

CHARMING SHOPPES INC
Form SC TO-I
June 28, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE TO
TENDER OFFER STATEMENT UNDER SECTION 14(d)(1)
OR 13(e)(1) OF THE SECURITIES EXCHANGE ACT OF 1934

CHARMING SHOPPES, INC.

(Name of Subject Company (Issuer))

1.125% Senior Convertible Notes Due 2014

(Title of Class of Securities)

161133 AD5 & 161133 AE3

(CUSIP Numbers of Class of Securities)

Colin D. Stern

Executive Vice President, General Counsel and Secretary

3750 State Road

Bensalem, Pennsylvania 19020

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(215) 245-9100

(Name, address and telephone number of person authorized to receive notices and communications on behalf of filing person)

With a copy to:

Frank Lopez, Esq.

Steven L. Kirshenbaum, Esq.

Proskauer Rose LLP

Eleven Times Square

New York, New York 10036

(212) 969-3000

CALCULATION OF FILING FEE

Transaction Valuation⁽¹⁾:
\$140,828,462

Amount of Filing Fee⁽²⁾:
\$16,139

- (1) Calculated solely for purposes of determining the filing fee. The purchase price of the 1.125% Senior Convertible Notes Due 2014 (the Securities), as described herein, is approximately \$1,002.69 per \$1,000 principal amount at maturity outstanding. As of June 27, 2012, there was \$140,451,000 in aggregate principal amount at maturity of Notes outstanding, resulting in an aggregate maximum purchase price of \$140,828,462.
- (2) The amount of the filing fee, calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, and Fee Rate Advisory No. 3 for fiscal year 2012, issued September 29, 2011, equals \$114.60 for each \$1,000,000 of the value of the transaction.
- .. **Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.**
- .. **Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.**

Amount Previously Paid: Not applicable
Form or Registration No.: Not applicable

Filing Party: Not applicable
Date Filed: Not applicable

Check the appropriate boxes to designate any transactions to which the statement relates:

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third-party tender offer subject to Rule 14d-1.

issuer tender offer subject to Rule 13e-4.

going-private transaction subject to Rule 13e-3.

amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

INTRODUCTORY STATEMENT

As required by the Indenture, dated as of April 30, 2007 (the **Base Indenture**), as supplemented by the First Supplemental Indenture, dated as of June 14, 2012 (the **First Supplemental Indenture**, and the Base Indenture as supplemented by the First Supplemental Indenture, the **Indenture**) between Charming Shoppes, Inc., a Pennsylvania corporation (the **Company**) and Wells Fargo Bank, National Association, a national banking association, as trustee (the **Trustee**), relating to the 1.125% Senior Convertible Notes Due 2014 (the **Notes**) of the Company, and pursuant to the terms and subject to the conditions set forth therein, this Tender Offer Statement on Schedule TO-I (**Schedule TO**) is filed by the Company, with respect to the right of each holder (the **Holder**) of the Notes to require the Company to purchase, and the obligation of the Company to purchase, each \$1,000 principal amount of the Notes, plus accrued and unpaid interest to, but excluding, July 27, 2012 (the **Fundamental Change Repurchase Date**), pursuant to the terms and conditions of the Notice of Fundamental Change, Offer to Purchase and Entry into Supplemental Indenture dated June 28, 2012 (as it may be amended and supplemented from time to time, the **Notice of Fundamental Change**), attached hereto as Exhibit (a)(1)(A), the Indenture and the Notes.

Holders may tender their Notes until 11:59 p.m., New York City time, on July 26, 2012.

This Schedule TO is intended to satisfy the disclosure requirements of Rule 13e-4(c)(2) under the Securities Exchange Act of 1934, as amended (the **Exchange Act**). All of the information set forth in the Notice of Fundamental Change is incorporated herein in response to Items 1 through 11 of this Schedule TO, except for those Items as to which information is specifically provided herein. All capitalized terms used but not specifically defined in this Schedule TO shall have the meanings given to such terms in the Notice of Fundamental Change.

Item 1. Summary Term Sheet.

The information set forth in the section of the Notice of Fundamental Change entitled **Summary Term Sheet** is incorporated herein by reference.

Item 2. Subject Company Information.

(a) The name of the issuer is Charming Shoppes, Inc., a Pennsylvania corporation. The Company's principal executive offices are located at 3750 State Road, Bensalem, Pennsylvania 19020. The Company's telephone number at such address is (215) 245-9100.

(b) The information set forth in **Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 2.4 Market for the Notes and the Common Stock** of the Notice of Fundamental Change is incorporated herein by reference.

(c) The information set forth in **Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 2.4 Market for the Notes and the Common Stock** of the Notice of Fundamental Change is incorporated herein by reference.

Item 3. Identity and Background of Filing Person.

(a) This is an issuer tender offer. The information set forth in Item 2(a) above and Annex A to the Notice of Fundamental Change is incorporated herein by reference.

Item 4. Terms of the Transaction.

(a)(1) The information set forth in the sections entitled Summary Term Sheet, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 2 Information Concerning the Notes, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 3 Procedures to Be Followed by Holders Electing to Surrender Notes for Purchase, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 4 Right of Withdrawal, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 5 Payment for Surrendered Notes; Source and Amount of Funds, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 6 Notes Acquired, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 7 Plans or Proposals of the Company, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 8 Interests of Directors, Executive Officers and Affiliates of the Company in the Notes, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 9 Agreements Involving the Notes, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 10 Purchases of Notes by the Company and Its Affiliates and Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 11 Material U.S. Federal Income Tax Considerations of the Notice of Fundamental Change is incorporated herein by reference.

