

MCDONALDS CORP
Form 424B2
March 08, 2017

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Maximum Aggregate Offering Price	Amount of Registration Fee(1)(2)
Debt Securities (4.450% Medium-Term Notes Due 2047)	\$ 547,299,500	\$ 63,432.01

(1) *Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.*

(2) *This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the Registration Statement on Form S-3 (No. 333-205731), filed by McDonald's Corporation on July 17, 2015, in accordance with Rules 456(b) and 457(r) under the Securities Act of 1933, as amended.*

Filed Pursuant to Rule 424(b)(2)

Registration Statement No. 333-205731

PRICING SUPPLEMENT NO. 8, Dated March 6, 2017

(To Prospectus Dated July 17, 2015 and

Prospectus Supplement Dated July 17, 2015)

MCDONALD S CORPORATION

Medium-Term Notes

(Fixed Rate Notes)

Due From One Year to 60 Years From Date of Issue

The following description of the terms of the Notes offered hereby supplements, and, to the extent inconsistent therewith, replaces, the descriptions included in the Prospectus and Prospectus Supplement referred to above, to which descriptions reference is hereby made.

<u>Principal Amount:</u>	USD 550,000,000
<u>Issue Price:</u>	99.509% of the principal amount of the Notes
<u>Original Issue Date:</u>	March 9, 2017
<u>Stated Maturity:</u>	March 1, 2047
<u>Interest Rate:</u>	4.450% per annum
<u>Interest Payment Dates:</u>	March 1 and September 1 of each year, beginning September 1, 2017 [Applicable only if other than February 15 and August 15 of each year]
<u>Regular Record Dates:</u>	February 15 and August 15 of each year, as the case may be [Applicable only if other than February 1 and August 1 of each year]
<u>Form:</u>	☒ Book-Entry ☐ Certificated

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Specified Currency:

[Applicable only if other than U.S. dollars]

Option to Receive Payments in Specified Currency: ☐ Yes ☐ No

[Applicable only if Specified Currency is other than U.S. dollars and if Note is not in Book Entry form]

Authorized Denominations:

[Applicable only if other than U.S. \$1,000 and increments of U.S. \$1,000, or if Specified Currency is other than U.S. dollars]

Method of Payment of Principal:

[Applicable only if other than immediately available funds]

Optional Redemption:

- ☐ The Notes cannot be redeemed prior to Stated Maturity.
- ☒ The Notes can be redeemed in whole or in part at any time prior to Stated Maturity at the option of McDonald's Corporation (the Company) as set forth below.

Optional Redemption Dates:

At any time prior to Stated Maturity at the option of the Company as set forth below.

Redemption Prices:

☐ The Redemption Price shall initially be _____ % of the principal amount of the Note to be redeemed and shall decline at each anniversary of the initial Optional Redemption Date by _____ % of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount; *provided, however*, that if this Note is an Original Issue Discount Note, the Redemption Price shall be the Amortized Face Amount of the principal amount to be redeemed.

☒ Other: The Notes will be redeemable in whole or in part, at any time prior to September 1, 2046 (six months prior to Stated Maturity) at the Company's option, at a redemption price equal to the greater of:

(1) 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest on those Notes to the redemption date; or

(2) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of payments of interest accrued as of the redemption date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 25 basis points, plus accrued and unpaid interest on those Notes to the redemption date.

The Notes will be redeemable in whole or in part, at any time on or after September 1, 2046 (six months prior to Stated Maturity) at the Company's option, at a redemption price equal to 100% of the principal amount of such series of the Notes to be redeemed, plus accrued and unpaid interest on those Notes to the redemption date.

For purposes of the determination of the redemption price, the following definitions shall apply:

Business Day means any day that is not a day on which banking institutions in New York City are authorized or required by law or regulation to close.

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Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed.

Comparable Treasury Price means, with respect to any redemption date, the average of the available Reference Treasury Dealer Quotations for that redemption date.

Independent Investment Banker means one of the Reference Treasury Dealers selected by the Company.

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Reference Treasury Dealer means three primary U.S. Government securities dealers in New York City, New York (a **Primary Treasury Dealer**), which shall include J.P. Morgan Securities LLC; Mizuho Securities USA Inc.; and Wells Fargo Securities, LLC, and their respective successors; *provided, however*, that if any of the foregoing ceases to be a Primary Treasury Dealer, the Company shall substitute for it another Primary Treasury Dealer.

