

PINNACLE ENTERTAINMENT INC.  
Form 8-K  
May 12, 2010

**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): May 6, 2010**

**PINNACLE ENTERTAINMENT, INC.**  
(Exact name of registrant as specified in its charter)

<b>Delaware</b> (State or other Jurisdiction of Incorporation)	<b>001-13641</b> (Commission File Number)	<b>95-3667491</b> (IRS Employer Identification No.)
--	--	--

<b>8918 Spanish Ridge Avenue, Las Vegas, Nevada</b> (Address of Principal Executive Offices)	<b>89148</b> (Zip Code)
---	----------------------------

Registrant's telephone number, including area code: **(702) 541-7777**

**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))

**Item 1.01. Entry into a Material Definitive Agreement.**

On April 29, 2010, Pinnacle Entertainment, Inc., a Delaware corporation (the Company), entered into a purchase agreement (the Purchase Agreement) under which it agreed to sell \$350 million aggregate principal amount of its 8.75% Senior Subordinated Notes due 2020 (the Notes) to J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital Inc., Credit Agricole Securities (USA) Inc., Deutsche Bank Securities Inc. and UBS Securities LLC, as Representatives of the several initial purchasers named in Schedule 1 of the Purchase Agreement (collectively, the Initial Purchasers), as previously reported in the Company's Current Report on Form 8-K filed on May 5, 2010. On May 6, 2010, the Company closed the private offering of the Notes. The net proceeds from the offering, after deducting the Initial Purchasers' discounts and commissions and the estimated offering expenses payable by the Company, were approximately \$341.5 million.

The Company will use a portion of the net proceeds from this offering to redeem all of its existing 8.25% senior subordinated notes due 2012 and to repay all \$80 million in outstanding revolving credit borrowings under its credit facility. The Company will redraw revolver borrowings to fund its Baton Rouge project as construction proceeds. The Company will also use the remaining net proceeds from the offering for general corporate purposes, including funding its Baton Rouge project.

The Notes are governed by an Indenture dated as of May 6, 2010 (the Indenture) and entered into on such date, between the Company, certain subsidiary guarantors identified therein and The Bank of New York Mellon Trust Company, N.A., as trustee. A copy of the Indenture is attached hereto as Exhibit 4.1 and is incorporated herein by reference. A form of Note is attached hereto as Exhibit 4.2 (which is included in Exhibit A to the Indenture) and is incorporated herein by reference. The descriptions of the Indenture and of the Notes in this Current Report on Form 8-K are summaries, do not purport to be complete and are qualified in their entirety by the Indenture and the form of Note, respectively.

The Notes bear interest at a rate of 8.75% per year, payable semi-annually in arrears in cash on May 15 and November 15, commencing on November 15, 2010. The Notes will mature on May 15, 2020. Prior to May 15, 2013, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the proceeds of certain equity offerings at a redemption price of 108.75% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the redemption date. At any time prior to May 15, 2015, the Company may redeem some or all of the Notes at a redemption price equal to the principal amount of the Notes redeemed, plus any accrued and unpaid interest and additional interest, if any, to the date of redemption, plus a make-whole premium. The Company may redeem the Notes at its option, in whole or in part, on or after May 15, 2015, at certain redemption prices as set forth in the Indenture. If a change of control of the Company occurs, each holder shall have the right to require that the Company repurchase all or a portion of such holder's Notes at a purchase price of 101% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the date of repurchase. The Notes are also subject to redemption or disposition requirements that may be imposed by gaming laws and regulations of gaming authorities in the jurisdictions in which the Company or its subsidiaries conducts gaming operations or in certain other circumstances relating to our gaming operations.

The Notes and the subsidiary guarantees will be subordinated to all of the Company's and its guarantor subsidiaries existing and future indebtedness except indebtedness that expressly provides that it ranks equal or subordinate in right of payment to the Notes and the subsidiary guarantees. The Notes will rank equal in right of payment to all of the Company's and its guarantor subsidiaries' other existing and future unsecured senior subordinated indebtedness, including Company's 7.50% Senior Subordinated Notes due 2015. The Notes will be effectively subordinated in right of payment to all of the Company's (and its guarantor subsidiaries') secured indebtedness.

The Indenture contains covenants that limit the Company's and certain of its subsidiaries' ability, subject to certain exceptions and qualifications, to (i) pay dividends or make distributions, repurchase equity securities, prepay subordinated debt or make certain investments, (ii) incur additional debt or issue certain disqualified stock or preferred stock, (iii) create or incur liens on assets, (iv) merge or consolidate with another company (applies to the Company only) or sell all or substantially all assets taken as a whole, (v) enter into transactions with affiliates and (vi) sell assets.

In addition, the Indenture provides for customary events of default which include (subject in certain cases to customary grace and cure periods), among other things: failure to make payments on the Notes when due, failure to comply with covenants under the Indenture, failure to pay certain other indebtedness or acceleration of maturity of certain other indebtedness, failure to satisfy or discharge certain final judgments and occurrence of certain bankruptcy events. If an event of default occurs, the trustee or holders of at least 25% of the aggregate principal amount of the then outstanding Notes may, among other things, declare the entire outstanding balance of principal of and interest on all outstanding Notes to be immediately due and payable which would take effect on the fifth business day thereafter. If an event of default involving certain bankruptcy events occurs, payment of principal of and interest on the Notes will be accelerated without the necessity of notice or any other any action on the part of any person.

