

# 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

December 1, 1998

DATE OF REPORT (Date of earliest event reported)

#### **DILLARD'S, INC.**

(Exact name of registrant as specified in its charter)

DELAWARE	1-6140	71-0388071
(State or other	(Commission	(IRS Employer
jurisdiction of incorporation)	File Number)	Identification
Number)		

1600 Cantrell Road, Little Rock, Arkansas 72201

(Address of principal executive offices)

(Zip Code)

(501) 376-5200

(Registrant's telephone number, including area code)

## Item 5. Other Events

Pursuant to the terms and conditions of a Terms Agreement between Registrant and Morgan Stanley & Co. Incorporated dated December 1, 1998, Registrant will issue on December 7, 1998 its Notes limited to \$150,000,000 aggregate principal amount maturing on December 1, 2028. The Notes are not subject to redemption prior to maturity.

## Item 7. Financial Statements and Exhibits

### (c) Exhibits

Exhibit 1	Terms Agreement dated December 1, 1998 between Dillard's, Inc. and Morgan Stanley
&	Co. Incorporated
Exhibit 4	Form of 7% Notes due 2028

**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.

**DILLARD'S, INC.**  
(Registrant)

*By: /s/ Steven K.  
Nelson  
Steven K. Nelson  
Vice President*

Date: December 3, 1998

## Exhibit Index

### Exhibits to Form 8-K

Number in Exhibit Table	Exhibit
Exhibit 1 &	Terms Agreement dated December 1, 1998 between Dillard's, Inc. and Morgan Stanley Co. Incorporated
Exhibit 4	Form of 7% Notes due 2028

**DILLARD'S, INC.**  
("Company")

**Debt Securities**

**TERMS AGREEMENT**

December 1, 1998

Dillard's, Inc.  
1600 Cantrell Road  
Little Rock, Arkansas 72201  
Attention: Vice President and Treasurer

Dear Sirs:

We offer to purchase, on and subject to the terms and conditions of the Underwriting Agreement Basic Provisions filed as an exhibit to the Company's registration statement on Form S-3 (No. 333-59183) ("Underwriting Agreement"), the following securities ("Securities") to be issued under an indenture, dated as of May 15, 1988, as supplemented by a First Supplemental Indenture dated as of December 16, 1988, a Second Supplemental Indenture dated as of September 14, 1990, and a Third Supplemental Indenture dated as of August 7, 1998, between the Company and The Chase Manhattan Bank, as Trustee, on the following terms:

Title: 7% Notes Due 2028

Aggregate Principal Amount: \$150,000,000

Interest: 7% per annum, from December 7, 1998, payable semiannually on June 1 and December 1 and commencing June 1, 1999, to holders of record on the preceding May 15 or November 15, as the case may be.

Maturity: December 1, 2028

Redemption: No provisions for redemption.

Purchase Price: 99.125% of the principal amount of the Securities, plus accrued interest from December 7, 1998, if any.

Expected Reoffering Price: 100.000% of the principal amount of the Securities, plus accrued interest from December 7, 1998, if any.

Specified Funds for Payment of Purchase Price: Federal (same-day) funds.

Closing Date: 10:00 a.m. on December 7, 1998 at the offices of Simpson Thacher & Bartlett, 425 Lexington Avenue, New York, New York 10017.

**Name and Address of Representatives:**

Morgan Stanley & Co. Incorporated  
1585 Broadway, Second Floor  
New York, New York 10036

It is understood that we may, with your consent, amend this offer to add additional Underwriters and reduce the aggregate principal amount to be purchased by us by the aggregate principal amount to be purchased by such additional Underwriters.

The provisions of the Underwriting Agreement are incorporated herein by reference; provided, however, the Underwriting Agreement shall be amended, for purposes of this Terms Agreement only, as follows:

Section 7(c) is hereby amended by deleting the second sentence and inserting in lieu thereof the following:

The indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless

(i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (a) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Underwriter and all persons, if any, who control the Underwriter within the meaning of either

Section 15 of the Act or Section 20 of the Exchange Act and (b) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either such Section. In the case of any such separate firm for the Underwriter

and such control persons of the Underwriter, such firm shall be designated by Morgan Stanley & Co. Incorporated. In the case of any such separate firm for the Company and such control persons of the Company, such firm shall be designated by the Company. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

The Securities will be made available for checking and packaging at the office of Morgan Stanley & Co. Incorporated at least 24 hours prior to the Closing Date.

Please signify your acceptance of our offer by signing the enclosed response to us in the space provided and returning it to us.

