

RR Donnelley & Sons Co
Form 8-K
December 17, 2010

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): December 17, 2010

R.R. DONNELLEY & SONS COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

1-4694
(Commission

File Number)

36-1004130
(IRS Employer

Identification No.)

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111 South Wacker Drive

Chicago, Illinois
(Address of principal executive offices)

60606
(Zip Code)

Registrant's Telephone Number, Including Area Code: (312) 326-8000

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- ☐ 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))

Item 1.01 Entry into a Material Definitive Agreement.

Item 1.02 Termination of a Material Definitive Agreement.

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

R.R. Donnelley & Sons Company (the "Company"), as borrower, has entered into a \$1.75 billion revolving credit agreement (the "Credit Agreement"), dated as of December 17, 2010, among the Company, the lenders party thereto (the "Lenders"), and Bank of America, N.A., as administrative agent (the "Agent"). Citibank, N.A., JPMorgan Chase Bank, N.A., Morgan Stanley MUFG Loan Partners, LLC and Wells Fargo Bank, National Association acted as syndication agents for the Credit Agreement and Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Morgan Stanley MUFG Loan Partners, LLC and Wells Fargo Securities LLC acted as joint lead arrangers and joint book runners for the Credit Agreement. The Credit Agreement expires December 17, 2013 (subject to a possible one-year extension if agreed to by the Lenders), at which time all outstanding amounts under the Credit Agreement will be due and payable. The Credit Agreement is available for borrowings by the Company if certain conditions precedent to each borrowing are met, including that (i) no event of default having occurred and being continuing and (ii) that the representations and warranties made in the Credit Agreement (other than the representation with respect to material adverse changes) are correct.

The Credit Agreement replaces the Company's previous credit agreement, dated as of January 8, 2007 among the Company, the banks party thereto and Bank of America, N.A., as administrative agent (the "Existing Credit Agreement"). All amounts outstanding under the Existing Credit Agreement were repaid with borrowings under the Credit Agreement.

At the Company's option, borrowings under the Credit Agreement will bear interest at a rate dependent on the Company's credit ratings at the time of such borrowing and will be calculated according to a base rate or a Eurocurrency rate plus an applicable margin, as the case may be. The Company must pay interest on borrowings not less often than quarterly. In addition, the Company must pay facility commitment fees quarterly in arrears at rates dependent on the Company's credit ratings.

The Credit Agreement contains customary covenants for transactions of this type, including two financial covenants: (i) an interest coverage ratio, as defined in the Credit Agreement, that must be maintained at a level of not less than 3.0 to 1 and (ii) a leverage ratio, as defined in the Credit Agreement, that must be maintained at a level of not greater than 4.0 to 1.

The Credit Agreement provides for customary events of default that are subject, in certain cases, to customary grace periods, including failure to pay any principal or interest when due, failure to comply with covenants, any representation made by the Company proving to be incorrect, defaults relating to other indebtedness of at least \$100,000,000 in the aggregate, certain insolvency and receivership events affecting the Company or its subsidiaries, judgments in excess of \$100,000,000 in the aggregate being rendered against the Company or its subsidiaries, the acquisition of 50% or more by any person of any outstanding class of capital stock having ordinary voting power in the election of directors of the Company, and the incurrence of certain ERISA liabilities.

In the event of a default by the Company, the Agent may, and at the direction of the requisite number of Lenders will, terminate the Lenders commitments to make loans under the Credit Agreement, declare the obligations under the Credit Agreement immediately due and payable and enforce any and all rights of the Lenders or Agent under the Credit Agreement and related documents. For certain events of default related to insolvency and receivership, the commitments of the Lenders are automatically terminated and all outstanding obligations become immediately due and payable.

Certain of the lenders, agents and other parties to the Credit Agreement, and their affiliates, have in the past provided, and may in the future provide, investment banking, underwriting, lending, commercial banking and other advisory services to the company and its subsidiaries. Such lenders, agents and other parties have received, and may in the future receive, customary compensation from the Company and its subsidiaries for such services.

The foregoing description of the Credit Agreement and related matters is qualified in its entirety by reference to the Credit Agreement, which is filed as Exhibit 99.1 hereto and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit 99.1 Credit Agreement, dated as of December 17, 2010, among R.R. Donnelley & Sons Company, the lenders party thereto, and Bank of America, N.A., as administrative agent.

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.

R. R. DONNELLEY & SONS COMPANY

Date: December 17, 2010

By: */s/* SUZANNE S. BETTMAN
Suzanne S. Bettman

**Executive Vice President, General Counsel, Corporate Secretary
and Chief Compliance Officer**

EXHIBIT INDEX

Exhibit

Number	Description
99.1	Credit Agreement, dated as of December 17, 2010, among R.R. Donnelley & Sons Company, the lenders party thereto, and Bank of America, N.A., as administrative agent.