

# FIESTA RESTAURANT GROUP, INC.

## FORM 8-K (Current report filing)

Filed 11/12/13 for the Period Ending 11/12/13

Address	14800 LANDMARK BOULEVARD, SUITE 500 ADDISON, TX 75254
Telephone	972-702-9300
CIK	0001534992
Symbol	FRGI
SIC Code	5812 - Eating Places
Industry	Restaurants
Sector	Services
Fiscal Year	12/31

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**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 12, 2013

**Fiesta Restaurant Group, Inc.**

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(Exact name of registrant as specified in its charter)

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**Delaware**

(State or other jurisdiction  
of incorporation)

**001-35373**

(Commission  
File Number)

**90-0712224**

(I.R.S. Employer  
Identification No.)

**14800 Landmark Boulevard, Suite 500, Addison, Texas**

(Address of principal executive offices)

**75254**

(Zip Code)

Registrant's telephone number, including area code (972) 702-9300

N/A

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(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 8.01. OTHER EVENTS.**

On November 12, 2013, Fiesta Restaurant Group, Inc. (“Fiesta Restaurant Group”) issued a press release, the entire text of which is attached as Exhibit 99.1 and is incorporated by reference herein.

On November 12, 2013, Fiesta Restaurant Group issued a press release, the entire text of which is attached as Exhibit 99.2 and is incorporated by reference herein.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

(d) Exhibits

99.1 Fiesta Restaurant Group, Inc. Press Release, dated November 12, 2013

99.2 Fiesta Restaurant Group, Inc. Press Release, dated November 12, 2013

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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.

FIESTA RESTAURANT GROUP, INC.

Date: November 12, 2013

By: /s/ Joseph A. Zirkman

Name: Joseph A. Zirkman

Title: Vice President, General Counsel and Secretary

**FOR IMMEDIATE RELEASE**

Investor Relations Contact:  
Raphael Gross  
203-682-8253  
investors@frgi.com

**Fiesta Restaurant Group, Inc. Announces Commencement of Public Offering of Common Stock**

**Addison, TX - (Business Wire) - November 12, 2013** - Fiesta Restaurant Group, Inc. (“Fiesta” or the “Company”) (NASDAQ: FRGI), the owner, operator, and franchisor of the Pollo Tropical<sup>®</sup> and Taco Cabana<sup>®</sup> fast-casual restaurant brands, today announced the launch of a public offering of up to \$100 million of common stock (the “Public Offering”). All of the shares will be offered by Fiesta. The underwriters have also been granted a 30 day option by Fiesta and certain executive officers of the Company, as selling stockholders, to purchase up to an additional 15 percent of the shares of common stock to be offered in the Public Offering, of which 26,664 shares of common stock are currently issued and outstanding and are held by such executive officers. The Company will not receive any of the net proceeds from the sale of shares of common stock, if any, by the selling stockholders.

The Company intends to use the net proceeds of the Public Offering and revolving credit borrowings under a proposed new senior secured revolving credit facility, which the Company anticipates entering into following the closing of the Public Offering, to (i) repurchase all of its outstanding 8.875% Senior Secured Second Lien Notes due 2016 (the “Notes”) tendered pursuant to a tender offer commenced today and to be completed after the Public Offering (or through a redemption of the notes not tendered in the tender offer), (ii) repay any outstanding borrowings under its existing credit facility, if any, (iii) pay related fees and expenses of the Public Offering and the transactions above and (iv) for general corporate purposes. The consummation of the Public Offering is not subject to or conditioned upon the consummation by the Company of the tender offer or the Company entering into the new senior secured revolving credit facility. In the event that the Company is unable to enter into the new senior secured revolving credit facility and subsequently repurchase the outstanding Notes pursuant to the tender offer, the Company intends to use the net proceeds of this offering in accordance with the terms of the indenture governing the Notes to repurchase a portion of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but not including, the date of redemption.

Jefferies LLC, Wells Fargo Securities, LLC, and Raymond James & Associates, Inc. are serving as joint book-running managers for the Public Offering. Stephens Inc. is serving as co-manager for the Public Offering.

