

NEW JERSEY RESOURCES CORP

Form 8-K

October 02, 2015

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 2, 2015 (September 28, 2015)

NEW JERSEY RESOURCES CORPORATION

(Exact name of registrant as specified in its charter)

New Jersey	001-8359	22-2376465
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1415 Wyckoff Road	
Wall, New Jersey	07719
(Address of principal executive offices)	(Zip Code)

(732) 938-1480
(Registrant's telephone number, including area code)

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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):

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.

A. NJR \$425,000,000 Credit Agreement

On September 28, 2015, New Jersey Resources Corporation (“NJR”), as borrower, and certain of NJR’s unregulated subsidiaries, as guarantors (the “Guarantors”), entered into a \$425,000,000 Amended and Restated Credit Agreement, dated as of September 28, 2015 (the “New Credit Agreement”) with the several lenders party thereto, PNC Bank, National Association, as Administrative Agent, JPMorgan Chase Bank, N.A. and Wells Fargo Bank, National Association, as Syndication Agents, and Bank of America, N.A., TD Bank, N.A. and U.S. Bank National Association, as Documentation Agents. PNC Capital Markets LLC, J.P. Morgan Securities LLC and Wells Fargo Securities, LLC, were the Joint Lead Arrangers of the New Credit Agreement. The New Credit Agreement refinances an earlier \$425,000,000 revolving credit facility that was scheduled to expire on August 22, 2017, but has now been terminated. The New Credit Agreement is scheduled to terminate on September 28, 2020, subject to two mutual options for a one-year extension beyond that date.

Borrowings under the New Credit Agreement bear interest, at NJR’s option at (i) a rate per annum equal to the greatest of (A) PNC Bank National Association’s prime rate, (B) the Federal Funds Open Rate, as quoted on stated electronic sources that display such rate, plus 0.50%, and (C) the Daily LIBOR Rate (as defined in the agreement) plus 1.00%, plus in the case of (A), (B), and (C), an applicable margin between 0.00% and 0.625%, depending upon the credit rating of New Jersey Natural Gas Company, a wholly-owned subsidiary of NJR, from Standard & Poor’s and Moody’s Investor Services, Inc., or a successor nationally recognized statistical rating agency (“Credit Rating”), or (ii) a rate per annum equal to the LIBOR Rate plus an applicable margin of 0.875% to 1.625%, depending on the Credit Rating. The Commitment Fee Rate for the New Credit Agreement may range from 0.075% to 0.20%, depending upon the Credit Rating. As of the closing of the New Credit Agreement, the Commitment Fee Rate was 0.075%, the applicable margin for loans described in (i) above was 0.00% and the applicable margin for loans described in (ii) above was 0.875%. The New Credit Agreement permits the borrowing of revolving loans and swingline loans, as well as the issuance of letters of credit. The New Credit Agreement also includes an accordion feature, which would allow NJR, in the absence of a default or event of default, to request an increase from time to time, with the existing or new lenders, of the revolving credit commitments under the New Credit Agreement in minimum \$5,000,000 increments up to a maximum of \$100,000,000.

The New Credit Agreement contains representations, warranties, covenants, conditions and defaults customary for transactions of this type, including but not limited to: (a) a maximum leverage ratio (consolidated total indebtedness to consolidated total capitalization as defined in the New Credit Agreement), of not more than 0.65 to 1.00 at any time; (b) limitations on liens and incurrence of debt, investments, mergers and asset dispositions, and the use of the proceeds of the New Credit Agreement; (c) requirements to preserve corporate existence, and comply with laws; and (d) default provisions, including defaults for non-payment, breach of representations and warranties, insolvency, non-performance of covenants, cross-defaults and guarantor defaults. The occurrence of an event of default under the New Credit Agreement could result in all loans and other obligations of NJR becoming immediately due and payable and the New Credit Agreement being terminated.

A copy of the New Credit Agreement is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 1.01. The foregoing summary of the New Credit Agreement is qualified in its entirety by

reference to the text of the New Credit Agreement filed herewith.

