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Summit Midstream Partners, LP
Form 8-K
February 21, 2017

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 17, 2017 (February 14, 2017)

Summit Midstream Partners, LP
(Exact name of registrant as specified in its charter)

| | | |
|---|-----------------------------|--------------------------------------|
| Delaware | 001-35666 | 45-5200503 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

1790 Hughes Landing Blvd
Suite 500
The Woodlands, TX 77380
(Address of principal executive offices) (Zip Code)

Registrants' telephone number, including area code: (832) 413-4770

Not applicable
(Former name or former address, if changed since last report)

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

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

Item 1.01 Entry into a Material Definitive Agreement.

Indenture

On February 8, 2017, Summit Midstream Holdings, LLC (“Summit Holdings”), Summit Midstream Finance Corp. (“Finance Corp.” and, together with Summit Holdings, the “Issuers”), Summit Midstream GP, LLC (the “General Partner”), and Summit Midstream Partners, LP (“SMLP”) and certain subsidiary guarantors (collectively, the “Subsidiary Guarantors” and, together with SMLP, the “Guarantors”) entered into an underwriting agreement (the “Underwriting Agreement”) with Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of the several underwriters named therein (collectively, the “Underwriters”), to sell \$500.0 million aggregate principal amount of the Issuers’ 5.75% Senior Notes due 2025 (the “Notes”). The offering of the Notes (the “Offering”) was registered with the Securities and Exchange Commission (the “Commission”) pursuant to a Registration Statement on Form S-3 (File No. 333-197311), filed by SMLP and the Issuers on July 8, 2014 and as amended on February 8, 2017 (the “Registration Statement”), as supplemented by a prospectus supplement, dated February 8, 2017 (the “Prospectus Supplement”), filed by SMLP and the Issuers with the Commission on February 10, 2017 pursuant to Rule 424(b)(5) under the Securities Act of 1933, as amended.

The Issuers issued the Notes pursuant to an indenture, dated as of July 15, 2014 (the “Base Indenture”), by and among the Issuers and U.S. Bank National Association, as trustee (the “Trustee”), as amended and supplemented by the Second Supplemental Indenture, dated as of February 15, 2017 (the “Second Supplemental Indenture”), by and among the Issuers, the Guarantors and the Trustee, setting forth the specific terms applicable to the Notes. The Base Indenture, as amended and supplemented by the Second Supplemental Indenture, is referred to herein as the “Indenture.” The Notes will mature on April 15, 2025. Interest on the Notes is payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2017. The Notes will be fully and unconditionally guaranteed on a joint and several basis by SMLP and certain existing and future subsidiaries of SMLP as outlined in the Second Supplemental Indenture.

At any time prior to April 15, 2020, the Issuers may on any one or more occasions redeem up to 35% of the aggregate principal amount of the Notes issued under the Indenture at a redemption price of 105.750% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but not including, the redemption date, with the net cash proceeds of certain equity offerings. On and after April 15, 2020, the Issuers may redeem all or a part of the Notes at redemption prices (expressed as percentages of principal amount) equal to (i) 104.313% for the twelve-month period beginning on April 15, 2020; (ii) 102.875% for the twelve-month period beginning on April 15, 2021; (iii) 101.438% for the twelve month-period beginning on April 15, 2022; and (iv) 100.000% for the twelve-month period beginning on April 15, 2023 and at any time thereafter, plus accrued and unpaid interest.

The Indenture restricts SMLP’s and the Issuers’ ability and the ability of certain of their subsidiaries to: (i) incur additional debt or issue preferred stock; (ii) make distributions, repurchase equity or redeem subordinated debt; (iii) make payments on subordinated indebtedness; (iv) create liens or other encumbrances; (v) make investments, loans or other guarantees; (vi) sell or otherwise dispose of a portion of their assets; (vii) engage in transactions with affiliates; and (viii) make acquisitions or merge or consolidate with another entity. These covenants are subject both to a number of important exceptions and qualifications. At any time when the Notes are rated investment grade by Moody’s Investors Service, Inc. and Standard & Poor’s Ratings Services and no Default or Event of Default (each as defined in the Indenture) has occurred and is continuing, many of these covenants will terminate.

