The Prospect News

Thursday October 27, 2011

Bank Loan Daily

Bank Loans Deal Volume

	Current Year	Previous Year
Year to Date:		
	$584.985 billion in 1034 deals	$314.462 billion in 610 deals
Quarter to Date:		
	$23.579 billion in 56 deals	$43.662 billion in 80 deals
Month to Date:		
	$23.579 billion in 56 deals	$43.662 billion in 80 deals
Week to Date:		
	$1.830 billion in 5 deals	

Dollar-denominated credit facilities $75 million or bigger. Sorted by bank meeting date, if available, otherwise closing date.

What To Watch

October 27

- Treasury to auction $29 billion seven-year notes
- GDP, Q3 advance estimate (Bureau of Economic Analysis) 8:30 a.m. ET
- Initial claims (Department of Labor) 8:30 a.m. ET
- Pending home sales index (National Association of Realtors) 10 a.m. ET
- Colfax Corp. Q3 earnings 6 a.m. ET, conference call 8 a.m. ET
- IMAX Corp. Q3 earnings, conference call 8 a.m. ET
- Virgin Media Q3 earnings 2 a.m. ET, conference call 8 a.m. ET

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Open Link breaks; Sealed Air inches up; Sequa moves deadline; Fundtech guidance emerges

By Sara Rosenberg

New York, Oct. 26 – **Open Link Financial Inc.**'s credit facility began trading on Wednesday, with the term loan quoted above its original issue discount price, and **Sealed Air Corp.**'s term loan was a touch better as earnings were released and the market in general felt strong.

Over in the primary, **Sequa Corp.** accelerated the commitment deadline on its term loan due to overwhelming demand, and **Fundtech Ltd.** came out with price talk on its in market loan.

Also, **Milk Specialties Global** emerged with new deal plans as well as some early unofficial guidance, **E.W. Scripps Co.** nailed down timing on the launch of its credit facility, and **Unifrax I LLC** is getting ready to bring a buyout deal to market.

Open Link frees up

Open Link Financial's credit facility made its way into the secondary market on Wednesday, with the $340 million term loan quoted at 99 bid, according to a trader.

Pricing on the term loan is Libor plus 625 basis points with a 1.5% Libor floor, and it was sold at an original issue discount of 98. There is 101 soft call protection for one year.

During syndication, the term loan was upsized from $325 million as the company's mezzanine financing was downsized to $175 million from $190 million, pricing was lowered from Libor plus 650 bps and the discount tightened from talk of 96 to 97.

The company's $390 million credit facility (B2/B+) also provides for a $50 million revolver.

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Milk Specialties to launch $230 million credit facility on Tuesday

By Sara Rosenberg

New York, Oct. 26 – **Milk Specialties Global** is planning for a Tuesday bank meeting to launch a proposed $230 million credit facility, according to a market source.

RBC Capital Markets LLC is the lead bank on the deal.

The facility consists of a $25 million revolver, a $145 million first-lien term loan and a $60 million second-lien term loan, the source said.

Early unofficial guidance is circulating on the first-lien term loan at Libor plus 650 basis points with a 1.5% Libor floor and an original issue discount of 97, and on the second-lien term loan at Libor plus 1,050 bps with a 1.5% floor and a discount of 96, the source added.

Proceeds will be used to help fund the buyout of the company by HM Capital from Stonehenge Partners Inc.

Leverage through the first-lien is 3.7 times and through the second-lien is 5.2 times.

Milk Specialties is a Carpentersville, Ill.-based manufacturer of nutrition products.

What To Watch

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- Invacare Corp. Q3 earnings before market open, conference call 8:30 a.m. ET
- Monster Worldwide, Inc. Q3 earnings before market open, conference call 8:30 a.m. ET
- Nielsen Holdings NV Q3 earnings, conference call 8:30 a.m. ET
- Owens-Illinois, Inc. conference call 8:30 a.m. ET
- Pacer International, Inc. Q3 earnings, conference call 8:30 a.m. ET
- Plexus Corp. conference call 8:30 a.m. ET
- Terex Corp. conference call 8:30 a.m. ET
- WCA Waste Corp. conference call 8:30 a.m. ET
- Brandywine Realty Trust conference call 9 a.m. ET
- CMS Energy Q3 earnings, conference call 9 a.m. ET
- Compass Minerals conference call 9 a.m. ET
- Education Management Corp. conference call 9 a.m. ET
- Federal-Mogul Corp. Q3 earnings 7:30 a.m. ET, conference call 9 a.m. ET
- Hanger Orthopedic Group, Inc. conference call 9 a.m. ET
- Kemet Corp. Q3 earnings, conference call 9 a.m. ET
- MoneyGram International, Inc. Q3 earnings, conference call 9 a.m. ET
- Six Flags Entertainment Corp. Q3 earnings before market open, conference call 9 a.m. ET

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Open Link breaks...

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Open Link lead banks

Credit Suisse Securities (USA) LLC and Wells Fargo Securities LLC are the joint lead arrangers on Open Link's credit facility.

Proceeds from the facility, along with the mezzanine debt, will be used to fund the buyout of the company by Hellman & Friedman from the Carlyle Group.

Closing on the transaction is expected in the fourth quarter, subject to standard conditions.

Open Link is a Uniondale, N.Y.-based provider of cross-asset trading, risk management and operations processing software services.

Sealed Air rises

Sealed Air's term loan was a bit stronger in trading with the release of earnings. Traders, however, said that the debt was

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What To Watch

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- Affinion Group Q3 earnings, conference call 9:30 a.m. ET
- Revlon, Inc. Q3 earnings, conference call 9:30 a.m. ET
- Universal American Corp. conference call 9:30 a.m. ET
- Airgas, Inc. Q2 earnings before market open, conference call 10 a.m. ET
- Conmed Corp. Q3 earnings before market open, conference call 10 a.m. ET
- Domtar Corp. Q3 earnings before market open, conference call 10 a.m. ET
- Endo Pharmaceuticals Q3 earnings, conference call 10 a.m. ET
- Ferro Corp. Q3 earnings, conference call 10 a.m. ET
- Graphic Packaging Holding Co. Q3 earnings before market open, conference call 10 a.m. ET
- Harte-Hanks, Inc. Q3 earnings, conference call 10 a.m. ET
- Iconix Brand Group, Inc. Q3 earnings before market open, conference call 10 a.m. ET
- International Shipholding Corp. conference call 10 a.m. ET
- iStar Financial Inc. Q3 earnings before market open, conference call 10 a.m. ET
- LKQ Corp. Q3 earnings before market open, conference call 10 a.m. ET
- Magellan Health Services, Inc. Q3 earnings 6:30 a.m. ET, conference call 10 a.m. ET
- Navigant Q3 earnings 7 a.m. ET, conference call 10 a.m. ET
- Patterson-UTI Energy, Inc. Q3 earnings, conference call 10 a.m. ET
- Perrigo Co. Q1 earnings 8 a.m. ET, conference call 10 a.m. ET
- Pinnacle Entertainment, Inc. Q3 earnings before market open, conference call 10 a.m. ET
- Royal Caribbean Cruises Ltd. Q3 earnings, conference call 10 a.m. ET
- Service Corp. International conference call 10 a.m. ET
- TriMas Corp. Q3 earnings 8 a.m. ET, conference call 10 a.m. ET
- USA Mobility, Inc. conference call 10 a.m. ET
- Chart Industries, Inc. Q3 earnings, conference call 10:30 a.m. ET
- Emcor Group, Inc. Q3 earnings, conference call 10:30 a.m. ET
- Starwood Hotels & Resorts Worldwide, Inc. Q3 earnings before market open, conference call 10:30 a.m. ET
- 1-800-Flowers.com Q1 earnings before market open, conference call 11 a.m. ET
- Ball Corp. Q3 earnings before market open, conference call 11 a.m. ET
- Berry Petroleum Co. Q3 earnings before market open, conference call 11 a.m. ET
- Community Health Systems, Inc. conference call 11 a.m. ET
- Corporate Office Properties Trust conference call 11 a.m. ET
- Deluxe Corp. Q3 earnings before market open, conference call 11 a.m. ET
- Green Plains Renewable Energy Q3 earnings, conference call 11 a.m. ET
- Hercules Offshore, Inc. Q3 earnings before market open, conference call 11 a.m. ET

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Open Link breaks...

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probably helped primarily by the overall positive bias in the secondary.

One trader quoted the loan at par ¾ bid, 101½ offered, versus par ½ bid, 101½ offered on Tuesday, and a second trader quoted it at par 7/8 bid, 101 3/8 offered, up from par ¾ bid, 101¼ offered.

For the third quarter, Sealed Air reported net earnings of $73.7 million, or $0.41 per diluted share, compared to net earnings of $76.5 million, or $0.43 per diluted share, in the prior year.

Net sales for the quarter were $1.247 billion, up 10% from $1.13 billion in the 2010 quarter.

And, adjusted EBITDA was $196 million, compared with $192 million in last year's quarter.

Also, the company updated its full-year earnings per share guidance to a range of $1.70 to $1.75 versus prior guidance of $1.75 to $1.85 to account for the "slowing pace of economic growth seen mid-third quarter and expected through year end," the earnings release said.

Sealed Air plans deleveraging

With the release of quarterly results, Sealed Air talked about its fourth-quarter goals, including the expectation to generate free cash flow and earmarking those funds for debt paydowns.

"Through careful management of expenses and ongoing productivity and working capital improvements, we expect solid free cash flow generation through year end, further reinforcing our ample liquidity position," William V. Hickey, president and chief executive officer, said in the release.