---

In connection with the sale of the Notes, the Company entered into a registration rights agreement, dated as of May 6, 2010, with the Initial Purchasers (the Registration Rights Agreement). Under the Registration Rights Agreement, the Company has agreed to file a registration statement with respect to an offer to exchange the notes for a new issue of substantially identical notes registered under the Securities Act of 1933, as amended, no later than December 31, 2010. The Company has also agreed to consummate such exchange offer by May 6, 2011. The Company may be required to provide a shelf registration statement to cover resales of the Notes under certain circumstances. If the Company fails to satisfy these obligations, it may be required to pay holders of the Notes additional interest at a rate of 0.25% per annum of the principal amount thereof. The amount of additional interest will increase by an additional 0.25% per annum of the principal amount thereof with respect to each subsequent 90-day period until all registration defaults have been cured, up to a maximum amount of additional interest of 1.0% per annum of the principal amount thereof.

The foregoing description of the Registration Rights Agreement is a summary, does not purport to be complete and is qualified in its entirety by reference to the Registration Rights Agreement, which is attached hereto as Exhibit 4.3 and is incorporated herein by reference.

Certain of the Initial Purchasers or their affiliates may hold a portion of the 8.25% Notes and may receive a portion of the net proceeds of the Notes offering as a result of the redemption of the 8.25% Notes. Certain of the Initial Purchasers and their affiliates have performed and may in the future provide various financial advisory, investment banking, and commercial banking services for the Company and its affiliates from time to time, for which they have received, or will receive, customary fees and expenses. As noted above, a portion of the net proceeds of the offering of the Notes will be used to repay \$80 million in revolving credit borrowings under the Company's credit facility. As a result, certain of the Initial Purchasers and/or their affiliates will receive a portion of the net proceeds of the offering of the Notes. Certain of the Initial Purchasers or their related parties are lenders under the Company's credit facility and have received customary interest, non-usage and other fees and expenses in connection with the Company's revolving credit facility. In addition, from time to time, certain of the Initial Purchasers and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in the Company's debt or equity securities, and may do so in the future.

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

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated by reference herein.

**Item 2.04. Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.**

On May 6, 2010, the Company and The Bank of New York Mellon Trust Company, N.A. (the Trustee), as trustee under the 8.25% Note Indenture (as defined below), issued the Notice of Redemption filed herewith as Exhibit 99.1 and incorporated herein by this reference, to the record holders of the outstanding \$200,000,000 in aggregate principal amount of the Company's 8.25% Senior Subordinated Notes due 2012 (the 8.25% Notes, CUSIP Numbers 723456AC3 and 723456AD1). Pursuant to the Notice of Redemption, the Company has exercised its option to call for redemption all of the outstanding 8.25% Notes at a redemption price of 100.000% of principal amount of the 8.25% Notes, together with accrued and unpaid interest on the principal amount of the 8.25% Notes to, but excluding, the redemption date, which is June 7, 2010. On the redemption date, the redemption price for the outstanding 8.25% Notes will be due and payable. The Company issued the 8.25% Notes under that Indenture dated as of March 15, 2004 (the 8.25% Note Indenture), by and among the Company, the guarantors referred to therein and the Trustee. The redemption will be made pursuant to the terms of the 8.25% Note Indenture. On May 6, 2010, the Company deposited the funds necessary for the redemption of its 8.25% Notes into escrow with the Trustee and received a discharge of the 8.25% Note Indenture.

**Item 8.01 Other Events.**

On May 6, 2010, the Company issued a press release announcing the closing of its sale of the Notes. A copy of the press release is attached as Exhibit 99.2 to this Form 8-K and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) *Exhibits.*

<b>Exhibit No.</b>	<b>Description</b>
Exhibit 4.1	Indenture dated as of May 6, 2010, governing the 8.75% Senior Subordinated Notes due 2020, by and among the Company, the guarantors identified therein and The Bank of New York Mellon Trust Company, N.A.
Exhibit 4.2	Form of 8.75% Senior Subordinated Note due 2020 (included as Exhibit A to Exhibit 4.1).
Exhibit 4.3	Registration Rights Agreement, dated as of May 6, 2010, among the Company, the guarantors identified therein and J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital Inc., Credit Agricole Securities (USA) Inc., Deutsche Bank Securities Inc. and UBS Securities LLC as representatives of the several initial purchasers.
Exhibit 99.1	Notice of Redemption dated May 6, 2010
Exhibit 99.2	Press release dated May 6, 2010, issued by Pinnacle Entertainment, Inc.

**SIGNATURE**

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

PINNACLE ENTERTAINMENT, INC.  
(Registrant)

Date: May 12, 2010

By: /s/ John A. Godfrey  
John A. Godfrey  
Executive Vice President, General Counsel and Secretary

INDEX TO EXHIBITS

<b>Exhibit No.</b>	<b>Description</b>
Exhibit 4.1	Indenture dated as of May 6, 2010, governing the 8.75% Senior Subordinated Notes due 2020, by and among the Company, the guarantors identified therein and The Bank of New York Mellon Trust Company, N.A.
Exhibit 4.2	Form of 8.75% Senior Subordinated Note due 2020 (included as Exhibit A to Exhibit 4.1).
Exhibit 4.3	Registration Rights Agreement, dated as of May 6, 2010, among the Company, the guarantors identified therein and J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital Inc., Credit Agricole Securities (USA) Inc., Deutsche Bank Securities Inc. and UBS Securities LLC as representatives of the several initial purchasers.
Exhibit 99.1	Notice of Redemption dated May 6, 2010
Exhibit 99.2	Press release dated May 6, 2010, issued by Pinnacle Entertainment, Inc.