A shelf registration statement (including a preliminary prospectus) relating to these securities was filed by the Company with the Securities and Exchange Commission (“SEC”) and declared effective by the SEC on November 12, 2013. A copy of the preliminary prospectus to the Public Offering may be obtained by contacting Equity Syndicate Prospectus Department, Jefferies LLC, 520 Madison Avenue, 12th Floor, New York, NY 10022, by email at [Prospectus\\_Department@Jefferies.com](mailto:Prospectus_Department@Jefferies.com), or by telephone at (877) 547-6340; or Wells Fargo Securities, LLC, Attention: Equity Syndicate Department, 375 Park Avenue, New York, NY 10152, by email to [cmclientsupport@wellsfargo.com](mailto:cmclientsupport@wellsfargo.com), or by telephone at (800) 326-5897; or Raymond James & Associates, Inc., Attention: Equity Syndicate, 880 Carillon Parkway, St. Petersburg, Florida 33716 by email to [prospectus@raymondjames.com](mailto:prospectus@raymondjames.com) or by telephone at (800) 248-8863; or Stephens Inc., 111 Center Street, Little Rock, AR 72201, by e-mail request to [prospectus@stephens.com](mailto:prospectus@stephens.com), or by telephone at (501) 377-2130. Before you invest, you should read these documents and other documents filed by the Company with the SEC for more complete information. You may obtain these documents free of charge by visiting the SEC’s website at [www.sec.gov](http://www.sec.gov).

*This press release shall not constitute an offer to sell or a solicitation of an offer to purchase or a solicitation of consents with respect to any securities, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.*

**About Fiesta Restaurant Group, Inc.**

Fiesta Restaurant Group, Inc. owns, operates and franchises the Pollo Tropical<sup>®</sup> and Taco Cabana<sup>®</sup> restaurant brands with 310 restaurants in the U.S and internationally as of September 29, 2013. The brands specialize in the operation of fast-casual, ethnic restaurants that offer distinct and unique flavors with broad appeal at a compelling value. Both brands feature made-from-scratch cooking, fresh salsa bars, and drive-thru service and catering. For more information about Fiesta Restaurant Group, Inc., visit the corporate website at [www.frgi.com](http://www.frgi.com).

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## **Forward-Looking Statements**

Except for the historical information contained in this news release, the matters addressed are forward-looking statements. Forward-looking statements, written, oral or otherwise made, represent Fiesta's expectation or belief concerning future events. Without limiting the foregoing, these statements are often identified by the words "may," "might," "believes," "thinks," "anticipates," "plans," "expects", "intends" or similar expressions. In addition, expressions of Fiesta's strategies, intentions or plans, are also forward-looking statements. Such statements reflect management's current views with respect to future events and are subject to risks and uncertainties, both known and unknown. You are cautioned not to place undue reliance on these forward-looking statements as there are important factors that could cause actual results to differ materially from those in forward-looking statements, many of which are beyond Fiesta's control. Investors are referred to the full discussion of risks and uncertainties as included in Fiesta's filings with the Securities and Exchange Commission.

**FIESTA RESTAURANT GROUP, INC. COMMENCES CASH TENDER OFFER AND  
CONSENT SOLICITATION FOR ITS OUTSTANDING 8.875% SENIOR SECURED  
SECOND LIEN NOTES DUE 2016**

ADDISON, Texas – Fiesta Restaurant Group, Inc. (“Fiesta” or the “Company”) (NASDAQ: FRGI), the owner, operator, and franchisor of the Pollo Tropical<sup>®</sup> and Taco Cabana<sup>®</sup> fast-casual restaurant brands, announced today that it has commenced an offer to purchase for cash any and all of the \$200 million outstanding principal amount of its 8.875% Senior Secured Second Lien Notes due 2016 (the “Notes”). In conjunction with the tender offer, Fiesta is soliciting consents to effect certain proposed amendments to the indenture governing the Notes and certain security documents. The tender offer and consent solicitation are being made pursuant to an Offer to Purchase and Consent Solicitation Statement, dated November 12, 2013, and a related Consent and Letter of Transmittal, which set forth the terms and conditions of the offer and consent solicitation in full detail.

The total consideration to be paid for each \$1,000 principal amount of the Notes tendered prior to the expiration of the consent solicitation, and not validly withdrawn, will be \$1,062.50. The total consideration includes a consent payment of \$30.00 per \$1,000 principal amount, which is payable only to holders who tender their Notes and validly deliver their consents prior to the expiration of the consent solicitation. Holders who tender their Notes after the expiration of the consent solicitation, but on or prior to the tender expiration, will receive the tender offer consideration of \$1,032.50, which is the total consideration minus the consent payment. The consent solicitation will expire at 5:00 p.m., New York City time, on November 25, 2013, unless terminated or extended. The tender offer will expire at 12:01 a.m., New York City time, on December 11, 2013, unless terminated or extended. Tendering holders will also receive accrued and unpaid interest from the last applicable interest payment date to, but not including, the applicable payment date. Tendered Notes may not be withdrawn and consents may not be revoked after 5:00 p.m., New York City time, on November 25, 2013.

