

SERVICE CORPORATION INTERNATIONAL

Form 8-K

November 23, 2010

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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): November 22, 2010
Service Corporation International
(Exact name of registrant as specified in its charter)**

| | | |
|---|--|--|
| Texas <i>(State or other jurisdiction of incorporation)</i> | 1-6402 <i>(Commission File Number)</i> | 74-1488375 <i>(I.R.S. Employer Identification No.)</i> |
|---|--|--|

| | |
|---|-----------------------------------|
| 1929 Allen Parkway Houston, Texas <i>(Address of principal executive offices)</i> | 77019 <i>(Zip Code)</i> |
|---|-----------------------------------|

Registrant's telephone number, including area code (713) 522-5141
(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 240.13a-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

On November 22, 2010, Service Corporation International (SCI) issued a press release that it had completed the public offering of \$250,000,000 aggregate principal amount of its 7.00% Senior Notes due 2019 (the Notes). In connection with the offering, SCI entered into an Underwriting Agreement with Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative of the underwriters named therein, dated November 17, 2010 (the Underwriting Agreement).

SCI registered the sale of the Notes with the SEC pursuant to an automatic shelf Registration Statement on Form S-3 (Registration No. 333-162894) filed on November 5, 2009 (the Registration Statement). SCI will use the net proceeds from the offering to repay indebtedness under its credit facility and for general corporate purposes.

The terms of the Notes are governed by the Indenture dated as of February 1, 1993 (the Original Indenture), between SCI and The Bank of New York Mellon Trust Company, N.A., as successor trustee to The Bank of New York (the Trustee), as supplemented by the Ninth Supplemental Indenture, dated as of November 22, 2010 (the Ninth Supplemental Indenture ; the Original Indenture, as amended and supplemented by the Ninth Supplemental Indenture, the Indenture).

The Notes will mature on May 15, 2019, and interest is payable on the Notes on each May 15 and November 15, commencing on May 15, 2011. The record date is May 1 and November 1. SCI may redeem some or all of the Notes at any time prior to November 15, 2014 at a redemption price equal to 100% principal amount plus a make-whole premium, plus accrued and unpaid interest, if any, to the date of redemption. On or after November 15, 2014, SCI may redeem the notes at its option, at any time, in whole or in part, at the redemption price specified in the Ninth Supplemental Indenture. If SCI experiences a change of control, as described in the Indenture, each holder of the Notes will have the right to require SCI to repurchase the Notes at 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of such repurchase.

The Notes will be SCI s general unsecured obligations and will rank equal in right of payment with all of SCI s other unsubordinated indebtedness and senior in right of payment to any of SCI s future subordinated indebtedness. The Notes will be effectively subordinated to all of SCI s existing and future secured indebtedness to the extent of the collateral securing such indebtedness and to all indebtedness and other obligations of SCI s subsidiaries, whether secured or not secured, including subsidiary guarantees of obligations under SCI s amended and restated senior credit facility.

Under the Indenture, SCI has agreed to certain restrictions on its ability to create or incur liens and to enter into certain sale/leaseback transactions. These covenants are subject to important exceptions and qualifications.

The Indenture contains customary events of default. If an event of default under the Indenture occurs and is continuing, the Trustee or the holders of at least 25% in principal amount of the outstanding Notes may declare the unpaid principal of, the optional redemption premium, if any, and accrued and unpaid interest, if any, on the Notes to be due and payable.

Other material terms of the Notes, the Original Indenture and the Ninth Supplemental Indenture are described in the prospectus supplement, dated November 17, 2010, as filed by SCI with the Securities and Exchange Commission (the SEC) on November 17, 2010. The foregoing descriptions of the Underwriting Agreement, Original Indenture, the Ninth Supplemental Indenture and the Notes are qualified in their entirety by reference to such Underwriting Agreement, Original Indenture and Ninth Supplemental Indenture (including the form of Notes attached thereto), copies of which are filed herewith as Exhibits 1.1, 4.1 and 4.2, respectively, and are incorporated herein by reference.

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

The description contained under Item 1.01 above is incorporated by reference in its entirety into this Item 2.03.

Item 7.01 Regulation FD Disclosure.

A copy of the press release referenced above is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in Item 7.01 of this Current Report on Form 8-K shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

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Item 9.01 Financial Statements and Exhibits

(d) Exhibits

| Exhibit Number | Description |
|-----------------------|--|
| 1.1 | Underwriting Agreement, dated November 17, 2010, among Service Corporation International and Merrill Lynch, Pierce, Fenner & Smith Incorporated |
| 4.1 | Indenture, dated February 1, 1993, between Service Corporation International and The Bank of New York Mellon Trust Company, N.A., Trustee (incorporated by reference to Exhibit 4.1 to Form S-4 filed September 2, 2004 (File No. 333-118763)) |
| 4.2 | Ninth Supplemental Indenture, dated November 22, 2010, between Service Corporation International and The Bank of New York Mellon Trust Company, N.A., Trustee for the 7.00% Senior Notes due 2019. |
| 4.3 | Form of 7.00% Senior Notes due 2019 (included in Exhibit 4.2) |
| 5.1 | Opinion of Locke Lord Bissell & Liddell LLP |
| 23.1 | Consent of Locke Lord Bissell & Liddell LLP (included in Exhibit 5.1) |
| 99.1 | Press Release dated November 22, 2010 |

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SIGNATURES

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.

Dated: November 22, 2010

SERVICE CORPORATION INTERNATIONAL

By: /s/ Gregory T. Sangalis

Name: Gregory T. Sangalis

Title: Senior Vice President, General
Counsel
and Secretary