

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

HD SUPPLY, INC.

CIK: [1465264](#) | IRS No.: **752007383** | State of Incorporation: **DE** | Fiscal Year End: **0131**
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SIC: **5000** Durable goods

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ATLANTA GA 30339
770-852-9000

**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): January 10, 2013 (January 9, 2013)

HD SUPPLY, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other Jurisdiction
of Incorporation)

333-159809
(Commission File Number)

75-2007383
(I.R.S Employer
Identification Number)

3100 Cumberland Boulevard
Suite 1480,
Atlanta, Georgia
(Address of principal executive offices)

30339
(Zip Code)

Registrant's telephone number, including area code: **(770) 852-9000**

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))
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Item 8.01. Other Events

On January 9, 2013, HD Supply, Inc. (the “Company”) gave notice of conditional redemption pursuant to the Indenture, dated as of August 30, 2007, as supplemented (the “Indenture”), among the Company, the subsidiary guarantors from time to time parties thereto, and Wells Fargo Bank, National Association, as Trustee, that the Company has elected to redeem, subject to the satisfaction of specified conditions precedent, on February 8, 2013 or, if the specified conditions precedent are not satisfied on or prior to February 8, 2013, such later date (but not later than March 11, 2013 as may be determined by the Company in its sole and absolute discretion) as such conditions precedent are so satisfied (the “Redemption Date”), \$888,926,664 aggregate principal amount of its outstanding 13.5% Senior Subordinated Notes due 2015 (the “Notes”) under the Indenture, which represents all of the outstanding Notes.

The redemption price with respect to any redeemed Note will be equal to 103.375% of the principal amount of such Note, plus accrued but unpaid interest thereon to the Redemption Date. The redemption is subject to the satisfaction of specified conditions precedent, including, without limitation, consummation (as and when determined by the Company, and as and to the extent the Company will require, in each case in its sole and absolute discretion), on or prior to the Redemption Date of the issuance and/or borrowing of new indebtedness in an aggregate principal amount of \$950 million (or such other amount as may be determined by the Company in its sole and absolute discretion) from one or more sources on terms and conditions satisfactory in all respects to the Company in its sole and absolute discretion. The Company will be entitled to delay, and may delay, the redemption of the Notes until such time as such conditions precedent are satisfied. Such redemption will not occur in the event that the conditions precedent have not been so satisfied by March 11, 2013.

This report does not constitute a notice of redemption under the Indenture nor an offer to tender for, or purchase, any Notes or any other security. There can be no assurances that the conditions precedent to the redemption will be satisfied or that the redemption will occur.

HD Supply, Inc. issued a press release on January 9, 2013. A copy of the press release containing this announcement attached as Exhibit 99.1 hereto and is incorporated by reference herein. A copy of the notice of conditional full redemption is attached as Exhibit 99.2 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.**

Exhibit No.	Description of Exhibit
99.1	Press Release issued by HD Supply, Inc. dated January 9, 2013.
99.2	Notice of Conditional Full Redemption of HD Supply, Inc. dated January 9, 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.

Date: January 10, 2013

HD Supply, Inc.

By: /s/ Ricardo Nunez

Name: Ricardo Nunez

Title: Senior Vice President, General Counsel and
Corporate Secretary

**Media Contact:**

Quiana Pinckney

HD Supply Public Relations

770-852-9057

Quiana.Pinckney@hdsupply.com**HD Supply, Inc. Announces Pricing of Senior Subordinated Notes Offering**

ATLANTA, GA - January 9, 2013 - HD Supply, Inc. ("HD Supply") today announced that it has priced a private offering of \$950,000,000 of 10.50% Senior Subordinated Notes due 2021 (the "Notes"). The offering of Notes is expected to close on January 16, 2013 and is subject to customary closing conditions.

HD Supply intends to use the proceeds from the sale of the Notes to redeem all of its outstanding 13.5% Senior Subordinated Notes due 2015 (the "Senior Subordinated Notes") at a price of 103.375% plus accrued and unpaid interest thereon to the redemption date and (together with cash on hand) to pay related fees and expenses. HD Supply issued today a Notice of Conditional Full Redemption for the Senior Subordinated Notes. The redemption date is anticipated to be February 8, 2013 and the redemption of the Senior Subordinated Notes is conditioned primarily on the closing of the offering of Notes.

The Notes were offered in a private offering exempt from the registration requirements of the United States Securities Act of 1933, as amended (the "Securities Act"). The Notes were offered only to qualified institutional buyers pursuant to Rule 144A and to certain persons outside the United States pursuant to Regulation S, each under the Securities Act.

The Notes will not be and have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

This press release is for informational purposes only and is not an offer to sell or purchase nor the solicitation of an offer to sell or purchase securities and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which, or to any person to whom such an offer, solicitation or sale would be unlawful.