"We remain committed to rapidly reducing debt levels and expect to allocate substantially all remaining free cash flow to prepay our debt while maintaining our dividend, which will improve our earnings performance over time. When we achieve a net debt level below our target of $4.5 billion, we anticipate returning a portion of free cash

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- L-3 Communications Q3 earnings before market open, conference call 11 a.m. ET
- LINN Energy, LLC Q3 earnings, conference call 11 a.m. ET
- Pennsylvania Real Estate Investment Trust Q3 earnings before market open, conference call 11 a.m. ET
- Solutia Inc. conference call 11 a.m. ET
- SureWest Communications Q3 earnings, conference call 11 a.m. ET
- Xcel Energy Q3 earnings before market open, conference call 11 a.m. ET
- Primus Telecommunications Group, Inc. at Houlihan Lokey technology, media & telecom conference 11:05 a.m. ET
- Viasystems Group, Inc. at Houlihan Lokey technology, media & telecom conference 11:05 a.m. ET
- First Industrial Realty Trust, Inc. conference call 12 p.m. ET
- US Airways Group, Inc. Q3 earnings, conference call 12 p.m. ET
- Unitil Corp. Q3 earnings before market open, conference call 3 p.m. ET
- Las Vegas Sands Q3 earnings after market close, conference call 4:30 p.m. ET
- On Assignment, Inc. Q3 earnings after market close, conference call 4:30 p.m. ET
- Orthofix International NV Q3 earnings 4 p.m. ET, conference call 4:30 p.m. ET
- PMC-Sierra, Inc. Q3 earnings after market close, conference call 4:30 p.m. ET
- Spansion Inc. Q3 earnings after market close, conference call 4:30 p.m. ET
- VCA Antech, Inc. Q3 earnings 4 p.m. ET, conference call 4:30 p.m. ET
- JDA Software Group, Inc. Q3 earnings after market close, conference call 4:45 p.m. ET
- Advanced Micro Devices Q3 earnings after market close, conference call 5 p.m. ET
- Amkor Technology, Inc. Q3 earnings after market close, conference call 5 p.m. ET
- CAI International, Inc. Q3 earnings 4 p.m. ET, conference call 5 p.m. ET
- CBRE Group, Inc. Q3 earnings after market close, conference call 5 p.m. ET
- Chefs' Warehouse Q3 earnings after market close, conference call 5 p.m. ET
- Coinstar, Inc. Q3 earnings after market close, conference call 5 p.m. ET
- Education Realty Trust, Inc. Q3 earnings after market close, conference call 5 p.m. ET
- Internap Network Services Corp. Q3 earnings after market close, conference call 5 p.m. ET
- Portfolio Recovery Associates, Inc. Q3 earnings after market close, conference call 5:30 p.m. ET
- Cliffs Natural Resources Inc. Q3 earnings after market close
- First Potomac Realty Trust Q3 earnings after market close
- HealthSouth Corp. Q3 earnings after market close
- Highwoods Properties Q3 earnings after market close

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Open Link breaks...

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flow to shareholders in the form of a higher dividend or through share repurchases," Hickey added.

Sealed Air is an Elmwood Park, N.J.-based food safety and security, facility hygiene and product protection company.

Sequa shutting early

Switching to the primary market, Sequa moved up the commitment deadline on its $200 million incremental senior secured term loan (B1/B-) to Thursday at 5 p.m. ET from Nov. 1 as the deal was oversubscribed quickly after launching this past Tuesday morning, according to a source.

Price talk on the loan is Libor plus 500 bps to 525 bps with a 1.5% Libor floor and an original issue discount of 98½ to 99, and there is 101 soft call protection for one year.

Barclays Capital Inc. and Credit Suisse Securities (USA) LLC are leading the deal that will be used, along with cash on hand, to fund the $245 million acquisition of Roll Coater Inc.

Sequa is a New York-based diversified aerospace and industrial company. Roll Coater is an Indianapolis-based coil coating company.

Fundtech reveals talk

Fundtech disclosed guidance on its $200 million six-year term loan on Wednesday, a day after the official bank meeting launch, with talk coming out at Libor plus 600 bps with a 1.5% Libor floor, an original issue discount in the 97 area and 101 soft call protection for one year, according to a market source.

RBC Capital Markets LLC and BMO Capital Markets Corp. are the joint lead arrangers and bookrunners on the deal and are seeking commitments by Nov. 8.

The company's $225 million senior secured credit facility (B+) also includes a $25 million five-year revolver.

Proceeds will be used to help fund the buyout of the company by GTCR for $23.33 in cash per ordinary share and merger

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What To Watch

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- Interactive Data Corp. Q3 earnings after market close
- Key Energy Services, Inc. Q3 earnings after market close
- Newpark Resources, Inc. Q3 earnings after market close
- Standard Pacific Corp. Q3 earnings after market close
- Universal Health Services, Inc. Q3 earnings after market close
- Washington Real Estate Investment Trust Q3 earnings after market close
- Telenet Q3 earnings

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- Personal income and outlays, September (Bureau of Economic Analysis) 8:30 a.m. ET
- Petroleum Geo-Services ASA Q3 earnings 2 a.m. ET, conference call 3 a.m. ET
- Tenneco Inc. Q3 earnings, conference call 8 a.m. ET
- Interactive Data Corp. conference call 8:30 a.m. ET
- First Potomac Realty Trust conference call 9 a.m. ET
- Lear Corp. Q3 earnings, conference call 9 a.m. ET
- Newpark Resources, Inc. conference call 9 a.m. ET
- NiSource Inc. Q3 earnings before market open, conference call 9 a.m. ET
- SunGard Q3 earnings, conference call 9 a.m. ET
- Universal Health Services, Inc. conference call 9 a.m. ET
- HealthSouth Corp. conference call 9:30 a.m. ET
- Alliance Resource Partners, LP; Alliance Holdings GP, LP Q3 earnings before market open, conference call 10 a.m. ET
- American Axle & Manufacturing Q3 earnings, conference call 10 a.m. ET
- Calpine Corp. Q3 earnings before market open, conference call 10 a.m. ET
- Cliffs Natural Resources Inc. conference call 10 a.m. ET
- Columbus McKinnon Corp. Q2 earnings before market open, conference call 10 a.m. ET
- Highwoods Properties conference call 10 a.m. ET
- LifePoint Hospitals, Inc. Q3 earnings before market open, conference call 10 a.m. ET
- Arch Coal, Inc. Q3 earnings before market open, conference call 11 a.m. ET
- Key Energy Services, Inc. conference call 11 a.m. ET
- LyondellBasell Q3 earnings before market open, conference call 11 a.m. ET
- Standard Pacific Corp. conference call 11 a.m. ET
- Washington Real Estate Investment Trust conference call 11 a.m. ET
- Pilgrim's Pride Corp. Q3 earnings, conference call 11:30 a.m. ET
- Stillwater Mining Co. Q3 earnings, conference call 12 p.m. ET
- Compañía de Minas Buenaventura Q3 earnings after market close

Open Link breaks...

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with GTCR's existing portfolio company, BankServ.

In connection with the transaction, BankServ's debt will be refinanced.

Fundtech plans mez debt

In addition to the credit facility, Fundtech will get $50 million of eight-year senior subordinated mezzanine financing from Newstone Capital Partners to help fund its buyout.

Also, $175 million of equity will be used, and when combined with BankServ, there will be close to $350 million of total equity.

Senior leverage is around 4.0 times and total leverage is just above 5.0 times.

Closing is expected in the fourth quarter, subject to satisfaction of certain conditions. Shareholder approval has already been obtained.

Fundtech is a provider of software services that facilitate payments processing, financial messaging and cash management for financial institutions, and BankServ is a Las Vegas-based software-as-a-service provider of financial services and banking technology. The combined company, Fundtech Inc., would be based in Jersey City, N.J.

Milk Specialties readies deal

Milk Specialties surfaced with plans to hold a bank meeting on Tuesday to launch a proposed $230 million credit facility and started floating some early price talk on the deal, according to a market source.

The $145 million first-lien term loan is being unofficially guided in the area of Libor plus 650 bps with a 1.5% Libor floor and an original issue discount of 97, while the $60 million second-lien term loan is being unofficially guided in the area of Libor plus 1,050 bps with a 1.5% floor and a discount of 96, the source remarked.

Also included in the facility is a $25 million revolver.

First-lien leverage is 3.7 times and leverage through the second-lien is 5.2 times.

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DryShips obtains $141 million syndicated secured term loan facility

By Jennifer Chiou

New York, Oct. 26 – **DryShips Inc.** announced that it has entered into a $141 million syndicated secured term loan facility, which will be used to partially finance the construction costs of the tankers Belmar, Calida, Lipari and Petalidi.

The lead arrangers are Export-Import Bank of Korea and ABN Amro Bank.

"With credit markets tightening across the globe, the fact that we secured bank debt on competitive terms is a testament to the relationships built over the years," chairman and chief executive officer George Economou said in a news release.

"We will continue to leverage these relationships in our endeavors to finance the remaining drybulk and tanker newbuilding programs."

DryShips is based in Athens and provides marine transportation services for drybulk cargoes and off-shore contract drilling oil services.

Fundtech talks $200 million term loan at Libor plus 600 bps

By Sara Rosenberg

New York, Oct. 26 – **Fundtech Ltd.** released price talk on its $200 million six-year term loan at Libor plus 600 basis points with a 1.5% Libor floor and an original issue discount in the 97 area, according to a market source.

There is 101 soft call protection for one year.

Commitments are due on Nov. 8.

The company's $225 million senior secured credit facility also includes a $25 million five-year revolver.

RBC Capital Markets and BMO Capital Markets are the joint lead arrangers and bookrunners on the deal that launched with a bank meeting on Tuesday, with RBC the administrative agent.

Amortization on the term loan is 1% per annum.

Proceeds will be used to help fund the buyout of the company by GTCR and refinance existing debt.

Under the agreement, GTCR is buying Fundtech for $23.33 in cash per ordinary share and will then combine the company with its existing portfolio company, BankServ. The debt at BankServ will be refinanced with this merger.

Other funds for the transaction will come from $175 million of equity. Although when combined with BankServ, there will be close to $350 million in equity and $50 million of eight-year senior subordinated mezzanine financing from Newstone Capital Partners.

Senior leverage is around 4.0 times and total leverage is just above 5.0 times.

Closing is expected in the fourth quarter, subject to receipt of Fundtech shareholder approval, which was obtained at a special meeting on Tuesday, and satisfaction of other conditions.

Fundtech is a provider of software services that facilitate payments processing, financial messaging and cash management for financial institutions.

BankServ is a Las Vegas-based software-as-a-service provider of financial services and banking technology that offers wire transfer, Swift messaging, remote deposit capture, mobile and online payment-processing technology.

The combined company, Fundtech Inc., would be based in Fundtech's existing U.S. headquarters in Jersey City, N.J.

E.W. Scripps sets Nov. 3 launch for $312 million credit facility

By Sara Rosenberg

New York, Oct. 26 – **E.W. Scripps Co.** has scheduled a bank meeting for Nov. 3 to launch its proposed $312 million five-year credit facility, according to a market source.

SunTrust Robinson Humphrey Inc. is leading the deal that will be syndicated to banks.

The facility consists of a $100 million revolver and a $212 million term loan, both talked at Libor plus 400 basis points.

Proceeds will be used to fund the acquisition of nine stations from McGraw-Hill Broadcasting, including four stations affiliated with the ABC television network and five low-power stations affiliated with the Spanish-language network Azteca America for $212 million in cash.

