

SERVICE CORPORATION INTERNATIONAL
Form 8-K
July 01, 2013

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): July 1, 2013

Service Corporation International
(Exact name of Registrant as specified in its charter)

Texas
(State or other jurisdiction
of incorporation)

1-6402-1
(Commission File Number)

74-1488375
(I.R.S. Employer Identification
Number)

1929 Allen Parkway
Houston, Texas
(Address of principal executive offices)

77019
(Zip code)

(713) 522-5141
(Registrant's telephone number, including area code)

N.A.
(Former name or former address, if changes 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 (see General Instruction A.2. below):

- 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))

o 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.

On July 1, 2013, Service Corporation International (the “Company”), a Texas corporation, issued \$425 million aggregate principal amount of its 5.375% Senior Notes due 2022 (the “Notes”) pursuant to the indenture dated as of February 1, 1993 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York, as trustee, as supplemented by the Eleventh Supplemental Indenture dated as of July 1, 2013 (attached as Exhibit 4.1 and incorporated by reference). The aggregate proceeds from the sale of the Notes, net of initial purchasers’ discounts and offering expenses, will be used, together with borrowings under the Company’s senior credit facilities and cash on hand, to finance the Company’s previously announced acquisition (the “Acquisition”) of Stewart Enterprises, Inc. (“Stewart”), including the repayment of certain existing indebtedness of Stewart and the payment of transaction costs.

The initial purchasers of the Notes will resell the Notes in private transactions only to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”) and outside the United States only to non-U.S. investors pursuant to Regulation S. The Notes have not been registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent an effective registration statement or an applicable exemption from the registration requirements under the Securities Act or a transaction not subject to the registration requirements of the Securities Act or any state securities laws.

The net proceeds of the sale of the Notes will be held in an escrow account pending the consummation of the Acquisition and related transactions. The Acquisition is expected to close in late 2013 or early 2014, subject to regulatory approvals and customary closing conditions. All outstanding Notes are subject to a special mandatory redemption in the event that the Acquisition and related transactions are not consummated on or prior to February 28, 2014 or earlier if the merger agreement is terminated. The outstanding Notes may also be redeemed at the Company’s option, in whole, but not in part, at any time prior to February 28, 2014, if, in the Company’s sole judgment, the Acquisition and related transactions will not be consummated by that date. The redemption price in the event of a special mandatory redemption will be the aggregate initial offering price of the Notes (after giving effect to any original issue discount) plus accrued and unpaid interest to the date of redemption.

On July 1, 2013, in connection with the sale of the Notes, the Company entered into a Registration Rights Agreement (attached as Exhibit 10.1 and incorporated by reference) pursuant to which the Company agreed to file with the Securities and Exchange Commission (the “SEC”) a registration statement relating to an offer to exchange the Notes for substantially similar notes that are registered under the Securities Act (the “Exchange Notes”) that evidence the same indebtedness and have terms identical to the Notes (except that the Exchange Notes will not be subject to restrictions on transfer).

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

The information provided in Item 1.01 is incorporated herein by reference.

Item 8.01

Other Events.

On July 1, 2013, the Company issued a press release announcing that it had completed the sale of the Notes. A copy of this press release is attached as Exhibit 99.1 and incorporated by reference.

In connection with the completion of the sale of the Notes, the Company is filing certain exhibits as part of this Form 8-K. The information contained in this Current Report on Form 8-K, including the exhibits hereto, is neither an offer to sell nor a solicitation of an offer to purchase any of the Notes or any other securities of the Company.

Forward-Looking Statements

Information set forth in this Current Report on Form 8-K contains forward-looking statements, which involve a number of risks and uncertainties. Readers are cautioned that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Such forward-looking statements include, but are not limited to, statements about the benefits of the Acquisition, including future financial and operating results, the combined company's plans, objectives, synergies, expectations and intentions and other statements that are not historical facts.

The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the ability to obtain regulatory approvals of the Acquisition on the proposed terms and schedule; the failure of Stewart's shareholders to approve the Acquisition; the risk that the businesses will not be integrated successfully; the risk that the cost savings and any other synergies from the Acquisition may not be fully realized or may take longer to realize than expected; disruption from the Acquisition making it more difficult to maintain relationships with customers, employees or suppliers. Additional factors that may affect future results are contained in the Company's filings with the SEC, which are available at www.sci-corp.com. The Company disclaims any obligation to update and revise statements contained in these materials based on new information or otherwise.

Item 9.01

Financial Statements and Exhibits

(d) The following exhibits are included with this report:

Exhibit No.	Description
4.1	Eleventh Supplemental Indenture dated as of July 1, 2013 between Service Corporation International and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York, as trustee.
10.1	Registration Rights Agreement dated as of July 1, 2013 among Service Corporation International and the Representative of the Initial Purchasers.
99.1	Press release dated July 1, 2013

SIGNATURE

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

Dated: July 1, 2013

Service Corporation International

By: /s/ Gregory T. Sangalis
Name: Gregory T. Sangalis
Title: Senior Vice President,
General Counsel and Secretary

EXHIBITS

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