The Indenture provides that each of the following is an Event of Default: (i) default for 30 days in the payment when due of interest on the Notes; (ii) default in payment when due of the principal of, or premium, if any, on the Notes; (iii) failure by the Issuers or SMLP to comply with certain covenants relating to merger, consolidation, sale of assets, change of control or asset sales; (iv) failure by SMLP for 180 days after notice to comply with certain covenants relating to the filing of annual, quarterly and current reports with the Commission; (v) failure by the Issuers or SMLP for 30 days after notice to comply with any of the other agreements in the Indenture; (vi) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by SMLP or any of its restricted subsidiaries (or the payment of which is guaranteed by SMLP or any of its restricted subsidiaries) if that default: (a) is caused by a failure to pay principal of, or interest or premium, if any, on such indebtedness prior to the expiration of the grace period provided in such

indebtedness (a “Payment Default”); or (b) results in the acceleration of such indebtedness prior to its stated maturity, and, in each case, the principal amount of any such indebtedness, together with the principal amount of any other such indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates \$75.0 million or more; (vii) failure by SMLP or any of its restricted subsidiaries to pay final judgments aggregating in excess of \$75.0 million, which judgments are not paid, discharged or stayed for a period of 60 days; (viii) except as permitted by the Indenture, any guarantee shall be held in any judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect or any Guarantor, or any person

acting on behalf of any Guarantor, shall deny or disaffirm its obligations under its guarantee of the Notes; and (ix) certain events of bankruptcy, insolvency or reorganization described in the Indenture with respect to the Issuers, SMLP or any of SMLP's restricted subsidiaries that is a significant subsidiary or any group of SMLP's restricted subsidiaries that, taken as a whole, would constitute a significant subsidiary of SMLP.

In the case of an Event of Default arising from certain events of bankruptcy, insolvency or reorganization with respect to either Issuer, SMLP, any of SMLP's restricted subsidiaries that is a significant subsidiary or any group of SMLP's restricted subsidiaries that, taken as a whole, would constitute a significant subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately.

The foregoing description of the Indenture does not purport to be complete and is qualified in its entirety by reference to the Base Indenture and Second Supplemental Indenture, copies of which are filed as Exhibits 4.1 and 4.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

Relationships

Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, investment banking and commercial banking services for the Partnership Parties and their respective affiliates, for which they have received or will receive customary fees and expense reimbursements. In particular, certain of the Underwriters and their affiliates are lenders under Summit Holdings' revolving credit facility and, therefore, received a portion of the net proceeds from the Offering. Certain of the underwriters or their affiliates may own, or manage accounts that own, our 7.50% Senior Notes due 2021 (the "2021 Notes"), and, as a result, certain of the Underwriters or their affiliates may receive a portion of the proceeds from the Offering a result of the previously announced Tender Offer (defined below).

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 of this Current Report on Form 8-K under the sub-heading "Indenture" is incorporated into this Item 2.03 by reference.

Item 8.01 Other Events.

On February 14, 2017, SMLP issued a press release announcing the expiration of its cash tender offer (the "Tender Offer") to purchase any and all of the outstanding aggregate principal amount of the 2021 Notes issued by the Issuers pursuant to the Indenture, dated as of June 17, 2013.

At the time of expiration of the Tender Offer, \$276,774,000 aggregate principal amount of the 2021 Notes (approximately 92.26%) was validly tendered, which excluded \$105,000 aggregate principal amount of the 2021 Notes that were subject to guaranteed delivery procedures. The Issuers accepted for payment all such 2021 Notes validly tendered and not validly withdrawn in the Tender Offer and made payment for such 2021 Notes on February 15, 2017 and February 17, 2017. Any 2021 Notes that remain outstanding following the guaranteed delivery settlement date on February 16, 2017, will be redeemed on March 18, 2017, with payment made on March 20, 2017, pursuant to the notice of redemption issued on February 16, 2017.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit Number | Description |
|----------------|--|
| 4.1 | Base Indenture, dated as of July 15, 2014, by and among Summit Midstream Holdings, LLC, Summit Midstream Finance Corp. and U.S. Bank National Association (Incorporated herein by reference to Exhibit 4.1 to SMLP's Current Report on Form 8-K dated July 15, 2014 (Commission File No. 001-35666)) |
| 4.2 | Second Supplemental Indenture, dated as of February 15, 2017, by and among Summit Midstream Holdings, LLC, Summit Midstream Finance Corp., the Guarantors party thereto and U.S. Bank National Association (including form of the 5.75% senior notes due 2025) |
| 5.1 | Opinion of Latham & Watkins LLP |
| 23.1 | Consent of Latham & Watkins LLP (included in Exhibit 5.1) |

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.

Summit Midstream
Partners, LP
(Registrant)

By: Summit
Midstream
GP, LLC
(its general
partner)

Date: February 17, 2017 /s/ Matthew S.
Harrison
Matthew S. Harrison,
Executive Vice
President and Chief
Financial Officer

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