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that the forward-looking information presented in this press release is not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking information contained in this press release. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "plan," "seek," "comfortable with," "will," "expect," "intend," "estimate," "anticipate," "believe" or "continue" or the negative thereof or variations thereon or similar terminology. A number of important factors could cause actual events to differ materially from those contained in or implied by the forward-looking statements, including those factors discussed in our annual report on Form 10-K for the year ended January 29, 2012, filed on March 23, 2012 with the Securities & Exchange Commission ("SEC"), which can be found at the SEC's website www.sec.gov, each of which is specifically incorporated into this press release. Any forward-looking information presented herein is made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

NOTICE OF CONDITIONAL FULL REDEMPTION**HD SUPPLY, INC.****13.5% Senior Subordinated Notes due 2015****CUSIP Numbers 40415RAD7; 40415RAC9**

NOTICE IS HEREBY GIVEN, pursuant to the Indenture referred to below, that HD Supply, Inc., a Delaware corporation (the "Company"), has elected to redeem, subject to the satisfaction of the conditions precedent as set forth below, on the Redemption Date (as defined below), \$888,926,664 aggregate principal amount of Outstanding Notes under the Indenture, which represents all of the Outstanding Notes, at the Redemption Price set forth below. As further described below, in the Company's discretion, the Redemption Date may be delayed until such time as such conditions precedent shall be satisfied as provided below, or such redemption may not occur and this notice may be rescinded in the event that any or all such conditions precedent shall not have been so satisfied by the Redemption Date, or by the Redemption Date as so delayed.

As used herein, the term "Indenture" means the Indenture, dated as of August 30, 2007, as supplemented, among the Company, the Subsidiary Guarantors from time to time parties thereto, and Wells Fargo Bank, National Association, as Trustee (the "Trustee"). Capitalized terms used and not otherwise defined herein have the meanings given thereto in the Indenture.

The Redemption Price with respect to any redeemed Note is equal to:

- (a) 103.375% of the principal amount of such Note, *plus*
- (b) the accrued but unpaid interest thereon to the Redemption Date (\$58.875 per \$1,000 principal amount of Notes assuming the Redemption Date is February 8, 2013).

The redemption will take place on February 8, 2013 or, if the conditions precedent set forth below are not satisfied as provided below on or prior to February 8, 2013, such later date (but not later than March 11, 2013) as such conditions precedent are so satisfied (such date of such redemption, the "Redemption Date").

The redemption is subject to the satisfaction of each of the following conditions precedent: (i) the consummation (as and when determined by the Company, and as and to the extent the Company shall require, in each case in its sole and absolute discretion), on or prior to February 8, 2013 (or such later date on or prior to March 11, 2013 as may be determined by the Company in its sole and absolute discretion) of the Transactions (as defined in Annex A hereto) on terms and conditions satisfactory in all respects to the Company in its sole and absolute discretion, including but not limited to the satisfaction

(as determined by the Company, and as and to the extent the Company shall require, in each case in its sole and absolute discretion) of any condition precedent to such consummation under any agreement, instrument or other document providing for, governing or otherwise relating to any such Transaction, and (ii) the delivery to the Trustee of written notice by the Company (in its sole and absolute discretion) to the effect that such consummation of such Transactions has occurred (as so determined, and as and to the extent so required, by the Company), and the effectiveness of such written notice. The written notice referred to in clause (ii) of the foregoing sentence shall be effective upon delivery, unless such notice expressly states that it shall be effective as of a specified time, in which case such notice shall be effective as of such specified time.

The Company shall be entitled to delay, and may delay, the redemption of the Notes until such time as such conditions precedent shall be satisfied as provided above. Such redemption shall not occur in the event that such conditions precedent have not been so satisfied by March 11, 2013. In the event that such conditions precedent have not been so satisfied by such date, the Company will so notify the Trustee, and upon any such notice to the Trustee, this redemption notice shall be rescinded and of no force or effect for any purpose.

Payment of the Redemption Price will become due and payable on the Redemption Date only upon presentation and surrender of the Notes to the Trustee as follows:

Registered & Certified Mail:

Wells Fargo Bank, National
Association
Corporate Trust Operations
MAC N9303-121
P.O. Box 1517
Minneapolis, MN 55480

Regular Mail or Courier:

Wells Fargo Bank, National
Association
Corporate Trust Operations
MAC N9303-121
6th & Marquette Avenue
Minneapolis, MN 55479

In Person by Hand Only:

Wells Fargo Bank, National
Association
Corporate Trust Services
Northstar East Building - 12th Floor
608 Second Avenue South
Minneapolis, MN 55402

Interest on the Notes shall cease to accrue on and after the Redemption Date, unless the Company defaults in making such redemption payment or the Paying Agent is prohibited from making such payment pursuant to the terms of the Indenture.

* Neither the Company nor the Trustee shall be held responsible for the selection or use of any CUSIP numbers, nor is any representation made as to the correctness or accuracy of the CUSIP numbers listed in this Redemption Notice or printed on the Notes. They are included solely for convenience of the Holders.

IMPORTANT NOTICE

Noteholders may be subject, under certain circumstances, to backup withholding tax with respect to the redemption payment. Such backup withholding may be applicable if such noteholder, among other things, fails to (i) furnish its correct taxpayer identification number, (ii) certify that it is not subject to backup withholding, or (iii) otherwise comply with applicable backup withholding requirements. A noteholder who wishes to avoid the imposition of backup withholding tax should submit an Internal Revenue Service Form W-9 or W-8, as applicable, when presenting a Note for payment.

HD Supply, Inc.

Date: January 9, 2013

TRANSACTIONS

As used in this Notice of Redemption, the term “Transactions” means collectively, the following:

- (1) the issuance and/or borrowing by the Company and/or (at the Company’ s option) one or more of its Subsidiaries of new indebtedness in an aggregate principal amount of \$950,000,000 (or such other amount as may be determined by the Company in its sole and absolute discretion) from one or more sources, pursuant to documentation that is in each case in form and substance satisfactory to the Company in its sole and absolute discretion; and
- (2) all other transactions relating to any of the foregoing (including but not limited to payment of fees and expenses related to any of the foregoing).