

HILTON HOTELS CORP
Form 8-K
October 02, 2007

**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): October 1, 2007

HILTON HOTELS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-3427
(Commission File Number)

36-2058176
(IRS Employer Identification No.)

9336 Civic Center Drive
Beverly Hills, CA
(Address of principal executive offices)

90210
(Zip Code)

Registrant's Telephone Number, Including Area Code: (310) 278-4321

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

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- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - o 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.

On October 1, 2007, Hilton Hotels Corporation (Hilton) and The Bank of New York Trust Company, N.A., as trustee (the Trustee), entered into the Second Supplemental Indenture, dated as of October 1, 2007 (the Second Supplemental Indenture), to the Indenture dated as of April 15, 1997 (as amended and supplemented to October 1, 2007, the Indenture). The Second Supplemental Indenture relates to proposed amendments to the Indenture and the related officers' certificate with respect to Hilton's outstanding 7.430% Chilean Inflation-Indexed (UF) Notes due 2009 (the CLP Notes) and the CLP Notes themselves pursuant to Hilton's previously announced tender offers and consent solicitations (the Offers) for the CLP Notes and for its 8.000% Quarterly Interest Bonds due 2031 (the Bonds) and its 7.625% Notes due 2008, 7.200% Notes due 2009, 8.250% Notes due 2011, 7.625% Notes due 2012 and 7.500% Notes due 2017 (the Notes) and, together with the CLP Notes and the Bonds, the Securities). Previously, on September 25, 2007, Hilton entered into a supplemental indenture (the Supplemental Indenture) and together with the Second Supplemental Indenture, the Supplemental Indentures) with the Trustee relating to proposed amendments to the Indenture and the related officers' certificates in respect of the Notes. The press release announcing the receipt of the requisite consents from holders of the CLP Notes to adopt the amendments contained in the Second Supplemental Indenture is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

The amendments to the Indenture and the Notes and CLP Notes (together, the Consented Securities) pursuant to the Supplemental Indentures will eliminate substantially all of the restrictive covenants contained in the Consented Securities, the Indenture (as it relates to the Consented Securities) and the related officers' certificates and eliminate certain events of default, modify or eliminate covenants regarding consolidations, mergers and sale of assets and company reports and modify or eliminate certain other provisions, including, without limitation, certain provisions relating to defeasance contained in the Consented Securities, the Indenture (as it relates to the Consented Securities) and the related officers' certificates.

The amendments to the Indenture (as they relate to the Notes) and the Notes became effective upon the execution of the Supplemental Indenture and will become operative immediately prior to the acceptance for payment of such Notes pursuant to the Offers. The amendments to the Indenture (as they relate to the CLP Notes) and the CLP Notes became effective upon the execution of the Second Supplemental Indenture and will become operative immediately prior to the acceptance for payment of such CLP Notes pursuant to the Offers.

The Supplemental Indentures do not modify the terms of the Indenture as it relates to the Bonds, the consent payment deadline applicable to which has been extended to 5:00 p.m., New York City time, on October 9, 2007, unless extended or earlier terminated.

The tender offers and consent solicitations relating to the Securities are made upon the terms and conditions set forth in Hilton's Offer to Purchase dated September 12, 2007 (the Offer to Purchase) and the Letter of Transmittal, as amended. The tender offers and consent solicitations relating to the Securities are subject to the satisfaction of certain conditions, including the acquisition of Hilton by BH Hotels LLC, an entity controlled by investment funds affiliated with The Blackstone Group L.P., having occurred, or such acquisition occurring substantially concurrent with the expiration of the tender offers. Further details about the terms and conditions of the tender offers and the consent solicitations for the Securities are set forth in the Offer to Purchase.

Item 3.03 Material Modification to Rights of Security Holders

See the description under Item 1.01, which is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits

(d) *Exhibits.*

| Exhibit Number | Description |
|-------------------|--|
| 99.1 | Press Release of the Company dated October 1, 2007 |

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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.

HILTON HOTELS CORPORATION

Date: October 1, 2007

By:

/S/ MADELEINE A. KLEINER

Name: Madeleine A. Kleiner

Title: Executive Vice President and General Counsel

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