

TEXTRON INC

FORM 8-K (Current report filing)

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): April 21, 2006

TEXTRON INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State of
Incorporation)

I-5480
(Commission File Number.)

05-0315468
(IRS Employer
Identification Number)

40 Westminster Street, Providence, Rhode Island 02903
(Address of principal executive offices)

Registrant's telephone number, including area code: (401) 421-2800

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

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

Item 1.01 Entry into a Material Definitive Agreement

On April 21, 2006, Textron Inc. ("Textron") amended the 5-year senior unsecured revolving credit facility (the "Facility Agreement") with JPMorgan Chase Bank, N.A., as administrative agent, and Citibank, N.A., as syndication agent, and other lenders. The amendment extended the maturity date from March 2010 to April 2011. Under the amended Facility Agreement, Textron will pay quarterly fees that will range from 5 basis points to 12.5 basis points, depending on Textron's ratings by S&P and Moody's. At Textron's current rating, the fees are 7 basis points. Under the amended Facility Agreement, Textron will also pay a utilization fee of 5 basis points on LIBOR borrowings if the aggregate amount outstanding exceeds 50% of the banks' total commitment under the Facility Agreement. The previous commitment extension language was amended to allow for no more than two one year Termination Date extensions and to modify the required notification period associated with the extension of the Termination Date. The aggregate amount of committed credit remained unchanged at \$1.25 billion.

A conformed copy of the amendment is attached hereto as Exhibit 10.1.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

Exhibit

<u>Number</u>	<u>Description</u>
10.1	Amendment No. 1, dated as of April 21, 2006, to 5-Year Credit Agreement, dated as of March 28, 2005, among Textron, the Banks listed therein, JPMorgan Chase Bank, N.A., as Administrative Agent, and Citibank, N.A., as Syndication Agent

SIGNATURES

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

TEXTRON INC.
(Registrant)

Date: April 25, 2006

/s/ Mary F. Lovejoy _____
By: Mary F. Lovejoy
Vice President and Treasurer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit</u>
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\$1,250,000,000

AMENDMENT No. 1

dated as of April 21, 2006

to the 5-Year Credit Agreement

dated as of March 28, 2005

among

Textron Inc.,

The Banks Listed Herein,

JPMorgan Chase Bank, N.A.,
as Administrative Agent

and

Citibank, N.A.,
as Syndication Agent

J.P. Morgan Securities Inc.

and

Citigroup Global Markets Inc.,
Lead Arrangers and Joint Bookrunners

Bank of America, N.A.,
Deutsche Bank Securities Inc.
and

UBS Loan Finance LLC,
Documentation Agents

Barclays Bank PLC,
Co-Documentation Agent

AMENDMENT NO. 1 TO 5-YEAR CREDIT AGREEMENT

AMENDMENT dated as of April 21, 2006 to the 5-Year Credit Agreement dated as of March 28, 2005 (the "**Credit Agreement**") among TEXTRON INC., the BANKS party thereto, JPMORGAN CHASE BANK, N.A., as Administrative Agent, and CITIBANK, N.A., as Syndication Agent.

WITNESSETH:

WHEREAS, the parties hereto desire to amend the Credit Agreement as set forth herein;

NOW, THEREFORE, the parties hereto agree as follows:

Section 1 . *Defined Terms; References.* Unless otherwise specifically defined herein, each term used herein that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Credit Agreement shall, after this Amendment becomes effective, refer to the Credit Agreement as amended hereby.

Section 2 . *Amendments .*

(a) The reference to "BANKS" in the header of the Credit Agreement is changed to "banks and other financial institutions".

(b) The definition of "Termination Date" in Section 1.01 of the Credit Agreement is amended by changing the date specified therein from "March 28, 2010" to "April 21, 2011".

(c) The definition of "Agent" in Section 1.01 of the Credit Agreement is amended to read as follows:

" **Agent** " means any of the Administrative Agent, the Syndication Agent, the Documentation Agents and the Co-Documentation Agent.

(d) The definition of "Commitment" in Section 1.01 of the Credit Agreement is amended to read as follows:

" **Commitment** " means (i) with respect to each Bank listed on the Commitment Schedule, the amount set forth opposite such Bank's name on the Commitment Schedule, and (ii) with respect to any substitute Bank or Assignee which becomes a Bank pursuant to Section 10.01 or 10.15, the amount of the transferor Bank's Commitment assigned to it pursuant to Section 10.01 or 10.15, as such amount may be changed from time to time pursuant to Section 2.10, 10.01 or 10.15; *provided* that, if the context so requires, the term " **Commitment** " means the obligation of a Bank to extend credit up to such amount to the Borrowers hereunder.

