

KAPSTONE PAPER & PACKAGING CORP  
Form 8-K  
July 18, 2013

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**July 18, 2013**

Date of Report (Date of earliest event reported)

**KapStone Paper and Packaging Corporation**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**001-33494**

(Commission  
File Number)

**20-2699372**

(IRS Employer  
Identification No.)

**1101 Skokie Boulevard, Suite 300, Northbrook, IL 60062**

(Address of principal executive offices)

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(847) 239-8800

(Registrant's telephone number, including area code)

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 July 18, 2013, KapStone Paper and Packaging Corporation ( KapStone ) entered into an Amended and Restated Credit Agreement (the Amended and Restated Credit Agreement ) by and among KapStone Kraft Paper Corporation, as Borrower ( Borrower ), KapStone and certain subsidiaries of Borrower from time to time party thereto, as Guarantors, the lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C issuer. The Amended and Restated Credit Agreement amends and restates KapStone s existing Credit Agreement (filed as Exhibit 99.1 to KapStone s Current Report on Form 8-K filed with the Securities and Exchange Commission ( SEC ) on October 31, 2011), as amended pursuant to the First Amendment to Credit Agreement (filed as Exhibit 99.1 to KapStone s Current Report on Form 8-K filed with the SEC on May 16, 2012) and the Second Amendment to Credit Agreement (filed as Exhibit 10.1 to KapStone s Current Report on Form 8-K filed with the SEC on November 28, 2012).

The Amended and Restated Credit Agreement provides for a senior secured credit facility in an initial aggregate principal amount of \$1.675 billion (the Credit Facility ), consisting of a term loan A-1 in an aggregate amount of \$805 million ( Term Loan A-1 ), a term loan A-2 in an aggregate amount of \$470 million ( Term Loan A-2 ), and a revolving credit facility ( Revolver ) in an initial aggregate amount of \$400 million (including a \$50 million letter of credit sub-facility and a \$30 million swing line loan sub-facility). The Credit Facility also includes an accordion feature that allows Borrower, subject to certain terms and conditions, to increase the commitments under the Credit Facility by up to \$300 million. The proceeds of Term Loan A-1 and Term Loan A-2 are expected to be used, together with cash on hand, (i) to finance Borrower s acquisition of Longview Fibre Paper and Packaging, Inc. ( Longview ) (as previously reported in KapStone s Current Report on Form 8-K filed with the SEC on June 11, 2013), (ii) to pay certain transaction fees and expenses in connection with the acquisition of Longview and entering into the Amended and Restated Credit Agreement, (iii) to repay certain existing indebtedness, and (iv) to provide for ongoing working capital requirements and general corporate purposes. The repayment of borrowings under the Credit Facility is guaranteed by KapStone and Borrower s domestic subsidiaries, and is secured by substantially all of the assets of KapStone, Borrower and such subsidiaries. In certain unique circumstances, the repayment of borrowings under the Credit Facility may also be guaranteed by Borrower s foreign subsidiaries.

Depending on the type of borrowing by Borrower, the applicable interest rate under the Credit Facility is calculated at a per annum rate equal to (a) LIBOR plus an applicable margin, which will initially be 2.25% for Term Loan A-1 Eurodollar loans, 2.50% for Term Loan A-2 Eurodollar loans and 2.25% for Revolver Eurodollar loans, or (b) (i) the greatest of (x) the prime rate, (y) the federal funds effective rate plus 0.50% or (z) a daily rate equal to one month LIBOR plus 1% plus (ii) an applicable margin, which will initially be 1.25% for Term Loan A-1 base rate loans, 1.50% for Term Loan A-2 base rate loans and 1.25% for Revolver base rate loans. The unused portion of the Revolver will also be subject to an unused fee that will be calculated at a per annum rate (the Unused Fee Rate ), which will initially be 0.50%. Commencing with the delivery of the financial statements for the fiscal quarter ending December 31, 2013, the applicable margin for borrowings under the Credit Facility and the Unused Fee Rate will be determined by reference to the pricing grid based on KapStone s total leverage ratio. Under such pricing grid, the applicable margins for Term Loan A-1 and Revolver will range from 1.25% to 2.25% for Eurodollar loans and from 0.25% to 1.25% for base rate loans, and the Unused Fee

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10.1 Amended and Restated Credit Agreement dated as of July 18, 2013, by and among KapStone Paper and Packaging Corporation, KapStone Kraft Paper Corporation, as Borrower, the subsidiaries of Borrower named therein, as Guarantors, the lenders named therein, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and Barclays Bank PLC and Wells Fargo Bank, National Association, as co-Syndication Agents.

99.1 Press release of KapStone Paper and Packaging Corporation, dated July 18, 2013.

**SIGNATURE**

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 18, 2013

KAPSTONE PAPER AND PACKAGING CORPORATION

By:	/s/ Roger W. Stone
Name:	Roger W. Stone
Title:	Chief Executive Officer

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
10.1	Amended and Restated Credit Agreement, dated as of July 18, 2013, by and among KapStone Paper and Packaging Corporation, KapStone Kraft Paper Corporation, as Borrower, the subsidiaries of Borrower named therein, as Guarantors, the lenders named therein, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and Barclays Bank PLC and Wells Fargo Bank, National Association, as co-Syndication Agents.
99.1	Press release of KapStone Paper and Packaging Corporation, dated July 18, 2013