NJR and its affiliates regularly engage the banks listed above to provide other banking services. All of these engagements are negotiated at arm's length.

B. Amendment of NJR Note Purchase Agreements

On September 28, 2015, NJR and the Guarantors, entered into the following amendments ("Amendments") to existing agreements with their respective noteholders to make modifications to certain definitions and to expand liens permitted to be incurred, in each case to make such provisions generally consistent with the provisions of the New Credit Facility:

- ¹ Second Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement among NJR, Prudential Investment Management, Inc. and each other Prudential Affiliate

which becomes bound by certain provisions thereof, dated as of June 30, 2011, as previously amended by a First Amendment thereto dated as of July 25, 2014.

2. First Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement between NJR and Metropolitan Life Insurance Company (“MetLife”), dated as of September 26, 2013.
3. First Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement between NJR and MetLife, dated as of May 12, 2011.
4. First Amendment, dated as of September 28, 2015, to Note Purchase Agreement by and among NJR and the signatory noteholders, dated as of September 24, 2007.

Copies of the Amendments are filed as Exhibit 10.2, Exhibit 10.3, Exhibit 10.4 and Exhibit 10.5, respectively, to this Current Report on Form 8-K and are incorporated by reference into this Item 1.01. The foregoing summary of the Amendments is qualified in its entirety by reference to the text of the Amendments filed herewith.

Item 1.02 Termination of a Material Definitive Agreement.

The information required by this item is included in Item 1.01 and incorporated herein by reference.

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

The information required by this item is included in Item 1.01 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired. Not applicable.

(b) Pro Forma Financial Information. Not applicable.

(c) Exhibits

Amended and Restated Credit Agreement dated as of September 28, 2015, by and among NJR, the
Exhibit guarantors thereto, the lenders party thereto, PNC Bank, National Association, as Administrative Agent,
10.1 JPMorgan Chase Bank, N.A. and Wells Fargo Bank, National Association, as Syndication Agents, Bank of
America, N.A., TD Bank, N.A. and U.S. Bank National Association, as Documentation Agents.

Second Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement among NJR,
Exhibit Prudential Investment Management, Inc. and each other Prudential Affiliate which becomes bound by
10.2 certain provisions thereof, dated as of June 30, 2011, as previously amended by a First Amendment thereto
dated as of July 25, 2014.

Exhibit First Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement between NJR and
10.3 Metlife dated as of September 26, 2013.

Exhibit First Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement between NJR and
10.4 Metlife dated as of May 12, 2011.

Exhibit First Amendment, dated as of September 28, 2015, to Note Purchase Agreement by and among NJR and
10.5 noteholders, dated as of September 24, 2007.

SIGNATURE

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.

NEW JERSEY RESOURCES CORPORATION

Date: October 2, 2015

By: /s/ Glenn C. Lockwood
Glenn C. Lockwood
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Exhibit
10.1	Amended and Restated Credit Agreement dated as of September 28, 2015, by and among NJR, the guarantors thereto, the lenders party thereto, PNC Bank, National Association, as Administrative Agent, JPMorgan Chase Bank, N.A. and Wells Fargo Bank, National Association, as Syndication Agents, Bank of America, N.A., TD Bank, N.A. and U.S. Bank National Association, as Documentation Agents.
10.2	Second Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement among NJR, Prudential Investment Management, Inc. and each other Prudential Affiliate which becomes bound by certain provisions thereof, dated as of June 30, 2011, as previously amended by a First Amendment thereto dated as of July 25, 2014.
10.3	First Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement between NJR and Metlife dated as of September 26, 2013.
10.4	First Amendment, dated as of September 28, 2015, to Shelf Note Purchase Agreement between NJR and Metlife dated as of May 12, 2011.
10.5	First Amendment, dated as of September 28, 2015, to Note Purchase Agreement by and among NJR and noteholders, dated as of September 24, 2007.