

STONEMOR PARTNERS LP
Form 8-K
April 08, 2014

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): April 2, 2014

StoneMor Partners L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

001-32270
(Commission

80-0103159
(IRS Employer

of incorporation)

File Number)

Identification No.)

311 Veterans Highway, Suite B, Levittown, PA 19056

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(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (215) 826-2800

Not Applicable

(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 2, 2014, StoneMor Operating LLC and certain other subsidiaries of StoneMor Partners L.P. (the Company) entered into two Asset Sale Agreements (collectively, the Agreements) with certain subsidiaries of Service Corporation International (SCI) to acquire nine funeral homes, twelve cemeteries, two crematories and certain related assets (the Assets) in Central Florida, North Carolina, Southeastern Pennsylvania and Virginia. The Company was the successful bidder to purchase these properties from SCI. On March 21, 2014, SCI submitted its application to the Federal Trade Commission (FTC) to approve the Company s acquisition of certain of these properties. The bidding and approval process was initiated by SCI in connection with its recently completed acquisition of Stewart Enterprises, Inc. pursuant to an FTC Decision and Order.

In consideration for the transfer of the Assets and in addition to the assumption of certain liabilities pursuant to the Agreements, the Company will pay an aggregate purchase price of \$53.8 million, subject to adjustments related to accounts receivable, merchandise trust amounts and endowment care trust amounts.

The closing of the transactions contemplated by the Agreements is subject to the satisfaction of certain closing conditions, including, obtaining all necessary regulatory approvals, including FTC approval, as discussed above, and financing for the purchase price.

SCI can terminate the Agreements if, among other conditions, (i) all regulatory approvals are not obtained by June 30, 2014, subject to certain extensions; or (ii) the Company does not obtain the necessary financing within 20 business days after all regulatory approvals are obtained. If the Agreements are terminated due the Company s inability to obtain the financing for the purchase price within 20 business days after all regulatory approvals are obtained, and the Company did not use its best efforts to obtain such financing, the Company will be obligated to pay a break-up fee of \$1.0 million.

The Agreements also include various representations, warranties, covenants, indemnification and other provisions which are customary for transactions of this nature.

The foregoing summary is not intended to be complete and is qualified in its entirety by reference to the Agreements, which are incorporated by reference in their entirety herein and which are attached to this Current Report on Form 8-K as Exhibits 2.1 and 2.2, respectively.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

**Exhibit
No.**

Description

- | | |
|------|--|
| 2.1* | Asset Sale Agreement dated April 2, 2014, by and among StoneMor Operating LLC, StoneMor Florida LLC, StoneMor Florida Subsidiary LLC, StoneMor North Carolina LLC, StoneMor North Carolina Subsidiary LLC, StoneMor North Carolina Funeral Services, Inc., Loewen [Virginia] LLC, Loewen [Virginia] Subsidiary, Inc., Rose Lawn Cemeteries LLC, Rose Lawn Cemeteries Subsidiary, Incorporated, StoneMor Pennsylvania LLC, StoneMor Pennsylvania Subsidiary LLC, CMS West Subsidiary LLC, S.E. Funeral Homes of Florida, LLC, S.E. Cemeteries of Florida, LLC, S.E. Combined Services of Florida, LLC, S.E. Cemeteries of North Carolina, Inc., S.E. Funeral Homes of North Carolina, Inc., Montlawn Memorial Park, Inc., S.E. Cemeteries of Virginia, LLC, SCI Virginia Funeral Services, Inc., George Washington Memorial Park, Inc., Sunset Memorial Park Company and S.E. Mid-Atlantic Inc. |
| 2.2* | Asset Sale Agreement dated April 2, 2014, by and among StoneMor Operating LLC, StoneMor North Carolina LLC, StoneMor North Carolina Subsidiary LLC, Laurel Hill Memorial Park LLC, Laurel Hill Memorial Park Subsidiary, Inc., StoneMor Pennsylvania LLC, StoneMor Pennsylvania Subsidiary LLC, S.E. Cemeteries of North Carolina, Inc., Clinch Valley Memorial Cemetery, Inc., and S.E. Acquisition of Pennsylvania, Inc. |

* Exhibits and Schedules to this agreement have been omitted from this filing pursuant to Item 601(b)(2) of Regulation S-K. The Company will furnish copies of any such exhibits and schedules to the Securities and Exchange Commission upon request.

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.

STONEMOR PARTNERS L.P.

By: StoneMor GP LLC
its general partner

By: /s/ Timothy K. Yost
Name: Timothy K. Yost
Title: Chief Financial Officer

Date: April 8, 2014

EXHIBIT INDEX

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