Closing is expected in the first half of 2012, subject to regulatory approvals and customary conditions.

E.W. Scripps is a Cincinnati-based media enterprise with interests in television stations and newspapers.

Wyndham Worldwide not looking to tap debt market or deleverage

By Andrea Heisinger

New York, Oct. 26 – **Wyndham Worldwide Corp.** is focused on common stock repurchases rather than debt in 2011, company officials said during a third-quarter earnings call on Wednesday.

The company has a "well-stacked capital deck with no significant near-term maturities," chairman and chief executive officer Steven Holmes said during the call.

Wyndham had earnings per share of 94 cents versus 68 cents in the third quarter of 2010, which was a 38% increase. Revenue grew 14% from the same quarter a year ago to $1.2 billion.

Free cash flow was $699 million, compared with $564 million for the same quarter in 2010, said executive vice president and chief financial officer Thomas Conforti.

"It's clear that the free cash flow generated for the year will exceed expectations," he said. About $725 million of cash flow is expected for all of 2011.

"Cash is the great enabler," Conforti said. "The current leverage ratio reflects an investment-grade profile. We will seek to maintain the current leverage ratio. This means as we group EBITDA, we will prudently add debt."

"It's clear that the free cash flow generated for the year will exceed expectations."

Thomas Conforti,
EVP and Chief Financial Officer,
Wyndham Worldwide Corp.

Wyndham is split-rated with a high-yield rating from Moody's Investors Service and an investment-grade rating from Standard & Poor's, Conforti said, adding that it's important to retain the investment-grade rating in the current environment.

While answering a question about the company's debt-to-capital ratio, Conforti said that the company "doesn't believe there's a need to delever."

The ratio now is between 3 and 3.3 times EBITDA, he said.

"We could seek to add a couple hundred million dollars in debt to our balance sheet," he said. "We have ample cash flow and ample levers to pull if we need to sustain or enhance that cash flow without impacting the momentum of our business."

The hospitality chain is based in Parsippany, N.J.

Crown Castle lowers debt leverage, increases financial flexibility

By Aleesia Forni

Columbus, Ohio, Oct. 26 – **Crown Castle International Corp.** set out to lower its debt leverage in order "to strengthen our balance sheet and increase our financial flexibility," according to senior vice president, chief financial officer and treasurer Jay A. Brown.

Brown said the company has made "significant progress" on this initiative, refinancing over $6 billion of debt securities between 2009 and 2010, "extending the terms and spreading the maturities over multiple years."

"Further, we have lowered our leverage from 7.5 times in 2007 to 5.2 times today," Brown said during the Houston-based company's conference call to announce its third-quarter fiscal 2011 earnings on Wednesday.

"As a result, we believe we have tremendous flexibility and funding capacity to focus on investing activities we believe will enhance long-term recurring cash flow per share."

For the third quarter, Crown Castle's adjusted EBITDA increased to $332 million from $306 million during the same period in 2010.

The company's recurring cash flow, defined as adjusted EBITDA less interest expense and sustaining capital expenditures, increased to $199 million for the quarter ended Sept. 30, compared to $178 million during the third quarter of 2010.

The company expects recurring cash flow for the fourth quarter of 2011 to be between $196 million and $201 million.

Crown Castle is an owner and operator of shared wireless communications and broadcast infrastructures.

Agree Realty gets $85 million revolver due 2014 at Libor plus 185 bps

By Angela McDaniels

Tacoma, Wash., Oct. 26 – **Agree Realty Corp.** entered into a new $85 million revolving credit facility due Oct. 26, 2014, according to a company news release.

The revolver has a $50 million accordion feature, and the company has two one-year options to extend the maturity.

The interest rate is Libor plus 175 basis points to 260 bps. Based on its current leverage ratio, the company expects the initial margin to be 185 bps.

Bank of America, NA is the administrative agent. Bank of America Merrill Lynch and PNC Capital Markets LLC are the joint lead arrangers and bookrunners. Also participating are Bank of Montreal and U.S. Bank NA.

The new revolver replaces the company's former $55 million credit facility.

"This new and expanded arrangement will provide the company with increased capacity to fund our growing acquisitions and development activities," Joey Agree, president and chief operating officer, said in the release.

Agree Realty is a real estate investment trust focused on the acquisition and development of single-tenant properties net leased to retailers. It is based in Farmington Hills, Mich.

Double Eagle Petroleum amends loan, revising maturity and size

By Sara Rosenberg

New York, Oct. 26 – **Double Eagle Petroleum Co.** amended its credit facility, extending the maturity to Oct. 24, 2016 and increasing the size to $150 million from $75 million, according to an 8-K filed with the Securities and Exchange Commission on Wednesday.

Also, pricing on the facility was reduced to a range of Libor plus 175 basis points to 275 bps based on usage.

The commitment fee ranges from 37.5 bps to 50 bps, based on use as well.

Bank of Oklahoma is the administrative agent on the deal.

The amendment was effective on Oct. 24.

Double Eagle is a Denver-based energy company.

Markit says leveraged loan index returns to positive ground

By Sara Rosenberg

New York, Oct. 26 – The Markit iBoxx USD Leveraged Loan index is now at 0.03% year to date after seeing a 0.12% rise on Tuesday, according to data from Markit Group Ltd.

The index had been in negative territory since Aug. 8.

"Optimism over a potential European bailout plan and good value in flow names, while not fully erasing the decline from August, has helped boost year-to-date loan returns back into positive territory," said Otis Casey, director and loan market analyst at Markit.

"That said, in a typical year, loans return about 5% and few expect that level of performance this year," Casey added.

Verisk extends revolver, ups size to $700 million, lowers pricing

By Angela McDaniels

Tacoma, Wash., Oct. 26 – **Verisk Analytics, Inc.** and subsidiary Insurance Services Office, Inc. amended and restated their revolving credit facility on Tuesday, increasing the size to $700 million from $600 million and extending the maturity date to Oct. 24, 2016 from Sept. 10, 2014.

The interest rate was decreased to Libor plus 125 basis points to 187.5 bps, depending on the company's consolidated funded debt leverage ratio. The commitment fee is now 17.5 bps to 30 bps.

The initial pricing is Libor plus 150 bps with a 22.5 bps commitment fee.

The amended and restated revolver's covenants cap the company's consolidated funded debt leverage ratio at 3.25 times and require it to maintain a minimum consolidated interest coverage ratio of 3.0 times.

All borrowings under the revolver continue to be unsecured.

Bank of America Merrill Lynch and J.P. Morgan Securities LLC are the lead arrangers and bookrunners. Bank of America, NA is the administrative agent, JPMorgan Chase Bank, NA is the syndication agent, and Morgan Stanley Bank, NA and Wells Fargo Bank, NA are the documentation agents.

Jersey City-based Verisk provides proprietary data and analytics methods to the insurance, mortgage and health-care industries.

LIN TV gets $200 million term loan, revolver at Libor plus 275-325 bps

By Susanna Moon

Chicago, Oct. 26 – **LIN Television Corp.** said it entered into a credit agreement on Wednesday with JPMorgan Chase Bank, NA as administrative agent for a $125 million six-year term loan facility and a $75 million five-year revolving credit facility.

Proceeds will be used to fund the partial redemption of the company's 6½% senior subordinated notes due 2013 and 6½% senior subordinated notes due 2013 as well as for general corporate purposes.

Interest on the loans will be adjusted Libor plus 275 basis points to 325 bps, based on leverage. The rate will be at least Libor plus 300 bps until the company redeems its remaining notes due 2013, according to a company press release.

In connection with the new loans, the company terminated its existing credit agreement with JPMorgan as administrative agent.

The loan maturities will be cut short to Nov. 13, 2012 if the company has not redeemed its remaining 2013 notes by then.

LIN TV is a Providence, R.I.-based multimedia company that owns, operates or services television stations, niche websites and mobile platforms.

Two JER/Jameson entities file bankruptcy to halt foreclosure process

By Caroline Salls

Pittsburgh, Oct. 26 – **JER/Jameson Mezz Borrower I LLC** joined **JER/Jameson Mezz Borrower II LLC** in Chapter 11 bankruptcy through a filing made Tuesday in the U.S. Bankruptcy Court for the District of Delaware.

JER/Jameson Mezz II made its bankruptcy filing on Oct. 18.

According to a statement filed by officer and director James L. Gregory, JER/Jameson Mezz Borrower I and II were among several borrowers that defaulted on $335 million in financing when it matured in August.

On Aug. 9 and Aug. 30, Mezz Borrower II's Colony JIH lenders, including CDCF JIH Funding, LLC and ColFin JIH Funding, LLC, gave notice that they planned to conduct a public auction of their collateral on Sept. 23. The Colony lenders also provided notice to the debtors that they intended to proceed with a public sale of their collateral on Oct. 19.

Gregory said Mezz Borrower II filed bankruptcy on Oct. 18 to halt the accelerated foreclosure process.

As a result of that bankruptcy filing, the lenders said they intended to re-register the ownership interests of the borrowers in the Colony name, and completion of that registration at the end of a 10-day notice period would grant Colony full voting control over the borrowers.

Colony also filed a motion to dismiss the Oct. 18 bankruptcy filing.

According to the dismissal motion, the lenders were planning to conduct an auction of Mezz Borrower II's sole asset, which was pledged to secure a $40 million note.

The lenders said the borrowers' debt to Colony was approaching $45 million as a result of the default.

Colony argued in the motion that Mez Borrower II is not operating companies and has no ongoing business operations or employees.

"This case could not possibly achieve any legitimate objective of Chapter 11," Colony said in the dismissal motion.

The mortgage borrowers' managers and boards of directors subsequently gave their respective companies approval to file the additional Chapter 11 cases. Mezz Borrower II has asked the court to approve joint administration of all of the cases under its case.

"After filing the petition for Mezz Borrower I, the debtors intend to pursue all options for maximizing value for all stakeholders," Gregory said in his statement.

In addition, Gregory said Mezz Borrower II has obtained a commitment for at least $1.5 million in debtor-in-possession financing, with the details to be filed shortly.

A hearing on the case dismissal motion is now scheduled for Nov. 22.

The JER/Jameson debtors are represented by Pachulski Stang Ziehl & Jones LLP.

According to court documents, the Smyrna, Ga.-based debtors are lenders within a multi-tiered financing structure for operating companies JER/Jameson Properties, which own, lease or operate more than 100 Jameson Inn and Signature Inn hotels.

The Chapter 11 case number is 11-13338.