Very truly yours,

**MORGAN STANLEY & CO. INCORPORATED**

*By: /s/ Harold J. Hendershot III  
Name: Harold J. Hendershot  
III  
Title: Vice President*

To: Morgan Stanley & Co. Incorporated  
1585 Broadway, Second Floor  
New York, New York 10036

We accept the offer contained in your letter dated December 1, 1998, relating to \$150,000,000 principal amount of our 7% Notes due 2028. We also confirm that, to the best of our knowledge after reasonable investigation, the representations and warranties of the undersigned in the Underwriting Agreement filed as an exhibit to the undersigned's registration statement on Form S-3 (No. 333-59183) ("Underwriting Agreement") are true and correct, no stop order suspending the effectiveness of the Registration Statement (as defined in the Underwriting Agreement) or of any part thereof has been issued and no proceedings for that purpose have been instituted or, to the knowledge of the undersigned, are contemplated by the Securities and Exchange Commission and, subsequent to the respective dates of the most recent financial statements in the Prospectus (as defined in the Underwriting Agreement), there has been (or in the case of a form of prospectus filed pursuant to Rule 424(b)(1) or (4) there will be, as of the date of such prospectus) no material adverse change in the financial position or results of operations of the undersigned and its subsidiaries except as set forth in or contemplated by the Prospectus.

Very truly yours,

**DILLARD'S, INC.**

*By: /s/ Steven K. Nelson  
Name: Steven K. Nelson  
Title: Vice President and  
Assistant  
Secretary*

DILLARD'S, INC.

7% NOTE DUE 2028

REGISTERED REGISTERED

NO. R-1

CUSIP 254067 AN1

If this Security is registered in the name of The Depository Trust Company (the "Depository") (55 Water Street, New York, New York) or its nominee, this Security may not be transferred except as a whole by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or any such nominee to a successor Depository or a nominee of such successor Depository unless and until this Security is exchanged in whole or in part for Securities in definitive form. Unless this certificate is presented by an authorized representative of the Depository to the Company or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of the Depository and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co. has an interest herein.

DILLARD's, INC., a Delaware corporation (herein called the "Company", which term includes any successor corporation under the Indenture, hereinafter referred to), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of \$150,000,000 (ONE HUNDRED FIFTY MILLION DOLLARS) on December 1, 2028, and to pay interest thereon from December 7, 1998 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi- annually on June 1 and December 1 in each year, commencing June 1, 1999, at the rate of 7% per annum, until the principal hereof is paid or made available for payment.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

Dated: December 7, 1998

TRUSTEE'S CERTIFICATE  
OF AUTHENTICATION

DILLARD'S, INC.

This is one of the Securities of the series designated therein referred to in the Officer within-mentioned Indenture.

By: \_\_\_\_\_  
Senior Vice President  
and Chief Financial

THE CHASE MANHATTAN BANK (formerly known as Chemical Bank), Trustee

ATTEST:

By: \_\_\_\_\_  
Authorized Officer

By: \_\_\_\_\_  
Assistant Secretary

## Reverse Side of Note

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the May 15 or November 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

Payment of the principal of (and premium, if any) and interest on this Security will be made at the office or agency of the Company maintained for that purpose in New York, New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of May 15, 1988, as supplemented by a First Supplemental Indenture, dated as of December 16, 1988, a Second Supplemental Indenture dated as of September 14, 1990 and a Third Supplemental Indenture dated as of August 7, 1998 (as so supplemented, herein called the "Indenture"), between the Company and The Chase Manhattan Bank (formerly known as Chemical Bank), Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, limited in aggregate principal amount to \$150,000,000.

The Securities of this series are not subject to redemption prior to maturity.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of 66-2/3% in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of \$1,000 and any integral multiples thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - \_\_\_\_\_ Custodian\_\_\_\_\_

(Cust) (Minor) under Uniform Gifts to Minors Act\_\_\_\_\_

(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, \_\_\_\_\_ hereby sell, assign and transfer unto

**PLEASE INSERT SOCIAL  
SECURITY OR OTHER  
IDENTIFYING NUMBER  
OF ASSIGNEE**

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_ Please print or typewrite name and address of assignee

the within Instrument of the said Company and do hereby irrevocably constitute and appoint

\_\_\_\_\_, Attorney to transfer the said Instrument on the books of the said Company with full power of substitution in the premises.

Dated: \_\_\_\_\_

**NOTICE: THE SIGNATURE TO THIS  
ASSIGNMENT MUST CORRESPOND  
WITH THE NAME AS WRITTEN UPON  
THE FACE OF THE INSTRUMENT IN  
EVERY PARTICULAR, WITHOUT  
ALTERATION OR ENLARGEMENT, OR  
ANY CHANGE WHATEVER**

# End of Filing