(a)(2) Not applicable.

(b) The information set forth in the section entitled Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 8 Interests of Directors, Executive Officers and Affiliates of the Company in the Notes of the Notice of Fundamental Change is incorporated herein by reference.

Item 5. Past Contacts, Transactions, Negotiations and Agreements.

(c) Except as noted in the information set forth in the sections entitled Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 1 Information Concerning the Company, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 9 Agreements Involving the Notes and Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 10 Purchases of Notes by the Company and Its Affiliates of the Notice of Fundamental Change, which is incorporated herein by reference, there are no agreements, arrangements or understandings (including with respect to the transfer or voting of securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss, or the giving or withholding of proxies, consents or

authorizations) whether or not legally enforceable, between any person identified in Item 3 of this Schedule TO and any other person with respect to any of the securities of the Company (including any securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person the power to direct the voting or disposition of the Notes or the shares of common stock underlying the Notes).

Item 6. Purposes of the Transaction and Plans or Proposals.

(a), (b) and (c)(1)-(10) The information set forth in Summary Term Sheet, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 1 Information Concerning the Company, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 2.1 The Company's Obligation to Purchase the Notes, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 6 Notes Acquired, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 7 Plans or Proposals of the Company and Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 12 Additional Information of the Notice of Fundamental Change is incorporated herein by reference.

Item 7. Source and Amount of Funds or Other Consideration.

(a) The information set forth in Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 5 Payment for Surrendered Notes; Source and Amount of Funds of the Notice of Fundamental Change is incorporated herein by reference.

(b) There are no material financing conditions in connection with the Company's obligation to pay the Fundamental Change Repurchase Price for the surrendered Notes.

(d) The information set forth in Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 5 Payment for Surrendered Notes; Source and Amount of Funds of the Notice of Fundamental Change is incorporated herein by reference.

Item 8. Interest in Securities of the Subject Company.

(a) The information set forth in Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 8 Interests of Directors, Executive Officers and Affiliates of the Company in the Notes and Annex A of the Notice of Fundamental Change is incorporated herein by reference.

(b) The information set forth in Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 8 Interests of Directors, Executive Officers and Affiliates of the Company in the Notes and Annex A of the Notice of Fundamental Change is incorporated herein by reference.

Item 9. Persons/Assets, Retained, Employed, Compensated or Used.

(a) The information set forth in Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 13 No Solicitations of the Notice of Fundamental Change is incorporated herein by reference.

Item 10. Financial Statements.

(a) *Financial Information.* The Company does not believe it is required to include financial information due to the fact that this information is not material to Holders of Notes because, among other reasons, the consideration offered consists solely of cash, the Fundamental Change Repurchase Right is not subject to any financing conditions and the Fundamental Change Repurchase Right applies to all outstanding Notes.

(b) *Pro Forma Information.* The Company does not believe it is required to include pro forma information due to the fact that this information is not material to Holders of Notes because, among other reasons, the consideration offered consists solely of cash, the Fundamental Change Repurchase Right is not subject to any financing conditions and the Fundamental Change Repurchase Right applies to all outstanding Notes.

Item 11. Additional Information.

(a) The information set forth in Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 1 Information Concerning the Company, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 8 Interests of Directors, Executive Officers and Affiliates of the Company in the Notes, Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 9 Agreements Involving the Notes and Important Information Concerning the Fundamental Change Repurchase Right and Conversion Rights Section 12 Additional Information of the Notice of Fundamental Change is incorporated herein by reference.

(b) The information set forth in the Notice of Fundamental Change is incorporated herein by reference.

Item 12. Exhibits.

(a)(1)(A) Notice of Fundamental Change, Offer to Purchase and Entry into Supplemental Indenture to Holders of 1.125% Senior Convertible Notes Due 2014, dated June 28, 2012.

(a)(1)(B) Press Release, dated June 28, 2012, issued by the Company.

(b) Not applicable.

(d)(1) Indenture, between the Company and Wells Fargo Bank, National Association, as Trustee, is incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on May 3, 2007.

(d)(2) First Supplemental Indenture, dated as of June 14, 2012, between the Company and Wells Fargo Bank, National Association, as Trustee, is incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on June 15, 2012.

(d)(3) Agreement and Plan of Merger, dated as of May 1, 2012, by and among Ascena Retail Group, Inc., Colombia Acquisition Corp. and Charming Shoppes, Inc., is incorporated by reference to Exhibit 2.1 to the Form 8-K filed by the Company on May 3, 2012.

(g) Not applicable.

(h) Not applicable.

Item 13. Information Required by Schedule 13E-3.
Not applicable.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

CHARMING SHOPPES, INC.

By: */s/ Anthony M. Romano*

Name: Anthony M. Romano

Title: President and Chief Executive Officer

Dated: June 28, 2012

EXHIBIT INDEX

Exhibit No.	Description
(a)(1)(A)*	Notice of Fundamental Change, Offer to Purchase and Entry into Supplemental Indenture to Holders of 1.125% Senior Convertible Notes Due 2014, dated June 28, 2012.
(a)(1)(B)*	Press Release, dated June 28, 2012, issued by the Company.
(b)	Not applicable.
(d)(1)	Indenture, between the Company and Wells Fargo Bank, National Association, as Trustee, is incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on May 3, 2007.
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(g)	Not applicable.
(h)	Not applicable.

* Filed herewith.