

SPRAGUE RESOURCES LP

**SPRAGUE RESOURCES GP LLC
CORPORATE GOVERNANCE GUIDELINES
(Adopted as of October 14, 2013)**

The Board of Directors (the “**Board**”) of Sprague Resources GP LLC (the “**Company**”), acting in its capacity as the general partner of Sprague Resources LP (the “**Partnership**” and, together with its subsidiaries and the Company, the “**Partnership Group**”), has adopted the following Corporate Governance Guidelines (these “**Guidelines**”) to emphasize the Board’s strong commitment to good governance practices.

Because the Partnership is a master limited partnership, it is governed by a limited partnership agreement under Delaware state law. The Amended and Restated Agreement of Limited Partnership of the Partnership (as may be amended from time to time, the “**Partnership Agreement**”), to which all limited partners (“**unitholders**”) are parties, sets forth the rights of the unitholders. By contract, the unitholders do not participate in the management of the Partnership, nor in the selection or election of any board of directors of the Partnership. The basic charter document for the Company is its Amended and Restated Limited Liability Company Agreement (as may be amended from time to time, the “**LLC Agreement**”). The members of the Company have delegated to the Board all of the Company’s power and authority to manage and control the business and affairs of the Partnership. Pursuant to these agreements, the corporate governance of the Company is, in effect, the corporate governance of the Partnership.

The New York Stock Exchange (the “**NYSE**”) has recognized the distinctive characteristics of limited partnerships in the application of its listing standards regarding corporate governance. For example, the Partnership is excluded from the requirements of the NYSE Listed Company Manual (the “**NYSE Manual**”) that there be a majority of independent directors on the Board and that the Board have nominating/corporate governance and compensation committees.

In light of the foregoing, the Board has adopted these Guidelines, which, along with the Partnership Agreement, the LLC Agreement, the charters of the Board’s committees and other written governance policies of the Partnership Group, are designed to provide a framework for the functioning of the Board and its committees.

I. The Board of Directors

A. Size of Board

The number of directors that constitutes the Board shall be fixed from time to time pursuant to the LLC Agreement. The Board is responsible for reviewing, on an annual basis, the advisability or need for any changes in the number and composition of the Board.

B. Qualification Standards

It is the Board's intention that, subject to the phase-in provisions of the NYSE Manual for newly public companies, at least three of the directors will be "independent" as defined in the NYSE Manual. Each year, the Board will review the relationships between the Partnership and each director and will then determine which directors satisfy the applicable independence standards.

The Board is responsible for identifying individuals qualified to become directors. Nominees for directorship will be selected by the Board. In the event that a vacancy on the Board arises, the Board shall seek and identify qualified director candidates, considering such factors that it deems relevant in identifying and recommending candidates, which may include:

- relevant skills and experience;
- independence under applicable standards;
- business judgment;
- service on boards of directors of other companies;
- personal and professional integrity, including commitment to the Partnership's core values;
- openness and ability to work as part of a team;
- willingness to commit the required time to serve as a director; and
- familiarity with the Partnership and its industry.

C. Director Responsibilities

The basic responsibility of each director is to exercise his or her business judgment to act in what he or she reasonably believes to be in the best interests of the Partnership and its unitholders. In discharging this obligation, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and the outside advisors and auditors for the Partnership Group.

Directors should attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting. Attendance at Board and committee meetings may be considered by the Board in assessing each director's performance.

D. Chairman of the Board

The Board has no policy with respect to the separation of the offices of Chairman and Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that a determination regarding this issue should be made each time the Board elects a new Chief Executive Officer or at such other times as when consideration of the matter is warranted under the circumstances.

E. Meetings of the Board

The Chairman of the Board will establish the agenda for each Board meeting. At the beginning of the year, the Chairman of the Board will establish a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen). Each director may suggest the inclusion of items on the agenda or raise at any Board meeting subjects that are not on the agenda for that meeting.

F. Meetings of Non-Management Directors

The non-management directors will have regularly scheduled meetings in executive session that may be held immediately following each regularly scheduled Board meeting. In the event that the non-management directors include directors who are not independent under the listing requirements of the NYSE, then at least once a year, there should be an executive session including only independent directors. The director who presides at these meetings (the “***Lead Director***”) will be chosen by the Board at the annual meeting of directors and will serve until the next annual meeting of directors. The Lead Director is responsible for preparing an agenda for the meetings of the independent directors in executive session. The name of the Lead Director will be disclosed in the Partnership’s Annual Report on Form 10-K.

G. Board Interaction with External Constituencies

The Board believes that the management speaks for the Partnership Group. As such, individual directors will not meet or otherwise directly communicate with unitholders, research analysts, vendors, the press or other external constituencies on behalf of the Partnership Group unless the communication is (1) requested by the Chairman of the Board, the Chief Executive Officer or the full Board or (2) required to discharge his or her duties as set forth in committee charters.