Reference Treasury Dealer Quotation means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted by that Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third Business Day preceding the redemption date.

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue for the Notes to be redeemed, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the redemption date.

Unless the Company defaults in payment of the redemption price, after the redemption date interest will cease to accrue on the Notes or portion of the Notes called for redemption.

Sinking Fund:

- ☒ The Notes are not subject to a Sinking Fund.
- ☐ The Notes are subject to a Sinking Fund.

Sinking Fund Dates:

Sinking Fund Amounts:

Amortizing Note: ☐ Yes ☒ No

Amortizing Schedule:

<u>Repayment Date</u>	<u>Repayment Amount</u>	<u>Outstanding Balance Following Repayment Amount</u>
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Optional Repayment: ☐ Yes ☒ No

Optional Repayment Dates:

Optional Repayment Prices:

Original Issue Discount Note: ☐ Yes ☒ No

Total Amount of OID:

Yield to Stated Maturity:

Initial Accrual Period OID:

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Calculation Agent (if other than Principal Paying Agent):

Agents' Discount: 0.875% of the principal amount of the Notes

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Net proceeds to Company: 98.634% of the principal amount of the Notes

Agents Capacity: o Agent x Principal

Agents:

Joint Bookrunners:

- Citigroup Global Markets Inc.
- J.P. Morgan Securities LLC
- Merrill Lynch, Pierce, Fenner & Smith Incorporated
- Mizuho Securities USA Inc.
- MUFG Securities Americas Inc.
- SG Americas Securities, LLC
- U.S. Bancorp Investments, Inc.
- Wells Fargo Securities, LLC

Co-Managers:

- ANZ Securities, Inc.
- Barclays Capital Inc.
- Citizens Capital Markets, Inc.
- Drexel Hamilton, LLC
- Goldman, Sachs & Co.
- HSBC Securities (USA) Inc.
- ING Financial Markets LLC
- Morgan Stanley & Co. LLC
- PNC Capital Markets LLC
- Rabo Securities USA, Inc.
- Samuel A. Ramirez & Company, Inc.
- Siebert Cisneros Shank & Co., L.L.C.
- SMBC Nikko Securities America, Inc.
- Standard Chartered Bank
- SunTrust Robinson Humphrey, Inc.
- The Williams Capital Group, L.P.
- UniCredit Capital Markets LLC

CUSIP: 58013MFC3

Plan of Distribution to Agents:

Agent	Principal Amount
J.P. Morgan Securities LLC	\$ 85,250,000
Mizuho Securities USA Inc.	\$ 85,250,000
U.S. Bancorp Investments, Inc.	\$ 85,250,000
Wells Fargo Securities, LLC	\$ 85,250,000
Citigroup Global Markets Inc.	\$ 27,500,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	\$ 27,500,000
MUFG Securities Americas Inc.	\$ 27,500,000

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SG Americas Securities, LLC	\$	27,500,000
The Williams Capital Group, L.P.	\$	11,550,000
Citizens Capital Markets, Inc.	\$	8,800,000
Goldman, Sachs & Co.	\$	8,800,000
Morgan Stanley & Co. LLC	\$	8,800,000
PNC Capital Markets LLC	\$	8,800,000
SunTrust Robinson Humphrey, Inc.	\$	8,800,000
ANZ Securities, Inc.	\$	4,400,000
Barclays Capital Inc.	\$	4,400,000
HSBC Securities (USA) Inc.	\$	4,400,000
ING Financial Markets LLC	\$	4,400,000
Rabo Securities USA, Inc.	\$	4,400,000
SMBC Nikko Securities America, Inc.	\$	4,400,000
Standard Chartered Bank	\$	4,400,000
UniCredit Capital Markets LLC	\$	4,400,000
Drexel Hamilton, LLC	\$	2,750,000
Samuel A. Ramirez & Company, Inc.	\$	2,750,000
Siebert Cisneros Shank & Co., L.L.C.	\$	2,750,000
Total:	\$	550,000,000

Additional Information Regarding Agents:

Standard Chartered Bank will not effect any offers or sales of any notes in the U.S. unless it is through one or more U.S. registered broker-dealers as permitted by the regulations of FINRA.

