

MGM MIRAGE
Form 8-K
August 25, 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): August 25, 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 August 25, 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, \$550 million in aggregate principal amount of its 6.75% Senior Notes due 2012 (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 such offering, or approximately \$546 million, to repay a portion of the outstanding borrowings under its \$2.5 billion revolving credit facility, to pay fees and expenses related to such offering, and for general corporate purposes.

In connection with the closing of the Private Placement, MGM MIRAGE, a Delaware corporation (the Company), entered into (i) an indenture, dated August 25, 2004, with certain subsidiaries of the Company and U.S. Bank National Association, as the trustee, governing the terms and conditions of the Notes as well as the registered notes of the Company to be issued in an exchange offer for such Notes (the Indenture) and (ii) a registration rights agreement, dated August 25, 2004, with certain subsidiaries of the Company 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 6.75% and maturing on September 1, 2012 to certain initial purchasers of such Notes. Interest on the Notes will be payable semi-annually on March 1 and September 1 of each year, beginning on March 1, 2005. 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, other than certain joint-venture interests, of the Company 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) for the Notes. The Company and the Guarantors will file a registration statement for the Exchange Notes with the Commission within 120 days from August 25, 2004 and use their respective best efforts to cause such registration statement to be declared effective within 180 days from August 25, 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 August 25, 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 continues, up to a maximum additional interest rate of 1.00%. Such additional interest would cease to accrue once

such default is remedied.

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.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(a) Not applicable.

(b) Not applicable.

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(c) Exhibits:

- 4.1 Indenture, dated August 25, 2004, among MGM MIRAGE, certain subsidiaries of MGM MIRAGE, and U.S. Bank National Association.
 - 4.2 Registration Rights Agreement, dated August 25, 2004, among MGM MIRAGE, certain subsidiaries of MGM MIRAGE, and certain initial purchasers parties 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: August 25, 2004

By: /s/ Bryan L. Wright

Name: Bryan L. Wright
Title: Vice President Assistant General Counsel &
Assistant Secretary

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