Sprint ends Q3 with $5 billion liquidity, touts revolver deal, will have to tap credit markets

By Paul Deckelman

New York, Oct. 26 – **Sprint Nextel Corp.** ended the third quarter with $5 billion of liquidity – and the No. 3 U.S. wireless operator announced on Wednesday that it had augmented its position with an expanded and amended revolving credit facility.

"We are very pleased with the vote of confidence from our bank group in providing us with this amendment, and the increase in our revolver," the Overland Park, Kan.-based telecom company's chief financial officer, Joseph J. Euteneuer, declared on a conference call with analysts following the release of results for the quarter ended Sept. 30.

Euteneuer said that the $2.1 billion credit facility it entered into in May of 2010 had been expanded by $150 million, bringing the total amount up to $2.24 billion, and modifications had been made in the covenant governing Sprint's ratio of debt to OIBDA – operating income before depreciation and amortization, the company's key earnings measure – to permit Sprint to add back in its calculations of certain equipment net subsidy costs relating to the company's introduction of the Apple iPhone to its customers.

He said that the amendment provides an exclusion of net subsidy costs up to $2.7 billion over the next six quarters. The revolver is scheduled to mature in October 2013.

With the company not yet able to predict what the total volume of its iPhone business would be – and thus, the amount it must spend on it – the CFO said that the bankers had given Sprint "total flexibility to get through 2012 and the first quarter of 2013."

$5 billion of liquidity

Euteneuer said that at the end of the quarter, the company's liquidity position stood at roughly $5 billion – some $4 billion of cash, cash equivalents and short-term investments, plus undrawn revolver availability of about $1 billion.

At the end of the quarter, the company's balance sheet showed $16.272 billion of long-term debt, financing and capital lease obligations, versus $16.278 billion at the end of the second quarter on June 30, $18.535 billion at the end of 2010, and $18.54 billion a year ago, at the end of the 2010 third quarter.

The CFO said that Sprint's nearest debt maturity is $2.25 billion of loan maturities due in March 2012; after that, he said, come $300 million of note maturities in May 2013, followed by a $1.5 billion maturity in the fourth quarter of 2013.

Funding shortfall ahead

Last December, Sprint Nextel announced that it would roll out "Network Vision," which it described as "a cutting-edge network evolution plan" aimed at consolidating existing multiple network technologies into one, seamless network in order to deliver enhanced voice quality and data speeds for customers across the U.S., working with major-league telecom technology suppliers Alcatel-Lucent, Ericsson and Samsung.

The ambitious plan is very capital-intensive, as is Sprint's plunge into iPhone technology. On the conference call, Euteneuer said that next year, for instance, Sprint anticipates costs related to Network Vision and iPhone to impact its cash position by some $5.5 billion, only partially offset by the $1.1 billion of benefits it expects to generate from them.

The cash drain is expected to continue through 2013; only in 2014 are Network Vision's benefits to the company expected to exceed costs, and that won't happen for iPhone until 2015.

The company expects to still be generating cash flow from its core operations to partially offset those costs, but also has debt maturities coming due.

The bottom line, the CFO said, is that the company projects a peak cash shortfall in 2013 of between $3.2 billion and $5 billion, and overall financing needs over the next several years ranging between $5 billion and $7 billion.

Euteneuer said Sprint Nextel expects to refinance its $4 billion of upcoming debt maturities through October 2013 via the public debt markets. It will meantime raise incremental vendor financing in the area of between $1 billion to $3 billion to cover a portion of its Network Vision costs.

He told an analyst that "we feel very good about the conversations to date" with the vendors on that proposed incremental financing.

"We've had good talks to date and we'll see where that goes."

Clearing up the Clearwire mess

Euteneuer and chief executive officer Daniel R. Hesse each took pains during the call to address market concerns arising out of statements the company made during an investor presentation on Oct. 7 which appeared to call into question Sprint's ongoing relationship with its majority-owned **Clearwire Corp.** affiliate, a partner in its network.

Market perceptions that Sprint might be cutting Clearwire loose in developing its new network caused the bonds and shares of both companies to slide badly for several days after that.

Euteneuer formally apologized for "not having provided enough information and clarity" during the Oct. 7 presentation, adding that in retrospect, "there were things we could have done to better address market concerns."

Hesse meantime explained that when Sprint was talking at that time about using

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News

Sprint Nextel amends facility to boost commitment to $2.24 billion

By Jennifer Chiou

New York, Oct. 26 – **Sprint Nextel Corp.** announced that it amended its revolving credit facility, lifting the commitment by $150 million to a total amount of $2.24 billion.

In addition, the amendment modifies the definition of EBITDA to permit Sprint to add back in its calculation of EBITDA certain equipment net subsidy costs, according to a news release.

As of Sept. 30, Sprint said that its total liquidity was $5 billion, consisting of $4 billion in cash, cash equivalents and short-term investments and $1 billion of undrawn borrowing capacity under its credit facility.

The facility expires in October 2013 and will continue to provide supplemental liquidity for general corporate purposes. It will be used to support the $1 billion letter of credit required by the Federal Communications Commission, according to an 8-K filing with the Securities and Exchange Commission.

Sprint is an Overland Park, Kan.-based wireless services provider.

Unifrax plans to launch $540 million credit facility on Nov. 3

By Sara Rosenberg

New York, Oct. 26 – **Unifrax I LLC** is scheduled to hold a bank meeting on Nov. 3 to launch a proposed $540 million credit facility, according to a market source.

Goldman Sachs & Co., Wells Fargo Securities LLC, GE Capital Markets and KeyBanc Capital Markets LLC are the lead banks on the deal.

The facility consists of a $50 million five-year revolver and a $490 million seven-year term loan B, the source said.

Proceeds will be used to help fund the buyout of the company by American Securities.

Senior net leverage is around 4.0 times.

Unifrax is a Niagara Falls, N.Y.-based supplier of high-temperature insulation products.

Sprint ends Q3 with $5 billion liquidity, touts revolver deal, will have to tap credit markets

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its own spectrum resources to go ahead with its network development through 2014, such projections assumed the continuation of existing agreements with Clearwire."

He said Sprint was continuing to work with the Kirkland, Wash.-based telecom company – in fact, he announced on the call the signing of a nonbinding cooperation agreement between the two companies to work together on the technical specifications of the Clearwire LTE network, "and to ensure a superb customer experience for Sprint customers on the Clearwire LTE network."

He said that Sprint is making "very good progress, we believe, on the technical front with Clearwire – and I'll leave it at that."

Paydowns + Draws

Vitamin Shoppe retires term loan early with $18.8 million paydown

By Susanna Moon

Chicago, Oct. 26 – **Vitamin Shoppe, Inc.** said it paid down the remaining $18.8 million in principal balance and accrued interest on its term loan Tuesday.

The loan was scheduled to mature on Jan. 20, 2013, according to the company's preliminary results for the third quarter ended Sept. 24.

Vitamin Shoppe is a North Bergen, N.J.-based specialty retailer and direct marketer of nutritional products.

Bank Loan Calendar: $16.224 billion deals being marketed

November Bank Meetings

E.W. SCRIPPS CO.: Bank meeting Nov. 3; $312 million five-year credit facility; SunTrust; $100 million revolver talked at Libor plus 400 bps; $212 million term loan talked at Libor plus 400 bps; fund acquisition of stations from McGraw-Hill Broadcasting; Cincinnati-based media enterprise with interests in television stations and newspapers.

MILK SPECIALTIES GLOBAL: Bank meeting Nov. 1; $230 million credit facility; RBC; $25 million revolver; $145 million first-lien term loan expected around Libor plus 650 bps, 1.5% Libor floor, OID 97; $60 million second-lien term loan expected around Libor plus 1,050 bps, 1.5% floor, OID 96; help fund buyout by HM Capital from Stonehenge Partners Inc.; Carpentersville, Ill., manufacturer of nutrition products.

NATIONAL HEALING CORP.: $355 million senior secured credit facility; Jefferies, RBC and BMO; $30 million five-year revolver; $250 million six-year first-lien term loan; $75 million seven-year second-lien term loan; help fund acquisition of Diversified Clinical Services (Wound Care Holdings) by Metalmark Capital from the Jordan Co., and merger with National Healing; Boca Raton, Fla., provider of wound care services to hospitals.

UNIFRAX I LLC: Bank meeting Nov. 3; $540 million credit facility; Goldman Sachs, Wells Fargo, GE Capital and KeyBanc; $50 million five-year revolver; $490 million seven-year term B; help fund buyout by American Securities; Niagara Falls, N.Y., supplier of high-temperature insulation products.

Upcoming Closings

AGCO CORP.: $900 million five-year credit facility; Rabobank; $500 million revolver talked at Libor plus 150 bps, 25 bps unused fee; $400 million term A talked at Libor plus 150 bps; help fund acquisition of GSI Holdings Corp. from Centerbridge Partners LP and refinance existing credit lines; Duluth, Ga., manufacturer and distributor of agricultural equipment.

ASSET ACCEPTANCE CAPITAL CORP.: $275 million credit facility; JPMorgan; $100 million five-year revolver; $175 million six-year term B talked at Libor plus 725 bps to 750 bps, 1.5% Libor floor, OID 93, soft call 102, 101; refinance existing senior secured credit facility; Warren, Mich., purchaser and collector of defaulted or charged-off accounts receivable portfolios from consumer credit originators.

BAJA BROADBAND: $103 million credit facility; GE Capital; $10 million five-year revolver talked at Libor plus 550 bps, 1.5% Libor floor, OID 98; $78 million five-year first-lien term loan talked at Libor plus 550 bps, 1.5% Libor floor, OID 98; $15 million six-year second-lien term loan; refinance existing debt and fund the acquisition of U.S. Cable; Fort Mill, S.C., full-service telecommunications company.

BARRIERSAFE SOLUTIONS INTERNATIONAL INC.: $175 million five-year credit facility; CIT and SunTrust; $30 million revolver at Libor plus 525 bps, 1.5% Libor floor, OID 99; $120 million term loan at Libor plus 525 bps, 1.5% Libor floor, OID 99; $25 million delayed-draw term loan at Libor plus 525 bps, 1.5% Libor floor, OID 99; help fund buyout by Odyssey Investment Partners LLC from Linden LLC; Lake Forest, Ill.-based designer, developer and distributor of disposable gloves and a variety of food safety products.

CBRE GROUP INC.: Roughly $250 million senior secured sterling term loan A-1 due May 2016 priced at Libor plus 200 bps to 375 bps based on leverage; HSBC and JPMorgan; enhance financial flexibility; Los Angeles-based commercial real estate services firm.

