

MGM MIRAGE
Form 8-K
September 24, 2004

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**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): September 22, 2004

MGM MIRAGE

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation or organization)

0-16760
(Commission File Number)

88-0215232
(I.R.S. Employer
Identification No.)

3600 Las Vegas Boulevard South, Las Vegas, Nevada
(Address of Principal Executive Offices)

89109
(Zip Code)

(702) 693-7120
(Registrant's telephone number, including area code)

N/A
(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 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

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ITEM 8.01 OTHER EVENTS

On September 22, 2004, MGM MIRAGE, a Delaware corporation (the Company), sold, through a private placement (the Private Placement) exempt from the registration requirements under the Securities Act of 1933, as amended, \$450 million in aggregate principal amount of its 6.00% Senior Notes due 2009 (the Notes). The Notes were sold in the United States only to accredited investors pursuant to an exemption from the Securities Act of 1933, as amended, and subsequently resold to qualified institutional buyers pursuant to Rule 144A under the Securities Act and to non-U.S. persons in accordance with Regulation S under the Securities Act. The Notes 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 registration requirements. The Company intends to use the net proceeds of this offering, or approximately \$453 million (which includes a premium over the aggregate principal amount of the Notes issued), to repay a portion of the outstanding borrowings under its \$2.5 billion revolving credit facility and for general corporate purposes.

In connection with the closing of the Private Placement, the Company entered into (i) an indenture, dated September 22, 2004, with certain subsidiaries of the Company party thereto and U.S. Bank National Association, as the trustee, governing the terms and conditions of the Notes (the Indenture) and (ii) a registration rights agreement, dated September 22, 2004, with certain subsidiaries of the Company party thereto and the initial purchasers of the Notes in the Private Placement (the Registration Rights Agreement).

Under the Indenture, the Company issued the Notes bearing an interest rate of 6.00% and maturing on October 1, 2009 to certain initial purchasers of such Notes. Interest on the Notes will be payable semi-annually on April 1 and October 1 of each year, beginning on October 1, 2004. Pursuant to the Indenture, the Notes are guaranteed on a senior basis by substantially all of the Company's wholly owned U.S. subsidiaries (the Guarantors) except for U.S. holding companies of the Company's foreign subsidiaries. In addition, pursuant to the Indenture, the Notes will be secured equally and ratably with the Company's other senior secured notes and certain of the Company's other senior indebtedness by substantially all of the assets of the Company, other than certain joint-venture interests, and the Guarantors, subject to receipt of certain gaming approvals. Furthermore, the Indenture contains customary covenants that will limit the Company's ability and, in certain instances, the ability of the Company's subsidiaries to incur liens on assets to secure debt, enter into certain sale and lease-back transactions, and merge or consolidate with another company or sell substantially all assets.

Under the Registration Rights Agreement, the Company and the Guarantors agreed to use their respective best efforts to register notes having substantially identical terms as the Notes with the Securities and Exchange Commission (the Commission) as part of an offer to exchange freely tradeable exchange notes (the Exchange Notes) issued under an existing indenture, dated September 17, 2003, among the Company, certain subsidiaries of the Company party thereto and U.S. Bank National Association, as the trustee (the Existing Indenture) for the Notes. The Company and the Guarantors will file a registration statement for the Exchange Notes with the Commission within 120 days from September 22, 2004 and use their respective best efforts to cause such registration statement to be declared effective within 180 days from September 22, 2004. Under the Registration Rights Agreement, if the Company fails to file the registration statement on time, fails to cause such registration statement to be declared effective on time, or fails to consummate the corresponding exchange offer within 222 days from September 22, 2004, the Company will be obligated to pay an additional annual interest rate on the Notes of 0.25% for each 90-day period that such failure

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continues, up to a maximum additional interest rate of 1.00%. Such additional interest would cease to accrue once such default is remedied. The Exchange Notes will be of the same class and series as the Company's outstanding \$600.0 million in aggregate principal amount of the 6.00% Senior Notes due 2009 issued on September 17, 2003 under the Existing Indenture.

The description set forth above is qualified by the Indenture and the Registration Rights Agreement filed herewith as exhibits. This notice does not constitute an offer to sell or the solicitation of an offer to buy the Notes.

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ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(a) Not applicable.

(b) Not applicable.

(c) Exhibits:

4.1 Indenture, dated September 22, 2004, among MGM MIRAGE, certain subsidiaries of MGM MIRAGE, and U.S. Bank National Association.

4.2 Registration Rights Agreement, dated September 22, 2004, among MGM MIRAGE, certain subsidiaries of MGM MIRAGE, and certain initial purchasers party thereto.

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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.

MGM MIRAGE

Date: September 24, 2004

By: /s/ Bryan L. Wright

Name: Bryan L. Wright

Title: Vice President Assistant General Counsel &
Assistant Secretary

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| No. | Description |
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