The proposed amendments to the indenture governing the Notes would, among other things, eliminate a significant portion of the restrictive covenants, eliminate certain events of default, release all of the collateral securing the obligations of Fiesta and the subsidiary guarantors under the Notes and amend the number of days prior to any redemption date that Fiesta must send a notice of redemption. Adoption of the proposed amendments to the indenture requires the consent of the holders of at least a majority of the aggregate outstanding principal amount of the Notes (the “Requisite Consents”), or in the case of the amendment to release all of the collateral securing the obligations of Fiesta and the subsidiary guarantors under the Notes, of at least 66 <sup>2</sup>/<sub>3</sub> % in aggregate principal amount outstanding of the Notes. Holders who tender their Notes will be required to consent to the proposed amendments and holders may not deliver consents to the proposed amendments without tendering their Notes in the tender offer. The proposed amendments to the indenture will not become operative, however, until at least a majority in aggregate principal amount outstanding of the Notes, or in the case of the amendment to release all of the collateral securing the obligations of Fiesta and the subsidiary guarantors under the Notes, at least 66 <sup>2</sup>/<sub>3</sub> % in aggregate principal amount outstanding of the Notes, whose holders have delivered consents to the proposed amendments have been accepted for payment.

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The tender offer and consent solicitation are subject to the satisfaction of certain conditions, including (i) the Minimum Tender Condition, which requires that the receipt of the Requisite Consents must have been obtained; (ii) the Financing Condition, which requires (a) the consummation of a public offering of up to \$100,000,000 of Fiesta's common stock (including an option to purchase from Fiesta and certain selling stockholders up to a number of additional shares of Fiesta common stock equal to 15% of the number of Fiesta common stock offered by Fiesta in the public offering); and (b) completion of a new senior secured revolving credit facility of Fiesta; and (iii) the Documentation Condition, which requires that the supplemental indenture implementing the proposed amendments must have been executed (other than the proposed amendments to the indenture and certain security documents relating to the release of all of the collateral securing the obligations of Fiesta and the subsidiary guarantors).

Wells Fargo Securities, LLC is acting as dealer manager and solicitation agent for the tender offer and the consent solicitation. The tender agent and information agent for the tender offer is D.F. King & Co., Inc. Questions regarding the tender offer and consent solicitation may be directed to Wells Fargo Securities, Liability Management Group, at (866) 309-6316 (toll free) or (704) 410-4760 (collect). Requests for copies of the Offer to Purchase and Consent Solicitation Statement or other tender offer materials may be directed to D.F. King & Co., Inc., telephone number (800) 431-9645 (toll free) and (212) 269-5550 (for banks and brokers) or by e-mail at [fiesta@dfking.com](mailto:fiesta@dfking.com).

This press release is for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell the Notes. This press release also is not a solicitation of consents to the proposed amendments to the indenture. The tender offer and consent solicitation are being made solely by means of the tender offer and consent solicitation documents, including the Offer to Purchase and Consent Solicitation Statement, dated November 12, 2013, and the related Consent and Letter of Transmittal, that Fiesta is distributing to holders of Notes. The tender offer and consent solicitation are not being made to holders of Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

*This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of any security in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.*

#### ABOUT FIESTA RESTAURANT GROUP, INC.

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Except for the historical information contained in this news release, the matters addressed are forward-looking statements. Forward-looking statements, written, oral or otherwise made, represent the Company's expectation or belief concerning future events. Without limiting the foregoing, these statements are often identified by the words "may," "might," "believes," "thinks," "anticipates," "plans," "expects", "intends" or similar expressions. In addition, expressions of our strategies, intentions or plans are also forward-looking statements. Such statements reflect management's current views with respect to future events and are subject to risks and uncertainties, both known and unknown. You are cautioned not to place undue reliance on these forward-looking statements as there are important factors that could cause actual results to differ materially from those in forward-looking statements, many of which are beyond our control. Investors are referred to the full discussion of risks and uncertainties as included in Fiesta's filings with the Securities and Exchange Commission.