COMPASS GROUP DIVERSIFIED HOLDINGS LLC: $515 million first-lien secured credit facility; TD Securities, BMO and SunTrust; $290 million five-year revolver (Ba1/BB+) at Libor plus 350 bps; $225 million six-year last-out term B (B1/BB-) at Libor plus 600 bps, 1.5% Libor floor, OID 96; refinance existing debt, make acquisitions and working capital and general corporate purposes; Westport, Conn., investment firm specializing in acquiring controlling stakes in small- to middle-market companies.

DIAL GLOBAL: $265 million credit facility; GE Capital and ING leading first-lien, Macquarie leading second-lien; $25 million revolver talked at Libor plus 600 bps to 625 bps, 1.5% Libor floor, OID 98 to 98½; $175 million first-lien term loan talked at Libor plus 600 bps to 625 bps, 1.5% Libor floor, OID 98 to 98½; $65 million second-lien term loan talked at Libor plus 950 bps to 1,000 bps, 1.5% Libor floor, OID 97 to 98, call protection 102, 101; help fund merger with Westwood One Inc. and refinance existing debt; Los Angeles-based provider of advertising sales representation and syndication services to radio production companies.

EMDEON INC.: $1.349 billion senior secured credit facility (Ba3/BB-); Bank of America, Citigroup, Barclays and Goldman Sachs; $125 million five-year revolver; $1.224 billion seven-year term B at Libor plus 550 bps, step down to Libor plus 525 bps

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when leverage is 5.75-times or less, 1.25% Libor floor, OID 97, 101 soft call; help fund buyout by Blackstone Capital Partners VI LP; Nashville, Tenn., provider of revenue and payment cycle management services, connecting payers, providers and patients in the health care system.

FUNDTECH LTD.: $225 million senior secured credit facility (B+); RBC and BMO; $25 million five-year revolver; $200 million six-year term loan talked at Libor plus 600 bps, 1.5% Libor floor, OID 97 area, 101 soft call; help fund buyout by GTCR and merger with BankServ; Jersey City, N.J.-based provider of software services that facilitate payments processing, financial messaging and cash management for financial institutions.

GE SEACO: Up to $1.5 billion credit facility; Deutsche Bank and ING; $300 million to $500 million revolver; $1 billion term loan talked at Libor plus 300 bps, step-up to Libor plus 400 bps after two years and to Libor plus 600 bps at year six; help fund buyout by HNA Group Co. Ltd. and Bravia Capital from General Electric Capital Corp. and Sea Containers Ltd.; Singapore-based marine container leasing company.

INVENERGY LLC: $200 million term loan (BB-) talked at Libor plus 750 bps, 1.5% Libor floor, OID 98, non-call one, soft call 102, 101; Credit Suisse and Bank of America; refinance existing debt; Chicago-based developer, owner and operator of large-scale renewable and other clean energy generation facilities.

KAPSTONE PAPER AND PACKAGING CORP.: $525 million five-year senior credit facility; Bank of America and Barclays; $150 million five-year revolver at Libor plus 200 bps; $375 million five-year term loan at Libor plus 200 bps; help fund acquisition of U.S. Corrugated Inc. and refinance existing debt; Northbrook, Ill., producer of unbleached kraft paper products and linerboard.

KINETIC CONCEPTS INC.: Expected close Nov. 4; about $2.5 billion senior secured credit facility (Ba2/BB-); Bank of America, Morgan Stanley, Credit Suisse and RBC; $1.63 billion 6½-year term B at Libor plus 575 bps, 1.25% Libor floor, OID 96½, non-call one, 101 soft call; €250 million 6½-year term B at Euribor plus 575 bps, 1.25% Libor floor, OID 95½, non-call one, 101 soft call; $325 million five-year term C at Libor plus 525 bps, 1.25% Libor floor, OID 97, 101 soft call; $200 million five-year revolver; help fund buyout by Apax Partners, Canada Pension Plan Investment Board and the Public Sector Pension Investment Board; San Antonio medical technology company.

NEUSTAR INC.: $700 million senior secured credit facility; Morgan Stanley; $100 million five-year revolver talked at Libor plus 400 bps to 425 bps, OID 99; $600 million seven-year term B talked at Libor plus 425 bps to 450 bps, 1.25% Libor floor, OID 98; help fund acquisition of Targus Information Corp.; Sterling, Va., provider of directory services that enable communication across networks, applications and enterprises.

NEWWAVE COMMUNICATIONS LLC: $140 million five-year credit facility; GE Capital and SunTrust; $40 million revolver talked at Libor plus 400 bps; $100 million term A talked at Libor plus 400 bps; refinance existing debt and fund a dividend; Sikeston, Mo., communications services company.

OPEN LINK FINANCIAL INC.: $390 million credit facility (B2/B+); Credit Suisse and Wells Fargo; $50 million revolver; $340 million term loan at Libor plus 625 bps, 1.5% Libor floor, OID 98, 101 soft call; help fund buyout by Hellman & Friedman from Carlyle Group; Uniondale, N.Y., provider of cross-asset trading, risk management and operations processing software services.

OPEN TEXT INC.: $700 million senior secured credit facility; Barclays and RBC; $100 million revolver at Libor plus 250 bps, 30 bps unused fee; $600 million term A at Libor plus 250 bps; add cash to the balance sheet, refinance existing bank debt and for working capital purposes; Waterloo, Ont., enterprise software company.

POLYONE CORP.: Expected close Nov. 17; $600 million credit facility; Bank of America and Wells Fargo; $300 million six-year term B (Ba1/BB-) talked at Libor plus 425 bps, 1.25% Libor floor, OID 98 to 99, 101 soft call; $300 million five-year ABL revolver talked at Libor plus 200 bps; help fund acquisition of ColorMatrix Group Inc.; Avon Lake, Ohio, provider of specialized polymer materials and services.

REGIONALCARE HOSPITAL: $460 million senior secured credit facility; Citigroup, Morgan Stanley and Deutsche Bank; $100 million five-year revolver (B2/B); $295 million seven-year first-lien term B (B2/B) talked at Libor plus 625 bps to 650 bps, 1.5% Libor floor, OID 96 to 97, 101 soft call; $65 million 7½-year second-lien term loan (CCC+); help fund the purchase of Essent Healthcare from Vestar Capital Partners and Cressey & Co.; Brentwood, Tenn., owner and operator of hospitals.

SEQUA CORP.: $200 million incremental senior secured term loan (B1/B-) talked at Libor plus 500 bps to 525 bps, 1.5% Libor floor, OID 98½ to 99, 101 soft call; Barclays and Credit Suisse; help fund acquisition of Roll Coater Inc.; Tampa, Fla., manufacturer of auto parts and servicer of jet engines.

TENSAR INTERNATIONAL CORP. INC.: $325 million credit facility; Barclays; $25 million four-year ABL revolver grid-based

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pricing ranging from Libor plus 250 bps to 300 bps, 50 bps unused fee; $190 million five-year first-lien term B (B1/B) talked at Libor plus 750 bps, 1.75% Libor floor, OID 95, 101 call protection; $110 million 5½-year second-lien term C (Caa1/CCC+) talked at Libor plus 1,175 bps, 1.75% floor, OID 95, non-call one, 102, 101; refinance existing capital structure; Atlanta-based provider of specialty products and engineering services.

TOTAL SAFETY: $275 million credit facility (B2/B-); Deutsche Bank and Credit Suisse; $40 million five-year revolver; $235 million 6½-year term loan at Libor plus 625 bps, 1.25% Libor floor, OID 96, soft call 102, 101; help fund buyout by Warburg Pincus from DLJ Merchant Banking Partners; Houston-based outsourced provider of integrated safety and compliance services and the products necessary to support them.

TRIPLE POINT TECHNOLOGY INC.: $185 million credit facility (B1); Credit Suisse and GE Capital; $20 million five-year revolver; $165 million six-year term loan at Libor plus 650 bps, 1.5% Libor floor, OID 96, 101 soft call; help fund buyout by Welsh, Carson, Anderson & Stowe from ABRY Partners; Westport, Conn., provider of software for end-to-end commodity management.

TRITON CONTAINER INTERNATIONAL LTD.: $600 million five-year senior secured revolver; Bank of America, Union Bank, Wells Fargo and SunTrust; repay existing revolver debt; San Francisco-based container manufacturer.

UPC FINANCING PARTNERSHIP: Expected close Oct. 28; $500 million term loan tranche AB (Ba3/B+) due Dec. 31, 2017 at Libor plus 350 bps, 1.25% Libor floor, OID 97, 101 soft call; Citigroup and Goldman Sachs; repay current revolver drawings; subsidiary of Englewood, Colo.-based Liberty Global, which provides video, voice and broadband internet services.

WEB.COM GROUP INC.: $800 million senior secured credit facility; JPMorgan, Deutsche Bank, Goldman Sachs and SunTrust; $50 million five-year revolver (Ba3/B); $600 million six-year first-lien term B (Ba3/B) talked at Libor plus 550 bps, 1.5% Libor floor, OID 88 to 89, 101 soft call; $150 million seven-year second-lien term loan (B3/CCC+) talked at Libor plus 950 bps, 1.5% Libor floor, OID 88 to 89, non-call one, 103, 102, 101; help fund acquisition of Network Solutions; Jacksonville, Fla., provider of internet and online marketing services.

ZYWAVE INC.: $130 million credit facility; BMO; $10 million revolver talked at Libor plus 550 bps, 1.5% Libor floor, OID 99; $120 million term loan talked at Libor plus 550 bps, 1.5% Libor floor, OID 99; acquisition financing; Milwaukee-based developer of employee benefits and property & casualty insurance software.

On The Horizon

99 CENTS ONLY STORES: $675 million credit facility; RBC and BMO; $150 million five-year ABL revolver expected at Libor plus 200 bps, 37.5 bps unused fee; $525 million seven-year term loan expected at Libor plus 600 bps, 1.5% Libor floor, 101 soft call; help fund buyout by Ares Management LLC and Canada Pension Plan Investment Board; City of Commerce, Calif., operator of extreme value retail stores.

A.C. MOORE ARTS & CRAFTS INC.: Up to $77.5 million five-year senior secured revolver at Libor plus 250 bps; Wells Fargo; help fund buyout by Sbar's Acquisition Corp. and for other general corporate purposes and working capital needs; Berlin, N.J., specialty retailer of arts, crafts and floral merchandise.

CATALENT PHARMA SOLUTIONS INC.: New term loan; help fund acquisition of Aptuit LLC's clinical trial supplies business; Somerset, N.J., provider of advanced technologies, and development, manufacturing, and packaging services for pharmaceutical, biotechnology and consumer health care companies.

