

CARDINAL HEALTH INC
Form 8-K
November 06, 2006

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 31, 2006

Cardinal Health, Inc.

(Exact Name of Registrant as Specified in its Charter)

Ohio

(State or Other Jurisdiction of Incorporation)

1-11373
(Commission File Number)

31-0958666
(IRS Employer Identification Number)

7000 Cardinal Place, Dublin, Ohio 43017

(Address of Principal Executive Offices, Including Zip Code)

(614) 757-5000

(Registrant's Telephone Number, Including Area Code)

Edgar Filing: CARDINAL HEALTH INC - Form 8-K

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

On October 31, 2006, Cardinal Health Funding, LLC (Funding), a wholly-owned receivables financing subsidiary of the Company, entered into a second amendment and restatement of its receivables purchase agreement (the Receivables Purchase Agreement), with Griffin Capital, LLC (Griffin Capital), as servicer, Falcon Asset Securitization Company LLC (Falcon), Liberty Street Funding Corp. (Liberty), Windmill Funding Corporation (Windmill), The Bank of Nova Scotia, individually and as managing agent, ABN AMRO Bank N.V., individually and as managing agent, and JPMorgan Chase Bank, N.A. (successor by merger to Bank One, NA), individually and as agent, extending the \$800 million revolving receivables purchase facility thereunder (the Facility) for an additional 364 days. In connection with the Facility, Cardinal Health 110, Inc. (the Originator) has sold its existing and future trade receivables to the Company s wholly-owned subsidiary, Griffin Capital, which, in turn, has sold and contributed those receivables to Funding, in each case, in transactions intended to constitute true sales or capital contributions. Funding then transfers undivided percentage interests in such receivables to Falcon, Windmill and Liberty or their liquidity banks in exchange for cash of up to 79.5% of the outstanding balance of all receivables defined as eligible thereunder. Pursuant to an Amended and Restated Performance Guaranty, dated as of September 30, 2004 (the Performance Guaranty), the Company has guaranteed to Funding and its assigns performance of the Originator s and Griffin Capital s obligations, as a seller or servicer, under the documents associated with the Facility.

The Receivables Purchase Agreement contains customary amortization events including failure to make timely payments or deposits under the Facility, misrepresentations, cross-defaults to other material debt and credit agreements, breach of covenants, failure of the receivables to meet certain performance ratios, certain changes of control of the Company or any of its affiliates party to the Facility documents, termination of receivables sales by either the Originator or Griffin Capital, certain bankruptcy events, unenforceability or breach of the Performance Guaranty, and entry of certain unsatisfied and unstayed judgments against the Company or any of its affiliates party to the Facility documentation.

From time to time, the financial institutions party to the Receivables Purchase Agreement or their affiliates have performed, and may in the future perform, various commercial banking, investment banking and other financial advisory services for the Company and its affiliates for which they have received, and will receive, customary fees and expenses. JPMorgan Chase Bank, N.A. or its affiliate served as trustee under certain of the Company s indentures until it recently sold this business and currently acts as a member of the lending syndicate under the Company s unsecured five-year credit agreement. The Bank of Nova Scotia and ABN AMRO Bank N.V. or their affiliates currently act as members of the lending syndicate under the Company s credit agreement.

The Receivables Purchase Agreement is filed as Exhibit 10.01 to this report and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

- 10.01 Second Amended and Restated Receivables Purchase Agreement, dated as of October 31, 2006, by and among Cardinal Health Funding, LLC, Griffin Capital, LLC, each entity signatory thereto as a Conduit, each entity signatory thereto as a Financial Institution, each entity signatory thereto as a Managing Agent and JPMorgan Chase Bank, N.A. (successor by merger to Bank One, NA (Main Office Chicago)), as the 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.

Cardinal Health, Inc.
(Registrant)

Date: November 6, 2006

By: /s/ Jeffrey W. Henderson
Name: Jeffrey W. Henderson
Title: Chief Financial Officer

-3-

EXHIBIT INDEX

- 10.01 Second Amended and Restated Receivables Purchase Agreement, dated as of October 31, 2006, by and among Cardinal Health Funding, LLC, Griffin Capital, LLC, each entity signatory thereto as a Conduit, each entity signatory thereto as a Financial Institution, each entity signatory thereto as a Managing Agent and JPMorgan Chase Bank, N.A. (successor by merger to Bank One, NA (Main Office Chicago)), as the Agent.