

ATMOS ENERGY CORP  
Form 8-K  
October 01, 2015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**Form 8-K**

**Current Report**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**  
**September 25, 2015**

**Date of Report (Date of earliest event reported)**

**ATMOS ENERGY CORPORATION**  
**(Exact Name of Registrant as Specified in its Charter)**

**TEXAS AND VIRGINIA**  
**(State or Other Jurisdiction**  
  
**of Incorporation)**

**1-10042**  
**(Commission**  
  
**File Number)**

**75-1743247**  
**(I.R.S. Employer**  
  
**Identification No.)**

**1800 THREE LINCOLN CENTRE,**

**5430 LBJ FREEWAY, DALLAS, TEXAS**  
**(Address of Principal Executive Offices)**

**75240**  
**(Zip Code)**

**(972) 934-9227**

**(Registrant's Telephone Number, Including Area Code)**

**Not Applicable**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 1.01. Entry into a Material Definitive Agreement.**

On September 25, 2015, Atmos Energy Corporation (the Company) entered into a \$1.25 billion Revolving Credit Agreement (the Credit Facility) with Crédit Agricole Corporate and Investment Bank as Administrative Agent (Crédit Agricole), Mizuho Bank, Ltd. as Syndication Agent and a syndicate of 15 lenders identified therein. The Credit Facility replaces the \$1.25 billion Revolving Credit Agreement (the Prior Facility) with The Royal Bank of Scotland plc as Administrative Agent, which was entered into on May 2, 2011, and subsequently amended, which was set to expire on August 22, 2019. The Credit Facility contains substantially the same terms as the Prior Facility, except that the Company has the option to twice extend the five year term for one additional year. The Credit Facility still contains the requirement that all borrowings must be repaid within 364 days and that no borrowings can be outstanding under the Credit Facility for at least thirty (30) consecutive days (Clean-Up Period) during each fiscal year of the Company, with the timing of the Clean-Up Period at the Company's discretion. The Credit Facility also contains an accordion-type feature similar to the Prior Facility, which allows the Company to propose up to a \$250 million increase in the lenders' commitment. The Credit Facility will continue to be used for working capital, capital expenditures and other general corporate purposes.

Borrowings under the Credit Facility will bear interest at a rate dependent upon the Company's credit ratings at the time of such borrowing and based, at the Company's election, on a base rate or LIBOR for the applicable interest period (one, two, three or six months). In the case of borrowings based either on the base rate or on LIBOR, an applicable margin ranging from 0.000% to 1.250% per annum would be added, based on the Company's then current credit ratings. The base rate is defined as the highest of (i) the per annum rate of interest established by Crédit Agricole as its prime lending rate at the time of such borrowing, (ii) the Federal Funds Rate, as in effect at the time of borrowing, plus one-half of one percent (0.50%) per annum, or (iii) the one-month LIBOR plus one percent (1.00%). Based on the current prime lending rate charged by Crédit Agricole, the current Federal Funds Rate, the one-month LIBOR and the Company's current credit ratings, borrowings at the base rate would bear interest at 3.250% per annum, plus an applicable margin of 0.000% per annum, or an effective total interest rate of 3.250% per annum. Based upon the current LIBOR for a one-month period and the Company's current credit ratings, borrowings at LIBOR would bear interest at 0.193% per annum, plus an applicable margin of 1.000% per annum, or an effective total interest rate of 1.193% per annum.

The Company must also pay commitment fees quarterly in arrears on the average daily unused portion of the Credit Facility at rates ranging from 0.060% to 0.175% per annum, dependent upon the Company's credit ratings. Based upon the Company's current credit ratings, the commitment fee would be at the rate of 0.100%.

The Credit Facility will expire on September 25, 2020, at which time all outstanding amounts under the Credit Facility will be due and payable. The Credit Facility contains usual and customary covenants for transactions of this type, including covenants limiting liens, substantial asset sales and mergers. In addition, the Credit Facility provides that during the term of the facility, the Company's debt to capitalization ratio as of the last day of each of its fiscal quarters shall be less than or equal to 0.70 to 1.00, excluding from the calculation of debt (i) any pension and other post-retirement benefits liability adjustments recorded in accordance with generally accepted accounting principles; and (ii) an amount of hybrid securities, as defined in the Credit Facility (generally, deferrable interest subordinated debt with a maturity of at least 20 years), not to exceed a total of 15% of total capitalization.

In the event of a default by the Company under the Credit Facility, including cross-defaults relating to specified other indebtedness of the Company, Crédit Agricole may, upon the consent of a certain minimum number of lenders, and shall, upon the request and direction of such lenders, terminate the commitments made under the Credit Facility, declare the amount outstanding, including all accrued interest and unpaid fees, payable immediately, and enforce any and all rights and interests created and existing under the Credit Facility documents, including, without limitation, all rights of set-off and all other rights available under the law. For certain events of default relating to insolvency, bankruptcy or receivership, the commitments are automatically terminated and the amounts outstanding automatically become payable immediately.

With respect to the other parties to the Credit Facility, some of whom were also parties to the Prior Facility discussed above, the Company also has or may have had customary banking relationships based on the provision of a variety of financial services, including cash management, investment banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party. A copy of the Credit Facility is filed as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Credit Facility.

**Item 1.02. Termination of a Material Definitive Agreement.**

On September 25, 2015, concurrent with the execution of the Credit Facility described in Item 1.01 above, the Company terminated the Prior Facility described in Item 1.01 above, which was due to expire on August 22, 2019. The Company incurred no early termination penalties as a result of such termination. With respect to the other parties to such terminated credit facility, the Company has or may have had customary banking relationships based on the provision of a variety of financial services, including cash management, investment banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information described in Item 1.01 above is hereby incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit Number	Description
10.1	Revolving Credit Agreement, dated as of September 25, 2015 among Atmos Energy Corporation, the Lenders from time to time parties thereto, Crédit Agricole Corporate and Investment Bank as Administrative Agent, and Mizuho Bank, Ltd. as Syndication Agent

**SIGNATURE**

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

ATMOS ENERGY CORPORATION  
(Registrant)

DATE: October 1, 2015

By: /s/ LOUIS P. GREGORY  
Louis P. Gregory  
Senior Vice President, General Counsel  
and Corporate Secretary

**INDEX TO EXHIBITS**

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