United States Tax Considerations:

The text under "United States Tax Considerations" in the Prospectus Supplement, dated July 17, 2015, summarizes certain U.S. federal income tax considerations that may be relevant to a beneficial owner of a note. The text is amended as follows:

I. "Introductory paragraph" Insert the following text after the fourth sentence:

It is intended to apply only to investors who acquire their notes upon original issuance, or investors who acquire their notes in a subsequent purchase and are not members of our expanded group, as defined in the Treasury regulations under Section 385 of the Internal Revenue Code (the "Code").

II. "United States Tax Considerations" "Original Issue Discount" Delete the following text in the first sentence:

Internal Revenue

III. "United States Tax Considerations" "Non-U.S. Holders" Replace the existing text in its entirety with the following:

If a holder is a non-resident alien individual or a foreign corporation that is the beneficial owner of the notes (a "non-U.S. holder"):

(a) payments of interest (including any original issue discount) on a note made to such non-U.S. holder will not be subject to withholding of U.S. federal income tax, provided that, with respect to payments of interest on a note, (i) the non-U.S. holder does not actually or constructively own 10 percent or more of the combined voting power of all classes of our stock and is not a controlled foreign corporation related to us through stock ownership; (ii) the payments are not payments of contingent interest as described in Section 871(h)(4) of the Code (generally,

interest (including original issue discount), the amount of which is determined by reference to our receipts, sales, cash flow, income, profits, property values, dividends or comparable attributes or such attributes of a party related to us); (iii) the beneficial owner provides a statement signed under penalties of perjury (typically, on IRS Form W-8BEN or W-8BEN-E) that includes its name and address and certifies that it is a non-U.S. holder in compliance with applicable requirements (or satisfies certain documentary evidence requirements for establishing that it is a non-U.S. holder); (iv) the non-U.S. holder has provided any direct or indirect information with respect to its direct and indirect U.S. owners; and (v) if the non-U.S. holder or any intermediary through which it holds notes is a foreign financial institution (as defined below), each such entity has entered into an agreement with the U.S. government, pursuant to which it agrees, among other responsibilities, to collect and provide to the U.S. tax authorities information about its direct and indirect U.S. accountholders and investors, or otherwise establishes an exemption; and

(b) such non-U.S. holder will not be subject to U.S. federal income tax on gain realized on the sale, exchange or redemption of the note, provided that, (i) the gain of such holder is not effectively connected with the holder's conduct of a trade or business in the United States (and, if certain treaties apply, is not attributable to a permanent establishment maintained by the non-U.S. holder within the United States); (ii) if the non-U.S. holder is an individual holder, such holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange or redemption (and does not satisfy certain other conditions); and (iii) in the case of a sale, exchange, redemption or other taxable disposition of a note effected on or after January 1, 2019, (x) the non-U.S. holder has provided any direct or indirect information with respect to its direct and indirect U.S. owners; and (y) if the non-U.S. holder or any intermediary through which it holds notes is a foreign financial institution (as defined below), each such entity has entered into an agreement with the U.S. government, pursuant to which it agrees, among other responsibilities, to collect and provide to the U.S. tax authorities information about its direct and indirect U.S. accountholders and investors, or otherwise establishes an exemption.

If U.S. tax is imposed as a result of a failure to comply with the documentation requirements described in clauses (a)(iv) and (v) or (b)(iii) above, the beneficial owner may be entitled to a refund if the required information is provided to the IRS.

For purposes of the discussion in paragraphs (a) and (b) above, a foreign financial institution generally is a non-U.S. entity that (i) accepts deposits in the ordinary course of a banking or similar business; (ii) as a substantial portion of its business, holds financial assets for the account of others; or (iii) is engaged (or holds itself out as being engaged) primarily in the business of investing, reinvesting, or trading in securities, partnership interests or commodities, or interests in securities, partnership interests or commodities.

U.S. information reporting requirements and backup withholding tax will not apply to payments on a note made to a non-U.S. holder if the statement described in paragraph (a)(ii) above is duly provided.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a holder's U.S. federal income tax liability. A holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claims for a refund with the IRS and furnishing the required information.

Plan of Distribution:

The text under "Plan of Distribution" in the Prospectus Supplement, dated July 17, 2015, is amended by inserting the following text immediately preceding the "General" heading therein:

Canada

The notes may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Legal Matters:

The text under "Legal Matters" in the Prospectus Supplement, dated July 17, 2015, is amended as follows:

Jerome N. Krulewitch, McDonald's Corporate Executive Vice President, General Counsel and Secretary, will pass upon the validity of the notes for us. Allen & Overy LLP, New York, New York, will pass upon the validity of the notes for the agents.