

WABCO Holdings Inc.
Form 8-K
December 19, 2014

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 19, 2014 (December 17, 2014)

WABCO HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

1-33332
(Commission

File Number)

20-8481962
(I.R.S. Employer

Identification No.)

Chaussee de Wavre, 1789 1160 Brussels, Belgium

2770 Research Drive, Rochester Hills, Michigan

(Address of principal executive offices)

48309-3511

(zip code)

Registrant's telephone number, including area code: 32-2-663-9-800

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:

- .. 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.

On December 17, 2014, WABCO Holdings Inc. (the Company) and certain other subsidiaries of WABCO Holdings Inc. (collectively, WABCO), entered into a new \$100 million multi-currency 5-year senior unsecured revolving credit facility (the WABCO Facility) with the lenders and agent banks party thereto, including Citibank International Limited as Agent, and Bank of America N.A., London Branch, Citigroup Global Markets Limited, BNP Paribas Fortis Bank S.A./N.V., The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Unicredit Bank AG as lead arrangers.

The WABCO Facility will expire on December 17, 2019.

Under the WABCO Facility, WABCO may borrow, on a revolving basis, loans in an aggregate principal amount at any one time outstanding not in excess of the U.S. Dollar equivalent of \$100 million. The Company may, at any time after the date of the WABCO Facility, request an increase in the WABCO Facility of up to \$50 million.

The proceeds of the borrowings under the WABCO Facility would be available to repurchase WABCO shares, finance acquisitions, provide working capital, refinance existing indebtedness and for other general corporate purposes.

Interest on loans under the WABCO Facility will be calculated at a rate per annum equal to an applicable margin which can vary from 0.45% to 1.00% based on WABCO's leverage ratio plus LIBOR for loans denominated in U.S. Dollars and EURIBOR for loans denominated in Euros.

The WABCO Facility also provides for the Company to pay various fees including a participation fee on the amount of the lenders' commitments thereunder.

The WABCO Facility permits voluntary prepayments (without reducing availability for future revolving borrowings) and voluntary commitment reductions, in each case without premium or penalty. The borrowings will be unsecured but will be guaranteed by the Company.

The WABCO Facility contains terms and provisions (including representations, covenants and conditions) customary for transactions of this type. Financial covenants include a leverage test (consolidated net indebtedness not to exceed three times adjusted four quarter trailing consolidated EBITDA), an interest coverage test (four quarter trailing consolidated EBITDA not to fall below three times consolidated net interest expense) and a maximum subsidiary indebtedness test, but does not contain any requirement for a liquidity reserve. The maximum subsidiary indebtedness test limits the total aggregate amount of indebtedness of WABCO's subsidiaries, excluding indebtedness under the WABCO Facility and WABCO's existing \$400 million facility, to \$500 million, of which not more than \$150 million may be secured.

Other undertakings and covenants include delivery of financial reports and other information, compliance with laws including environmental laws and permits, ERISA and U.S. regulations, negative pledge, limitations on mergers and sales of assets, change of business and use of proceeds.

The WABCO Facility contains customary events of default, including non-payment of principal or other amounts when due; breach of covenants; inaccuracy of representations and statements; cross-default and/or cross-acceleration to other material indebtedness; certain ERISA-related events; certain voluntary and involuntary insolvency events; ownership of borrowing subsidiaries and cessation of business; and creditors' processes exceeding \$75 million in the aggregate. If an event of default occurs and is continuing under the WABCO Facility, the lenders may among other things, terminate their obligations thereunder and require WABCO to repay all amounts thereunder.

The governing law of the WABCO Facility is English law.

A copy of the WABCO Facility is attached as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary of the WABCO Facility does not purport to be complete and is qualified in its entirety by reference to the WABCO Facility. You are encouraged to read the WABCO Facility.

ITEM 2.03 CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT.

The information set forth in Item 1.01 of this report is incorporated by reference into this Item 2.03.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) *Exhibits*

The following exhibit is filed or furnished as part of this Report to the extent described in Items 1.01 and 2.03.

- 10.1 \$100,000,000 Facility Agreement dated December 17, 2014, for WABCO Holdings Inc. arranged by Bank of America N.A., London Branch, Citigroup Global Markets Limited, BNP Paribas Fortis Bank S.A./N.V., The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Unicredit Bank AG.

INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

Comments in this report, and in the exhibit attached hereto contain certain forward-looking statements, which are based on management's good faith expectations and beliefs concerning future developments. Actual results may differ materially from these expectations as a result of many factors. These factors include, but are not limited to, the risks and uncertainties described in the Risk Factors section and the Forward Looking Statements section of WABCO's Annual Report on Form 10-K, as well as in the Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations Information Concerning Forward Looking Statements sections of WABCO's Form 10-Q Quarterly Reports. WABCO does not undertake any obligation to update such forward-looking statements. All market and industry data are based on Company estimates.

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: December 19, 2014

WABCO HOLDINGS INC.

By: /s/ Vincent Pickering

Name: Vincent Pickering

Title: Chief Legal Officer and Secretary