
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report: **November 23, 2005**

Date of earliest event reported: **November 29, 2005**

H&E EQUIPMENT SERVICES L.L.C.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Louisiana
(State or other jurisdiction
of incorporation)

333-99589
333-99587
(Commission File Numbers)

72-1287046
(IRS Employer
Identification No.)

11100 Mead Road, Suite 200, Baton Rouge, Louisiana 70816
(Address of Principal Executive Offices, including Zip Code)

(225) 298-5200
(Registrant's Telephone Number, Including Area Code)

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))
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Item 2.04 **Triggering Events that Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.**

To the extent required by Item 2.04 of Form 8-K, the information contained in Item 7.01 of this report is incorporated by reference in this Item 2.04.

Item 7.01 **Regulation FD Disclosure.**

As we previously reported, in July 2000, Sunbelt Rentals, Inc. brought claims against us in the General Court of Justice, Superior Court Division, State of North Carolina, County of Mecklenburg alleging, among other things, that in connection with our hiring of former employees of the plaintiff there occurred a misappropriation of trade secrets, unfair trade practices and interference with prospective advantages. In May 2003, the trial court ruled in favor of the plaintiff in the amount of \$17.4 million. Consequently, we recorded a \$17.4 million loss in 2003. We subsequently appealed the judgment. In conjunction with the appeal and in accordance with the court's ruling, we posted and filed an irrevocable standby letter of credit for approximately \$20.1 million, representing the amount of the judgment plus \$2.7 million in anticipated statutory interest (8%) for the twenty-four months during which the judgment was to be appealed. In addition, as we previously reported, the Court of Appeals of North Carolina denied our appeal on October 18, 2005.

We have decided not to pursue any additional appeals and, on November 23, 2005, entered into a settlement agreement with Sunbelt Rentals, Inc. to pay the full amount of the irrevocable standby letter of credit. We made this approximately \$20.1 million payment on November 28, 2005.

This payment of damages does not cause a default or an event of acceleration under our senior secured credit facility, senior secured notes or senior subordinated notes. The payment does not adversely impact our liquidity, because the payment was funded through our senior secured credit facility and availability under the senior secured credit facility already had been reduced by the amount of the letter of credit. At the time of payment, the amount of the judgment was reclassified from accrued liabilities to debt under our senior secured credit facility. This does not result in a net change to total liabilities on our balance sheet. In addition, this does not adversely impact our balance sheet or statement of operations, because the judgment, including statutory interest through September 30, 2005, has already been reflected on our financial statements. We have continued to expense statutory interest through the date of payment.

Item 9.01 **Financial Statements and Exhibits.**

10.1 Stipulation of Settlement dated November 23, 2005.

SIGNATURES

According 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, thereunto duly authorized.

H&E EQUIPMENT SERVICES L.L.C.

Date: November 29, 2005

/s/ LESLIE S. MAGEE

By: Leslie S. Magee
Its: Chief Financial Officer

STATE OF NORTH CAROLINA

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
00-CVS-10358

COUNTY OF MECKLENBURG

SUNBELT RENTALS, INC., a North Carolina Corporation,)
)
)

Plaintiff,)

v.)

HEAD & ENGQUIST EQUIPMENT, L.L.C.,)
d/b/a H&E HI-LIFT, ROBERT HEPLER,)
DOUGLAS KLINE, MICHAEL QUINN,)
GREGG L. CHRISTENSEN, PATRICK C.)
MULDOON, MICHELE U. DOUGHERTY and)
BRIAN W. PEARSALL,)

Defendants.)
)

STIPULATION OF SETTLEMENT

Plaintiff Sunbelt Rentals, Inc. ("Sunbelt") and the Defendants hereby stipulate as follows:

1. The parties have reached a settlement agreement whereby:

a. Defendants will dismiss with prejudice the Petition for Discretionary Review to the North Carolina Supreme Court no later than 5:00 p.m., November 23, 2005;

b. Defendants agree to wire to Sunbelt the sum of \$20,133,972.60 by 2:00 p.m., November 28, 2005, in accordance with wiring instructions provided by Sunbelt.

c. On confirmation of receipt of the wired funds as provided for in paragraph 1(b) above, Sunbelt agrees to release any interest in the Letter of Credit, as amended, which was obtained as an undertaking to stay execution on the judgment in this case and now totals \$20,133,972.60, to Defendants, and Defendants may cancel the Letter of Credit;

d. Sunbelt agrees to mark the Judgment "paid," and not to seek any additional attorneys' fees, damages, interest or costs in this action; and

e. The parties will execute further settlement documents, to the extent desired and necessary to finalize all terms of this settlement.

2. The parties respectfully request that the Clerk of Court release the Letter of Credit to the Defendants, and Sunbelt consents to that release, upon confirmation of receipt of the wired funds as provided in paragraph 1(b) above.

This 23rd day of November, 2005.

/s/ William L. Rikard, Jr., Esq.
William L. Rikard, Jr., Esq.
N. C. State Bar No. 3701
Attorney for the Plaintiff

OF COUNSEL:
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/s/ Paul M. Navarro
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