CHINA FIRE & SECURITY GROUP INC.: $80 million five-year credit facility; Bank of America, Citigroup and HSBC; $20 million revolver expected at Libor plus 500 bps; $60 million term loan expected at Libor plus 500 bps; help fund buyout by Bain Capital Partners LLC and management; provider of industrial fire protection systems in China.

CONVERGEX HOLDINGS LLC: New credit facility; Bank of America, Barclays, Deutsche Bank, Morgan Stanley and Citigroup; term loan; revolver; help fund buyout by CVC Capital Partners from GTCR; New York-based technology company providing mission-critical proprietary software products and technology-enabled services to asset managers and financial intermediaries.

COSTAR GROUP INC.: $465 million credit facility; JPMorgan; $415 million seven-year term loan expected at Libor plus 350 bps, 1.25% Libor floor; $50 million five-year revolver expected at Libor plus 300 bps; help fund acquisition of LoopNet Inc.; Washington, D.C.-based commercial real estate information company.

NEW ENTERPRISE STONE & LIME CO. INC.: New credit facility; refinance existing bank debt; New Enterprise, Pa., construction materials supplier and heavy/highway construction contractor.

PAR PHARMACEUTICAL COS. INC.: $450 million five-year credit facility; JPMorgan; $350 million term loan expected at

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Libor plus 250 bps; $100 million revolver expected at Libor plus 250 bps, 37.5 bps unused fee; help fund acquisition of Anchen Pharmaceuticals Inc. and refinance existing revolver; Woodcliff Lake, N.J., specialty pharmaceutical company.

PHARMACEUTICAL PRODUCT DEVELOPMENT INC.: $1.5 billion senior secured credit facility; Credit Suisse, JPMorgan, Goldman Sachs and UBS; $1.325 billion term loan; $175 million revolver; help fund buyout by Carlyle Group and Hellman & Friedman; Wilmington, N.C., product development and management services provider to the pharmaceutical research industry.

SINCLAIR BROADCAST GROUP INC.: New term loan; help fund acquisition of Four Points Media Group LLC from Cerberus Capital Management LP; Hunt Valley, Md., television broadcasting company.

SOPHIA LP (SUNGARD HIGHER EDUCATION/DATATEL INC.): New credit facility; Bank of America, Barclays, Citigroup, Credit Suisse and JPMorgan; help fund buyout of SunGard Higher Education by Hellman & Friedman LLC and merger with Datatel Inc.; provider of software, technology products and services to the higher education community.

TRONOX INC.: $550 million of new financing; Goldman Sachs; refinance term loan in connection with acquisition of Exxaro Resources Ltd.'s mineral sands operations; Oklahoma City-based producer and marketer of titanium dioxide pigment.

WESTERN DIGITAL CORP.: $3 billion senior unsecured credit facility; Bank of America; $500 million revolver; $2.5 billion five-year term loan; help fund acquisition of Hitachi Global Storage Technologies from Hitachi Ltd., refinance existing bank debt and for general corporate purposes; Irvine, Calif., designer and producer of hard drives and solid state drives.

W.R. GRACE & CO.: Exit facility, including a $200 million revolver; Goldman Sachs and Deutsche Bank; Columbia, Md., specialty chemicals company.

ZAYO GROUP LLC: New debt financing; help fund acquisition of 360networks Holdings (USA) Inc.; Louisville, Colo., provider of telecom and internet infrastructure services.

Open Link breaks; Sealed Air inches up; Sequa moves deadline; Fundtech guidance emerges

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RBC Capital Markets LLC is the lead bank on the deal that will be used to help fund the buyout of the Carpentersville, Ill.-based manufacturer of nutrition products by HM Capital from Stonehenge Partners Inc.

E.W. Scripps firms launch

E.W. Scripps zeroed in on timing for its $312 million five-year credit facility, setting a bank meeting for Nov. 3, according to a market source. Previously, the deal was simply labeled as early-November business.

The facility consists of a $100 million revolver and a $212 million term loan, with both tranches talked at Libor plus 400 bps.

SunTrust Robinson Humphrey Inc. is leading the deal that will be used to fund the acquisition of nine stations from McGraw-Hill Broadcasting for $212 million in cash, and closing is expected in the first half of 2012, subject to regulatory approvals and customary conditions.

E.W. Scripps is a Cincinnati-based media enterprise with interests in television stations and newspapers.

Unifrax coming soon

Unifrax is planning a bank meeting on Nov. 3 to launch a proposed $540 million credit facility that will be used to help fund its buyout by American Securities, according to a market source.

Goldman Sachs & Co., Wells Fargo Securities LLC, GE Capital Markets and KeyBanc Capital Markets LLC are the lead banks on the deal that is comprised of a $50 million five-year revolver and a $490 million seven-year term loan B, the source said.

Senior net leverage is around 4.0 times.

Unifrax is a Niagara Falls, N.Y.-based supplier of high-temperature insulation products.

Fitch cuts Boyd to negative

Fitch Ratings said it affirmed **Boyd Gaming Corp.**'s issuer default rating at B.

The outlook was revised to negative from stable.

The outlook revision reflects the reduced medium-term operating outlook for Boyd's Midwest & South region due to increasing competition, Fitch said.

The negative outlook also considers potential for headwinds to impede the recovery in the Las Vegas locals market, the agency said.

Moody's cuts Netflix to stable

Moody's Investors Service said it changed **Netflix Inc.**'s outlook to stable from positive.

The company has a Ba2 corporate family rating.

The change is prompted by the company's reported subscriber declines of more than 800,000 in the quarter ending Sept. 30, 2011, Moody's said, combined with management's negative cash flow forecast for the upcoming quarters as a result of international expansion into United Kingdom and Ireland.

The result will mean limited free cash flow for the next year, which reduces the cushion that has existed to support new and existing content contractual commitments and the potential for slower subscriber growth or subscriber losses, the agency said.

Therefore, the probability of an upgrade over the next 12 months has diminished and the outlook has returned to stable, Moody's said.

S&P downgrades Healthways

Standard & Poor's said it lowered the counterparty credit rating on **Healthways Inc.** to BB- from BB, along with the ratings on its senior secured credit facilities to BB- from BB.

The recovery rating remains 3, which indicates 50% to 70% expected recovery in a default.

The downgrade is based on a view that Healthways' business and financial risk profiles will be weakened as a result of the loss of the Cigna Corp. contract, assuming no substantial revenue and earnings offset from other near-term growth prospects, S&P said.

The impact of the contract loss is significant given that Cigna is by far Healthways' largest contract and one of its most profitable, the agency said.

The stable outlook is based on an expectation that Healthways has sufficient scale and product expertise to continue competing effectively in the specialized disease-management and wellness markets, S&P said.

S&P lowers Media General

Standard & Poor's said it lowered the corporate credit on **Media General Inc.** to CCC+ from B-.

The agency also lowered the rating on the company's $300 million senior notes due 2017 to CCC+. The recovery rating remains unchanged at 4, indicating 30% to 50% expected recovery in a default.

The downgrade reflects an expectation that Media General could face difficulties in maintaining covenant compliance in 2012, S&P said.

The loan covenant step-downs and continued weakness in the U.S. economy could cause the company to violate covenants in late 2012 if it is unable to refinance or amend covenants, S&P said.

The company's business risk is considered vulnerable, based on structural pressure on the U.S. newspaper industry, TV broadcasting's mature long-term growth prospects and increased competition for audience and advertisers, the agency said.

Moody's ups American Pacific

Moody's Investors Service said it upgraded **American Pacific Corp.**'s speculative-grade liquidity rating to SGL-3 from SGL-4, along with the rating on its $110 million guaranteed senior unsecured notes due 2015 to B3 (LGD 4, 58%) from B3 (LGD 4, 57%).

The agency also said it affirmed its B2 corporate family and probability of default ratings.

The change reflects expectations that the company will have adequate liquidity over the next 12 to 18 months, Moody's said.

The ratings also consider its modest positive free cash flow in its 2012 fiscal year, the agency said.

S&P upgrades Sirius XM

Standard & Poor's said it raised the corporate credit rating on **Sirius XM Radio Inc.** and subsidiary **XM Satellite Radio Inc.** to BB from BB-.

The outlook is stable.

The upgrade reflects the company's declining debt leverage, improving discretionary cash flow and the prospects for continued improvement in credit measures through the remainder of 2011 and 2012, S&P said.

The rating also considers the expectation that debt levels will remain relatively stable, the agency said, and that the company will continue to reduce gross adjusted debt leverage to the mid-3x area by the end of 2012.

S&P puts Astoria on CreditWatch developing

Standard & Poor's said the CCC+ ratings on **Astoria Generating Co. Acquisitions LLC**'s $430 million first-lien term loan due 2013 and its $100 million first-lien working capital facility due 2012 remain on CreditWatch with developing implications.

The CCC- rating on the $300 million second-lien term bank loan due 2013 also remains on CreditWatch with developing implications.

The recovery rating of 1 on the first-lien credit facilities is unchanged, indicating 90% to 100% expected recovery in a default.

The recovery rating of 5 on the second-lien credit facility is unchanged, indicating 10% to 30% expected recovery in a default.

If Astoria Energy II LLC continues to fully participate in the capacity, the winter capacity prices starting in November 2011 are expected to be at zero, S&P said.

In the near term, the agency said it thinks that if these lower prices continue, the company's cash flow will likely be insufficient to cover operating expenses,

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including capital maintenance.

Fitch: U.S. Steel to negative

Fitch Ratings said it affirmed the long-term issuer default rating of **United States Steel Corp.** at BB, along with its senior secured credit facility at BB+ and senior unsecured notes at BB.

The outlook was revised to negative from stable, reflecting further weakness in the domestic and European steel markets expected to persist into 2012, Fitch said.

The agency said it believes that free cash flow could be negative in the range of $1 billion for 2011.

There is no visibility into when capacity utilization in the region will show material improvement and indications are for a weak fourth quarter, Fitch added.

The ratings also reflect the company's solid liquidity, weak market conditions and weak earnings and cash flow, the agency said..

Moody's: Interline to positive

Moody's Investors Service said it revised the outlook for **Interline Brands, Inc.** to positive from stable.

The agency also said it affirmed the company's B1 corporate family and probability of default ratings, along with the B2 rating on its 7% senior subordinated notes due in 2018.

The outlook change considers Interline's recurring revenue stream and strong cash flow generation through the recession, Moody's said, as well as expectations for operating margin improvement.