H. Director Compensation

The Board will conduct a periodic review of director compensation. The Board will consider that a director’s independence may be jeopardized if (1) director compensation and perquisites exceed customary levels, (2) the Partnership Group makes substantial charitable contributions to organizations with which a director is affiliated or (3) the Partnership Group enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

I. Annual Performance Evaluation of the Board

The Board will conduct its annual performance review. As part of this process, the Board or a committee thereof will receive comments from the directors and report to the full Board with an assessment of the Board's performance.

J. Director Orientation and Continuing Education

The Board is responsible for developing and evaluating orientation and continuing education programs for directors and making appropriate changes to such programs. The Board will take such measures as it deems appropriate to ensure that its members may act on a fully informed basis, including making available to members of the Board the opportunity to, from time to time, attend continuing educational courses on the duties, responsibilities and liabilities of serving on the board of a public company. Each new director will be provided with information regarding, and the opportunity to fully review, the Partnership Group's business, personnel and operations in conjunction with accepting a seat on the Board. In addition, the officers of the Company, as well as the Board, shall take steps to ensure that each director remains fully informed as to the operations of the Partnership Group and receives other information needed to fulfill his or her duties and responsibilities as a member of the Board. Additional steps with respect to director orientation and continuing education shall be taken as necessary to comply with securities laws and the listing requirements of the NYSE.

K. Unitholder Communications with Directors

The Board welcomes communications from the Partnership's unitholders and other interested parties. Unitholders and any other interested parties may send communications to the Board, any committee of the Board, the Chairman of the Board or any director in particular to:

Sprague Resources GP LLC
185 International Drive
Portsmouth, NH 03801

Unitholders and any other interested parties should mark the envelope containing each communication as "Unitholder Communication with Directors" and clearly identify the intended recipient(s) of the communication. The Company's General Counsel will review each communication received from unitholders and other interested parties and will forward the communication, as expeditiously as reasonably practicable, to the addressees if: (1) the communication complies with the requirements of any applicable policy adopted by the Board relating to the subject matter of the communication; and (2) the communication falls within the scope of matters generally considered by the Board. To the extent the subject matter of a communication relates to matters that have been delegated by the Board to a committee or to an executive officer of the Company, then the Company's General Counsel may forward the communication to the executive officer or chairman of the committee to which the matter has been delegated. The acceptance and forwarding of communications to the members of the Board or an

executive officer does not imply or create any fiduciary duty of the Board members or executive officer to the person submitting the communications.

II. Committees of the Board of Directors

A. *Committees*

The Board will have at all times an Audit Committee and a Conflicts Committee. However, the Board may, from time to time, establish and maintain additional committees as necessary or appropriate. Committee members will be appointed by the Board, with consideration given to the desires of individual directors.

The members of the Audit Committee and Conflicts Committee must satisfy the independence and experience requirements detailed in their respective committee charters, the LLC Agreement or the Partnership Agreement. The Board will determine whether or not each director satisfies the standards applicable to the committees on which such director is serving or may serve.

B. *Committee Charters*

The Audit Committee will have its own charter setting forth the authority and responsibilities of the committee as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. Other committees established by the Board may also have committee charters setting forth similar provisions. The charters will provide that each committee will evaluate its performance.

C. *Committee Meetings*

The Chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. Committee members may suggest the inclusion of items on the agenda. Committee members may raise at any committee meeting subjects that are not on the agenda for that meeting.

D. *Annual Performance Evaluation of the Committees*

The Board will conduct the annual performance review of the Board's committees. As part of this process, the Chairman of each committee will report to the full Board about the committee's annual evaluation of its performance and evaluation of its charter.

III. Director Access to Independent Advisors and Management

The Board and each committee has the power to hire independent legal, financial or other experts and advisors as it may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

Directors have full and free access to officers and employees of the Company and its affiliates providing services to the Partnership Group. Any meetings or contacts that a director wishes to initiate may be arranged through the Company's Chief Executive Officer or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Partnership.

The Board welcomes regular attendance at each Board meeting of the Company's executive officers.

IV. Management Evaluation and Succession Planning

The Board will conduct the annual performance review of the Company's management, including its Chief Executive Officer.

The Board will meet periodically on succession planning. The Company's Chief Executive Officer should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

V. Compensation of Executive Officers

The Board shall annually review and approve corporate goals and objectives relevant to the compensation of the Company's executive officers, evaluate the performance of Company's executive officers in light of those goals and objectives, and approve the Company's executive officers' compensation level based on this evaluation.

VI. Review of Governance Policies

In light of the self-evaluation of the Board as well as regulatory developments, the Board will periodically review and reassess the adequacy of these Guidelines and recommend any proposed changes to the Board for approval. In addition, the Board will consider any other corporate governance issues that arise from time to time and will take such actions as appropriate to address these issues. The Board's governance review will include management's monitoring of the Partnership Group's compliance programs and Corporate Code of Business Conduct and Ethics, including a report of violations and waivers of the Corporate Code of Business Conduct and Ethics.

VII. Posting Requirement

The Partnership shall cause these Guidelines, the charters of each Board committee and the Corporate Code of Business Conduct and Ethics to be posted on its website as required by applicable rules and regulations. In addition, the Partnership shall disclose in its Annual Report on Form 10-K that a copy of each document is available on its website and provide the website address.