

MARTIN MARIETTA MATERIALS INC
Form 8-K
April 06, 2011

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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) March 31, 2011
Martin Marietta Materials, Inc.**

(Exact Name of Registrant as Specified in Its Charter)
North Carolina

(State or Other Jurisdiction of Incorporation)

1-12744

(Commission File Number)

56-1848578

(IRS Employer Identification No.)

2710 Wycliff Road, Raleigh, North Carolina

(Address of Principal Executive Offices)

27607

(Zip Code)

(919) 781-4550

(Registrant's Telephone Number, Including Area Code)

Not Applicable

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

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:

- 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))
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Item 1.01. Entry into a Material Definitive Agreement

On March 31, 2011, the Corporation entered into a Credit Agreement with JPMorgan Chase Bank, N.A., as Administrative Agent, Wells Fargo Bank, N.A., Branch Banking and Trust Company, SunTrust Bank, and Bank of America, N.A., as Co-Syndication Agents, and the lenders party thereto (the Credit Agreement), which provides for a \$250,000,000 senior unsecured term loan (the Term Loan Facility) and a \$350,000,000 four-year senior unsecured revolving facility (the Revolving Facility), and together with the Term Loan Facility, the Senior Unsecured Credit Facilities). Borrowings under the Senior Unsecured Credit Facilities bear interest, at the Corporation's option, at rates based upon LIBOR or a base rate, plus, for each rate, a margin determined in accordance with a ratings-based pricing grid. The base rate is defined as the highest of (i) JPMorgan Chase Bank N.A.'s prime lending rate, (ii) the Federal Funds rate plus 0.5% and (iii) one-month LIBOR plus 1%. On March 31, 2011, the Corporation borrowed \$250,000,000 under the Term Loan Facility. The Corporation is required to make annual principal payments of \$5 million, with the remaining outstanding principal, together with interest accrued thereon, due in full on March 31, 2015. The Revolving Facility expires on March 31, 2015, with any outstanding principal amounts, together with interest accrued thereon, due in full on that date. The Credit Agreement requires the Corporation's ratio of consolidated debt to consolidated earnings before interest, taxes, depreciation, depletion and amortization (EBITDA), as defined, for the trailing twelve month period (the Ratio) to not exceed 3.5x as of the end of any fiscal quarter, provided that the Corporation may exclude from the Ratio debt incurred in connection with certain acquisitions for a period of 180 days so long as the Corporation maintains specified ratings on its long-term unsecured debt and the Ratio calculated without such exclusion does not exceed 3.75x. Additionally, if there are no amounts outstanding under both the Revolving Facility and the Corporation's accounts receivable securitization facility, consolidated debt will be reduced for purposes of the covenant calculation by the Corporation's cash and cash equivalents in excess of \$50,000,000, such reduction not to exceed \$200,000,000.

The Credit Agreement is filed as Exhibit 10.01 hereto and is incorporated herein by reference, and the description of the Credit Agreement contained herein is qualified in its entirety by the terms of the Credit Agreement.

On March 31, 2011, the Corporation entered into the Second Amendment to Account Purchase Agreement with Wells Fargo Bank, N.A. (the Second Amendment to Account Purchase Agreement), which amended its \$100,000,000 secured accounts receivable credit facility (the AR Credit Facility). The leverage ratio covenant of the AR Credit Facility requires the Ratio to not exceed 3.5x as of the end of any fiscal quarter, provided that the Corporation may exclude from the Ratio debt incurred in connection with certain acquisitions for a period of 180 days so long as the Corporation maintains specified ratings on its long-term unsecured debt and the Ratio calculated without such exclusion does not exceed 3.75x. As amended, if there are no amounts outstanding under both the AR Credit Facility and the Revolving Facility, consolidated debt will be reduced for purposes of the covenant calculation by the Corporation's cash and cash equivalents in excess of \$50,000,000, such reduction not to exceed \$200,000,000. Additionally, as amended, purchases and settlements will be made monthly. Finally, as amended, borrowings under the AR Credit Facility will bear interest at a rate equal to the one-month LIBOR plus 1.35%.

The Second Amendment to Account Purchase Agreement is filed as Exhibit 10.02 hereto and is incorporated herein by reference, and the description of the Second Amendment to Account Purchase Agreement is qualified in its entirety by the terms of the Second Amendment to Account Purchase Agreement.

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 Item 2.03 is included under Item 1.01 Entry into a Material Definitive Agreement and that information is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

- 10.01 \$600,000,000 Credit Agreement dated as of March 31, 2011 among Martin Marietta Materials, Inc. and JPMorgan Chase Bank, N.A., as Administrative Agent, and Wells Fargo Bank, N.A., Branch Banking and Trust Company, SunTrust Bank, and Bank of America, N.A., as Co-Syndication Agents
 - 10.02 Second Amendment to Account Purchase Agreement between Martin Marietta Materials, Inc. and Wells Fargo Bank, National Association
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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.

MARTIN MARIETTA MATERIALS,
INC.
(Registrant)

Date: April 6, 2011

By: /s/ Anne H. Lloyd
Anne H. Lloyd,
Executive Vice President and Chief
Financial Officer

EXHIBIT INDEX

| Exhibit No. | Description |
|--------------------|---|
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