The company's exposure to the multi-family housing sector and large institutional facilities will continue providing top-line stability as demand for maintenance, repair and operations products is fairly protected from the cyclicality that has hurt other sectors in recent years, the agency said.

S&P: Ford unchanged

Standard & Poor's said it views **Ford Motor Co.**'s third-quarter results as consistent with its recent upgrade.

Although Ford's automotive operating cash flow in the quarter was only $400 million, it seems very likely to exceed $5 billion this year, consistent with assumptions, S&P said.

The automaker announced a consolidated pretax profit of $1.9 billion for the third quarter, down sequentially and year-over-year, the agency said.

The automobile sales recovery in the United States is viewed as fragile because of a weak economic recovery, S&P said.

Moody's: Fortescue notes B1

Moody's Investors Service said it assigned a B1 rating to $1.5 billion Rule 144A guaranteed senior unsecured notes to be issued by **FMG Resources (August 2006) Pty Ltd.**, the financing vehicle for **Fortescue Metals Group Ltd**.

The group's other ratings are unchanged.

The outlook is positive.

FMG Resources is issuing $1.5 billion of 8¼% guaranteed senior unsecured notes due 2019.

The notes will rank equally with all other senior unsecured debt of the issuer, Moody's said.

The proceeds will be used to fund the company's expansion program aimed at increasing production.

Fortescue's B1 corporate family rating continues to be supported by its long life, low-cost reserves, strong financial profile and the expectation for continued strong cash margins, Moody's said.

This is balanced against elevated cash costs, a concentrated asset base and the execution risk and funding requirements associated with the company's aggressive expansion plans, the agency said.

S&P rates Fortescue notes B+

Standard & Poor's said it assigned a B+ rating to the proposed Rule 144A issuance of about $1.5 billion senior unsecured notes by **FMG Resources (August 2006) Pty Ltd.**, the funding arm of **Fortescue Metals Group Ltd.**

The notes will have a term of eight years and proceeds will be used for the continued expansion of some of its mining operations, S&P said.

The agency said it believes the project is on track for completion within three years, but substantial project execution risk still lies ahead.

These risks are mitigated to a degree by the continued high ore prices supporting the company's financial performance and improved liquidity position, S&P added.

S&P: Fundtech B, loans B+

Standard & Poor's said it assigned a preliminary B corporate credit rating to **US FT Holdco Inc.** (Fundtech), along with a preliminary B+ rating to its proposed $25 million senior secured revolving credit facility due 2016 and the $200 million first-lien term loan due 2017.

The preliminary recovery rating is 2, indicating 70% to 90% expected recovery in a default.

The outlook is stable.

The proceeds will be used for the acquisition and merger of Fundtech Ltd. and Bserv Inc. A $50 million subordinated loan (unrated) will provide additional funding, along with cash on hand and common equity, S&P said.

The ratings reflect the company's highly leveraged financial profile, the agency said.

This is offset by its improved market position and cost-reduction opportunities, S&P said.

Moody's may withdraw Hit

Moody's Investors Service said news that **Mattel, Inc**. agreed to acquire **Hit Entertainment Inc.** will likely cause the withdrawal of Hit's Caa1 corporate family rating, Caa2 probability of default rating, negative outlook and existing debt instrument ratings.

The agency said it expects all of Hit's rated debt to be repaid upon close of the acquisition.

Therefore, Moody's said it will withdraw all of Hit ratings at that time.

Its rated debt consists of about $375 million of B2-rated first-lien debt and $175 million of Caa3-rated second-lien debt, the agency said.

Bank Loan New Deal Spreads for 8/27/2011 to 10/26/2011

Moody's Rating	Revolver	TLA	Institutional	Term	Second Lien
Ba1	**233 bps** $1.00 bln, 3 loans	**250 bps** $0.90 bln, 1 loan	**400 bps** $1.09 bln, 2 loans	**600 bps** $0.28 bln, 1 loan	---
Ba2	---	---	---	---	---
Ba3	**400 bps** $0.42 bln, 2 loans	---	**569 bps** $4.25 bln, 4 loans	**463 bps** $1.25 bln, 2 loans	---
B1	**450 bps** $0.05 bln, 1 loan	---	**700 bps** $0.45 bln, 2 loans	**600 bps** $2.03 bln, 3 loans	**1050 bps** $0.08 bln, 1 loan
B2	**625 bps** $0.08 bln, 2 loans	---	**688 bps** $0.56 bln, 2 loans	**625 bps** $0.81 bln, 3 loans	---
B3	---	---	---	---	**913 bps** $0.35 bln, 2 loans
Caa1	---	---	---	---	**1075 bps** $0.46 bln, 2 loans
Caa2	---	---	---	---	**975 bps** $0.10 bln, 1 loan
NA	**287 bps** $13.55 bln, 51 loans	**275 bps** $2.23 bln, 4 loans	**433 bps** $2.20 bln, 3 loans	**475 bps** $4.51 bln, 22 loans	**819 bps** $0.15 bln, 4 loans
Total	**302 bps** $15.09 bln, 59 loans	**270 bps** $3.13 bln, 5 loans	**550 bps** $8.54 bln, 13 loans	**505 bps** $8.87 bln, 31 loans	**928 bps** $1.14 bln, 10 loans

Year-Ago Spreads for 8/27/2010 to 10/26/2010

Moody's Rating	Revolver	TLA	Institutional	Term	Second Lien
Ba1	**295 bps** $1.25 bln, 3 loans	**225 bps** $0.35 bln, 1 loan	**338 bps** $0.68 bln, 2 loans	---	---
Ba2	**363 bps** $1.15 bln, 4 loans	**333 bps** $1.95 bln, 3 loans	**385 bps** $4.67 bln, 5 loans	**575 bps** $0.23 bln, 1 loan	---
Ba3	**393 bps** $0.72 bln, 7 loans	**388 bps** $2.48 bln, 4 loans	**431 bps** $7.18 bln, 8 loans	**450 bps** $3.27 bln, 4 loans	---
B1	**450 bps** $0.61 bln, 8 loans	**400 bps** $0.18 bln, 1 loan	**508 bps** $2.49 bln, 6 loans	**480 bps** $5.03 bln, 11 loans	---
B2	**625 bps** $1.07 bln, 4 loans	---	**463 bps** $0.94 bln, 2 loans	**717 bps** $0.64 bln, 3 loans	**675 bps** $0.20 bln, 1 loan
B3	---	---	**925 bps** $0.14 bln, 1 loan	---	**700 bps** $0.28 bln, 1 loan
Caa1	---	---	---	**850 bps** $0.18 bln, 1 loan	**975 bps** $0.37 bln, 2 loans
Caa2	---	---	---	---	---
NA	**335 bps** $15.63 bln, 62 loans	**413 bps** $1.49 bln, 6 loans	**425 bps** $2.49 bln, 11 loans	**430 bps** $15.50 bln, 35 loans	**850 bps** $0.48 bln, 4 loans
Total	**363 bps** $20.42 bln, 88 loans	**377 bps** $6.44 bln, 15 loans	**446 bps** $18.57 bln, 35 loans	**467 bps** $24.84 bln, 55 loans	**841 bps** $1.32 bln, 8 loans

Spreads in basis points. Unweighted average. U.S. deals, dollar denominated, minimum facility size of $75 million. Libor-based loans only. Date is meeting if available, otherwise earlier of date reported to Prospect News or closing date. "Term" category is term loans not identified as term loan A, institutional or second lien tranches. Table excludes delayed draw, letter of credit and other facilities.

Recent Leveraged

Meeting	Closing	Issuer	Amount ($mlns)	Loan	Maturity	Rate	OID	Leads
–	–	TravelCenters of America LLC	$200	revolver	10/25/2016	L+225	–	Wells Fargo
–	–	Zywave Inc.	$10	revolver	–	L+550	–	BMO
–	–	Zywave Inc.	$120	term loan	–	L+550	–	BMO
–	10/18/2011	Navistar International Corp.	$355	asset-based revolver	11/1/2016	L+150	–	Merrill Lynch, Deutsche Bank, Wells Fargo
–	10/18/2011	Cinedigm Digital Funding 2 LLC	$2.5	revolver	10/15/2017	L+450	–	SG, ING, Natixis
–	10/18/2011	Cinedigm Digital Funding 2 LLC	$75	term loan	10/15/2017	L+450	–	SG, ING, Natixis
10/25/2011	–	PolyOne Corp.	$300	asset-based revolver	5 years	L+200	–	Bank of America, Wells Fargo
10/25/2011	–	PolyOne Corp.	$300	term loan B	–	L+425	–	Bank of America, Wells Fargo
–	–	STAG Industrial Operating Partnership, LP	$100	revolver	–	–	–	Bank of America
10/25/2011	–	Sequa Corp.	$200	term loan	–	–	–	Barclays, Credit Suisse
–	10/19/2011	La-Z-Boy Inc.	$150	revolver	10/19/2016	–	–	Wells Fargo
–	10/20/2011	Athenahealth, Inc.	$100	revolver	5 years	–	–	Bank of America, TD
–	10/19/2011	Flextronics International Ltd.	$1500	revolver	5 years	–	–	Bank of America
–	10/19/2011	Flextronics International Ltd.	$500	term loan	5 years	–	–	Bank of America
10/20/2011	–	UPC Financing Partnership	$500	term loan tranche AB	6 years	L+350	97	Citigroup, Goldman Sachs
–	10/19/2011	Pool Corp.	$430	revolver	–	–	–	Wells Fargo, JPMorgan
10/25/2011	–	Neustar Inc.	$100	revolver	5 years	–	99	Morgan Stanley
10/25/2011	–	Neustar Inc.	$600	term loan B	7 years	–	98	Morgan Stanley
–	–	United Copper Industries Inc.	$150	asset-based revolver	–	–	–	GECC
–	10/18/2011	Bill Barrett Corp.	$900	revolver	10/31/2016	L+150	–	–
–	10/18/2011	Government Properties Income Trust	$550	revolver	10/18/2015	L+150	–	Wells Fargo, Bank of America
–	10/12/2011	Petroleum Development Corp.	$400	revolver	–	–	–	JPMorgan
10/18/2011	–	CBRE Group Inc.	$250	term loan A-1	May 2016	–	–	HSBC, JPMorgan
10/18/2011	–	AGCO Corp.	$500	revolver	–	L+150	–	–
10/18/2011	–	AGCO Corp.	$400	term loan A	–	L+150	–	–
10/20/2011	–	Asset Acceptance Capital Corp.	$100	revolver	5 years	–	–	JPMorgan
10/20/2011	–	Asset Acceptance Capital Corp.	$175	term loan B	6 years	–	93	JPMorgan
–	–	Glimcher Properties LP	$250	revolver	10/12/2014	L+237.5	–	Keybank
–	–	Take-Two Interactive Software, Inc.	$100	revolver	10/17/2016	–	–	Wells Fargo
10/17/2011	–	RegionalCare Hospital Partners Inc.	$100	revolver	5 years	–	–	Citigroup, Morgan Stanley, Deutsche Bank

MI Developments to increase leverage to 40% to 50% of total capital

By Aleesia Forni

Columbus, Ohio, Oct. 26 – **MI Developments Inc.** announced that its board of directors has unanimously approved a "strategic plan" that includes the company's increase in leverage to 40% to 50% of total capital, according to interim chief executive officer William Lenehan.

