

GENERAC HOLDINGS INC.
Form 8-K
June 04, 2013

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): **May 31, 2013**

Generac Holdings Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-34627
(Commission File Number)

20-5654756
(IRS Employer Identification No.)

S45 W29290 Hwy. 59
Waukesha, Wisconsin
(Address of principal executive offices)

53189
(Zip code)

(262) 544-4811

Registrant's telephone number, including area code

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:

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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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inaccuracy of representations or warranties in any material respect, cross-defaults with other material indebtedness, certain undischarged judgments, the occurrence of certain ERISA or bankruptcy or insolvency events or the occurrence of a change in control (defined in the Term Loan Credit Agreement). A bankruptcy or insolvency event of default will cause the obligations under the Term Loan Credit Agreement to automatically become immediately due and payable.

Approximately \$229.4 million of the proceeds from the Term Loan were used to repay the outstanding tranche B term loans of non-continuing lenders, which were scheduled to mature in May 2018. The Company intends to use a portion of the proceeds from the new Term Loans to fund a special cash dividend to its stockholders of \$5.00 per share, or approximately \$342 million in the aggregate, as described further under Item 8.01 below. After paying off the outstanding principal and accrued interest on the prior term loan facilities, the remaining funds from the new term loans will be used for general corporate purposes and to pay related financing fees and expenses.

J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman Sachs Bank USA, Deutsche Bank Securities Inc. and Morgan Stanley Senior Funding, Inc. acted as joint lead arrangers.

The Term Loan Credit Agreement and associated collateral agreement amendment are attached hereto as Exhibits 10.1 and 10.2 and incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to such exhibits.

Amendment of ABL Revolving Credit Facility

Concurrent with the closing of the Term Loan Credit Agreement, on May 31, 2013, the Borrower also entered into an amendment of that certain Credit Agreement (the ABL Credit Agreement), among the Borrower, certain domestic subsidiaries of the Borrower, the Parent, the lenders party thereto, Bank of America, N.A., as Administrative Agent, JPMorgan Chase Bank, N.A. and Goldman Sachs Bank USA, as syndication agents, and Wells Fargo Bank, National Association, as Documentation Agent.

The ABL Credit Agreement amendment provides for a one year extension of the maturity date in respect of the \$150.0 million senior secured ABL revolving credit facility provided under the ABL Credit Agreement (the ABL Facility). The extended maturity date of the ABL Facility is May 31, 2018.

Borrowings under the ABL Facility continue to bear interest at rates based upon either a base rate plus an applicable margin of 1.00% or adjusted LIBOR rate plus an applicable margin of 2.00%, in each case, subject to adjustments based upon average availability under the ABL Facility.

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JPMorgan Chase Bank, N.A., as Administrative Agent, and Bank of America, N.A. and Goldman Sachs Bank USA, as syndication agents.

- 10.3 First Amendment to the Guarantee and Collateral Agreement, dated as of May 31, 2013, to that certain Guarantee and Collateral Agreement, dated as of February 9, 2012, as amended and restated as of May 30, 2012, among Generac Holdings Inc., Generac Acquisition Corp., Generac Power Systems, Inc., certain subsidiaries of Generac Power Systems, Inc. and JPMorgan Chase Bank, N.A., as Administrative Agent.
- 10.4 Amendment No. 1 dated as of May 31, 2013 to the Credit Agreement, dated as of May 30, 2012, among Generac Power Systems, Inc., its Domestic Subsidiaries listed as Borrowers on the signature pages thereto, Generac Acquisition Corp., the lenders party thereto, Bank of America, N.A. as Administrative Agent, JPMorgan Chase Bank, N.A. and Goldman Sachs Bank USA, as syndication agents, and Wells Fargo Bank, National Association, as

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Documentation Agent.

- 10.5 First Amendment to the Guarantee and Collateral Agreement dated as of May 31, 2013, to that certain Guarantee and Collateral Agreement, dated as of May 30, 2012, among Generac Holdings Inc., Generac Acquisition Corp., Generac Power Systems, Inc., certain subsidiaries of Generac Power Systems, Inc. and Bank of America, N.A., as Administrative Agent.
- 99.1 Press release, dated June 3, 2013.

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.

Date: June 3, 2013

GENERAC HOLDINGS INC.

By: /s/ York A. Ragen

Name: York A. Ragen

Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description of Exhibits
10.1	Restatement Agreement, dated as of May 31, 2013, to that certain Credit Agreement, dated as of February 9, 2012, as amended and restated as of May 30, 2012, among Generac Acquisition Corp., Generac Power Systems, Inc., the lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and Bank of America, N.A. and Goldman Sachs Bank USA, as syndication agents.
10.2	Credit Agreement, dated as of February 9, 2012, as amended and restated as of May 30, 2012, and as further amended and restated as of May 31, 2013, among Generac Power Systems, Inc., Generac Acquisition Corp., the lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and Bank of America, N.A. and Goldman Sachs Bank USA, as syndication agents.
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