

QUIDEL CORP /DE/  
Form 8-K  
October 10, 2008

**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 8, 2008**

**QUIDEL CORPORATION**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**0-10961**  
(Commission  
File Number)

**94-2573850**  
(IRS Employer  
Identification No.)

**10165 McKellar Court**  
**San Diego, California**  
(Address of Principal Executive Offices)

**92121**  
(Zip Code)

Registrant's telephone number, including area code: **(858) 552-1100**

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

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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 (see General Instruction A.2. below):

- 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 8, 2008, Quidel Corporation (the Company), as Borrower, entered into a credit agreement (the Credit Agreement) with certain lenders from time to time a party thereto and Bank of America, N.A., as Agent, Swing Line Lender and L/C Issuer and US Bank, N.A., as Syndication Agent.

The new senior secured syndicated credit facility under the Credit Agreement consists of a five (5) year \$120 million revolving credit facility with an option to request increases in the borrowing capacity thereunder by an additional \$75 million. The new credit facility replaces the Company's \$30 million credit facility dated as of January 31, 2005 with Bank of America. The new credit facility matures on October 8, 2013. Loans under the new credit facility shall bear interest at a rate equal to (i) the British Bankers Association LIBOR Rate plus the applicable rate or (ii) the base rate (defined as the higher of (a) the Bank of America prime rate, and (b) the Federal Funds rate plus one-half of one percent) plus the applicable rate. The applicable rate is determined in accordance with a performance pricing grid based on the Company's leverage ratio and ranges from 1.50% to 2.75% for LIBOR rate loans and from 0.50% to 1.75% for base rate loans. The Company may select interest periods of 1, 2, 3 or 6 months for LIBOR rate loans, subject to availability. Interest is payable at the end of the selected interest period, but no less frequently than quarterly. In addition, the Company will pay a commitment fee on the unused portion of the new credit facility that is also based on the Company's leverage ratio. The commitment fee is payable quarterly with any unpaid commitment fee payable on the termination date of the new credit facility.

In connection with the new senior secured credit facility, the Company entered into a security agreement (the Security Agreement) by and among the Company, as Borrower, direct and indirect domestic subsidiaries of Borrower, each additional grantor that may become a party thereto and Bank of America, N.A., as Agent. Under the Security Agreement, the new credit facility is secured by substantially all present and future assets and properties of the Company, including, without limitation, accounts receivable, inventory, plant, property, equipment, contracts, trademarks, copyrights, patents, stock of subsidiaries, and general intangibles. In addition, the Company's domestic subsidiaries are guarantors under the Credit Agreement.

Under the Credit Agreement, the Company is subject to certain customary limitations, including among others: limitation on liens; limitation on mergers, consolidations and sales of assets; limitation on debt; limitation on dividends, stock redemptions and the redemption and/or prepayment of other debt; limitation on investments (including loans and advances) and acquisitions; limitation on transactions with affiliates; and limitation on annual capital expenditures. The Company is also subject to financial covenants which include a funded debt to EBITDA ratio and an interest coverage ratio.

The Credit Agreement includes customary covenants and Events of Default.

The descriptions of the material features of the Credit Agreement and the Security Agreement provided above are qualified in their entirety by reference to the full text of the Credit Agreement and the Security Agreement which are attached hereto as Exhibits 10.1 and 10.2, respectively, and are incorporated herein by reference. Both the Credit Agreement and Security Agreement are dated as of October 8, 2008.

**Item 2.03      Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information set forth in Item 1.01 above in this current report on Form 8-K is hereby incorporated into this Item 2.03 by reference.

**Item 9.01      Financial Statements and Exhibits.**

**(d)      Exhibits.**

The following exhibits are filed with this current report on Form 8-K:

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
10.1	Credit Agreement, by and among Quidel Corporation, as Borrower, each lender from time to time party thereto (collectively, Lenders and individually, a Lender ) and Bank of America, N.A., as Agent, Swing Line Lender and L/C Issuer, dated as of October 8, 2008.
10.2	Security Agreement by and among Quidel Corporation, as Borrower, direct and indirect domestic subsidiaries of Borrower, each additional grantor that may become a party thereto and Bank of America, N.A., as Agent, dated as of October 8, 2008.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 10, 2008

**QUIDEL CORPORATION**

By:	/s/ John M. Radak	
Name:		John M. Radak
Its:		Chief Financial Officer

**EXHIBIT INDEX**

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