"We intend to maintain an investment-grade rating, and we will target diverse funding sources, everything from increasing our credit facility to property mortgages ... to preferred or convertible preferred equity," Lenehan said during the company's teleconference to announce the plan.

The Canadian-based real estate company believes that by increasing its financial leverage, it can provide hedging against currency fluctuations and benefit from a lower blended cost of capital.

Lenehan said this plan has "very low overall transaction costs" and will save the company approximately $50 million.

The plan will also convert MI Developments from a Canadian corporation to a Canadian Real Estate Investment Trust, as well as increase its quarterly dividend to $0.50 per share. It was previously $0.11.

MI Developments will also increase the lease revenue derived from new industrial tenants and reduce the proportion of capital invested in Magna properties to less than 50% over the next three years.

MI Developments also expects growth opportunities with Magna, including expanding existing MI Developments facilities and constructing new facilities, as well.

National Healthcare enters amended $75 million revolving facility

By Jennifer Chiou

New York, Oct. 26 – **National HealthCare Corp**. entered into on Tuesday a fourth amendment to its credit agreement with Bank of America, NA as lender, providing for a $75 million revolving facility, according to an 8-K filing with the Securities and Exchange Commission

Of the commitment amount, $5 million may be used for letters of credit.

The revolver will come due on Oct. 24, 2012, and between 90 and 120 days prior to the maturity date, National Healthcare may request a one-year extension.

Proceeds will be used for general corporate purposes, including working capital and acquisitions.

The Murfreesboro, Tenn., long-term care hospital operator is permitted to prepay the loan without penalty.

Borrowings will bear interest at Libor plus 70 basis points, and letter-of-credit fees are 0.7% times the maximum amount available to be drawn under outstanding letters of credit.

Vistaprint enters into $250 million unsecured revolving facility

By Jennifer Chiou

New York, Oct. 26 – **Vistaprint NV** entered into on Oct. 21 a credit agreement providing for a $250 million unsecured revolving credit facility via JPMorgan Chase Bank NA as administrative agent, HSBC Bank USA, NA as syndication agent; RBS Citizens, NA as documentation agent and J.P. Morgan Securities LLC as bookrunner and lead arranger, according to an 8-K filing with the Securities and Exchange Commission.

Subsidiaries Vistaprint Ltd., Vistaprint Schweiz GmbH and Vistaprint BV make up the other borrowers.

The facility will mature on Oct. 21, 2016.

Up to $50 million of borrowings may be made in euros, Swiss francs and other agreed-upon currencies.

There are also letter-of-credit and swingline loan sublimits of $25 million each, the filing noted.

Vistaprint may increase commitments by up to $150 million.

Borrowings will be used for working capital, capital expenditures and other general corporate purposes, including share repurchases and mergers and acquisitions.

Drawn amounts will bear interest at Libor plus 125 basis points to 150 bps and commitment fees range from 17.5 bps to 22.5 bps, depending on leverage.

Financial covenants state that Vistaprint's consolidated leverage ratio may not exceed 3.5 times its consolidated EBITDA.

In addition, the company's consolidated senior leverage ratio is capped at 2.75 times and the interest coverage ratio must be at least 3.0.

In other news, the company entered into on Monday a share purchase agreement with Albumprinter Beheer BV, under which Vistaprint will purchase all of Albumprinter's shares for a total consideration of up to €65 million.

Vistaprint is a Venlo, The Netherlands, online provider of marketing products and services

DTE Energy gets $1.1 billion commitments at Libor plus 90-162.5 bps

By Susanna Moon

Chicago, Oct. 26 – **DTE Energy Co.** amended its five-year unsecured revolving credit agreement on Friday with Citibank, NA as administrative agent, obtaining $1.1 billion of commitments, according to an 8-K filing with the Securities and Exchange Commission.

Interest on the loans will be Libor plus 90 basis points to 162.5 bps, based on credit ratings by Standard & Poor's and Moody's Investors Service.

The facility will also support commercial paper borrowings.

The company is required to maintain a debt-to-capitalization ratio of no more than 0.65 times.

Barclays Capital, Bank of Nova Scotia and JPMorgan Chase Bank, NA are co-syndication agents. Royal Bank of Scotland plc is documentation agent. Citigroup Global Markets Inc. and Barclays Capital are the lead arrangers and bookrunners.

In connection with the new loans, DTE Energy terminated the three-year credit agreement with Citibank as administrative agent.

DTE transferred $104 million in letters of credit outstanding under the terminated facilities and does not have any other borrowings under the facility.

DTE is a Detroit-based utility subsidiary of Detroit Edison Co.

Subsidiary loans

Michigan Consolidated Gas Co., a wholly owned subsidiary of DTE, entered into an amended five-year unsecured revolving credit agreement for $400 million with JPMorgan as administrative agent.

The interest rate is Libor plus 90 bps to 162.5 bps.

The co-syndication agents are Barclays, Citibank and Bank of America, NA. Bank of Nova Scotia is the documentation agent. J.P. Morgan Securities LLC and Bank of America Merrill Lynch are the lead arrangers and bookrunners.

The agreement replaces the company's previous agreement with JPMorgan as administrative agent, and MichCon has no drawdowns under the facility.

Philip Morris International closes new $3.5 billion revolving facility

Columbus, Ohio, Oct. 26 – **Philip Morris International Inc.** entered into a new $3.5 billion senior secured revolving credit facility, according to an 8-K filed with the Securities and Exchange Commission on Tuesday.

The facility will be used for general corporate purposes.

The applicable interest rate margin on the revolver is Libor or Euribor plus 20 basis points.

Expiration for the facility is Oct. 25, 2016.

The Richmond, Va.-based tobacco company must maintain an EBITDA to interest ratio of no less than 3.5 to 1.0.

This facility replaces the company's existing revolver, set to expire in December 2012, and the company had no borrowings outstanding under this agreement.

For the new facility, Citigroup Global Markets Ltd., Barclays Capital, BNP Paribas, Credit Suisse AG, Cayman Islands Branch, Deutsche Bank Securities Inc., Goldman Sachs International, HSBC Bank plc, J.P. Morgan Ltd., RBS Securities Inc. and Société Générale are mandated lead arrangers and bookrunners.

Citibank International plc is facility agent, while Citibank NA is swingline agent.

CommonWealth REIT lifts term loan to $557 million, extends maturity

By Susanna Moon

Chicago, Oct. 26 – **CommonWealth REIT** said it amended its $400 million unsecured term loan with Wells Fargo Bank, NA as administrative agent, boosting the total amount to $557 million and extending the maturity by one year to Dec. 15, 2016.

Interest on the loans was reduced to Libor plus 150 basis points from Libor plus 200 bps. The margin will be based on the company's credit ratings, according to the company's press release.

The company also may increase the total limits to up to $1 billion in some cases.

Proceeds will be used to repay amounts outstanding under the company's $750 million revolving credit facility and to fund general business activities, including possible acquisitions.

Wells Fargo Securities, LLC was the lead arranger. Regions Bank, BBVA Compass Bank, Royal Bank of Canada and U.S. Bank NA are syndication agents. PNC Bank, NA, Sumitomo Mitsui Banking Corp., Bank of Tokyo-Mitsubishi UFJ, Ltd., Capital One, NA and Union Bank, NA are senior managing agents.

BB&T Capital Markets, TD Bank, NA, First Hawaiian Bank, Comerica Bank, Malayan Bank, Bank of Nova Scotia and Sovereign Bank are lenders.

Three lenders representing $57 million of total borrowings were unable to commit to the amended terms and the terms will remain unchanged, the release noted. The company agreed to repay these lenders in December 2012 when there will be no prepayment penalty.

CommonWealth is a Newton, Mass.-based nationwide office and industrial real estate investment trust.

Market Summary

Atlantic Power prices, Acadia on tap; Tuesday deals move up; Clearwire climbs on Sprint news

By Paul Deckelman and Paul A. Harris

New York, Oct. 26 – **Atlantic Power Corp.** priced a $460 million offering of seven-year notes on Wednesday, high-yield syndicate sources said.

It was the session's only pricing and seemed a little anti-climactic after Tuesday's barn-burner of a session which saw over $4.5 billion of new paper come to market in four deals, all of them upsized to meet demand and two of them opportunistic drive-by offerings by borrowers seeking to take advantage of the suddenly open window.

But Atlantic Power continued the revived primary's momentum, as did reports from the sources that price talk had emerged on a $150 million offering from **Acadia Healthcare Co., Inc.**, which could price as soon as Thursday morning.

The new Atlantic Power issue came too late in the session for secondary dealings – but traders saw upside activity in all of the Tuesday deals, from **Kinetic Concepts Inc.**, **FMG Resources Pty. Ltd.**, **MarkWest Energy Partners, LP** and **Chesapeake Oilfield Operating LLC.**

Away from the new deals, **Sprint Nextel Corp.**'s bonds and shares fell across the board after the wireless carrier reported third-quarter results, including its estimates of needed heavy spending on iPhone technology, which will force it to line up additional funding. But Sprint's **Clearwire Corp.** affiliate's bonds and share soared, after Sprint said the two companies were in talks to extend their network partnership beyond 2012.

Junk bonds apart from Sprint were generally on the upside, and statistical performance measures were higher as well.

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SUBSCRIPTION RATES

Daily Newsletter Rates

1-5 e-mails at the same firm	$2,300 total per year
6-10 e-mails at the same firm	$3,120 total per year
11-20 e-mails at the same firm	$3,960 total per year
21-30 e-mails at the same firm	$5,380 total per year
31-40 e-mails at the same firm	$6,800 total per year
41-50 e-mails at the same firm	$8,230 total per year
51 plus e-mails at the same firm	$9,760 total per year

Weekly Newsletter Rates

1st user at a firm	$500 each per year
2nd to 5th users at a firm	$200 each per year
6th plus users at a firm	$100 each per year