under the Separation Agreement; or (ii) prior to or upon such termination or the rights and obligations set forth in Sections IV and VI hereof.

(j). **Entire Agreement**. This Agreement constitutes the entire agreement of the parties with regard to the provision of duties/services of the Consultant hereunder, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the engagement of Consultant for purposes of this Agreement. Each Party to this Agreement acknowledges that no representation, inducement, promise or agreement, oral or written, has been made by either Party, or by anyone acting on behalf of either Party, which is not embodied herein, and that no agreement, statement, or promise relating to the engagement of Consultant by Partnership, which is not contained in this Agreement, shall be valid or binding, except as provided for under the Separation Agreement. Any modification of this Agreement will be effective only if it is in writing and signed by the Party to be charged.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the Effective Date.

SUNOCO LP

By: SUNOCO GP LLC, its general partner

By: _____
Christopher R. Curia
Executive Vice President & CHRO

CONSULTANT:

By: _____
S. Blake Heinemann