(e) Section 1.01 of the Credit Agreement is amended by adding the following new definitions in their appropriate alphabetical positions:

" **Co-Documentation Agent** " means Barclays Bank PLC, in its capacity as co-documentation agent in respect of this Agreement.

" **Commitment Schedule** " means the Commitment Schedule attached hereto.

" **Documentation Agent** " means each of Bank of America, N.A., Deutsche Bank Securities Inc. and UBS Loan Finance LLC, in its capacity as documentation agent in respect of this Agreement.

(f) Section 2.01(d) of the Credit Agreement is amended: (i) by adding the following proviso at the end of the first sentence of paragraph (i) thereof: "; *provided* that the Termination Date may only be so extended for two additional one-year periods", (ii) by changing the phrase "not less than 45 days and not more than 55 days prior to the Termination Date then in effect" in the second sentence of paragraph (i) thereof to read "not less than 45 days nor more than 90 days prior to each anniversary of the date hereof that occurs on or prior to the Termination Date then in effect" and (iii) by adding the following sentence to paragraph (ii) thereof:

On the date of termination of any Bank's Commitment as contemplated by this paragraph, the respective participations of the other Banks in all outstanding Letters of Credit shall be redetermined on the basis of their respective Commitments after giving effect to such termination, and the participation therein of the Bank whose Commitment is terminated shall terminate; *provided* that the Borrowers shall, if and to the extent necessary to permit such redetermination of participations in Letters of Credit within the limits of the Commitments which are not terminated, prepay on such date a portion of the outstanding Loans, and such redetermination and termination of participations in outstanding Letters of Credit shall be conditioned upon their having done so.

(g) Sections 4.03 and 4.04 of the Credit Agreement are amended by changing each reference to the date "January 1, 2005" to "December 31, 2005".

(h) Section 8.07 of the Credit Agreement is amended to read in its entirety as follows:

Section 8.07. *Other Agents* . Nothing in this Agreement shall impose upon any Agent other than the Administrative Agent any duty or liability whatsoever in its capacity as an Agent.

Section 3. *Changes in Commitments*. With effect from and including the Amendment Effective Date, (i) the Commitment of each Bank shall be the amount set forth opposite the name of such Bank in the Commitment Schedule attached hereto and (ii) the Commitment Schedule attached hereto shall become the Commitment Schedule attached to the Credit Agreement. On the Amendment Effective Date, any Bank party to the Credit Agreement which is not listed in the Commitment Schedule attached hereto (each, an " **Exiting Bank** ") shall cease to be a Bank party to the Credit Agreement, and all accrued fees and other amounts payable under the Credit Agreement for the account of each Exiting Bank shall be due and payable on such date; *provided* that the provisions of Sections 2.10 to 2.14 and 10.03 of the Credit Agreement shall continue to inure to the benefit of each Exiting Bank after the Amendment Effective Date.

Section 4. *Changes in Pricing Schedule* . The Pricing Schedule attached to the Credit Agreement (the " **Existing Pricing Schedule** ") is deleted and replaced by the Pricing Schedule attached to this Amendment (the " **New Pricing Schedule** "). The New Pricing Schedule shall apply to interest and fees accruing under the Credit Agreement on and after the date hereof. The Existing Pricing Schedule shall continue to apply to interest and fees accruing under the Credit Agreement prior to the date hereof.

Section 5. *Representations of Borrower*. The Company represents and warrants that (i) the representations and warranties of the Company set forth in Article 4 of the Credit Agreement will be true on and as of the Amendment Effective Date and (ii) no Event of Default will have occurred and be continuing on such date.

Section 6. *Effect of Amendments* . Except as expressly set forth herein, the amendments contained herein shall not constitute a waiver or amendment of any term or condition of the Credit Agreement, and all such terms and conditions shall remain in full force and effect and are hereby ratified and confirmed in all respects.

Section 7. *Governing Law* . This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

Section 8. *Counterparts* . This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 9. *Effectiveness* . This Amendment shall become effective as of the date hereof (the " **Amendment Effective Date** "), subject to satisfaction of the following conditions:

(a) the Administrative Agent shall have received from each of the parties listed in the signature pages hereof a counterpart hereof signed by such party or facsimile or other written confirmation (in form satisfactory to the Administrative Agent) that such party has signed a counterpart hereof; and

(b) the Administrative Agent shall have received an opinion of the General Counsel or Assistant General Counsel of the Company dated as of the Amendment Effective Date, in form and substance satisfactory to the Administrative Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

TEXTRON INC.

By: /S/ MARY F. LOVEJOY
Name: Mary F. Lovejoy
Title: Vice President and Treasurer

JPMORGAN CHASE BANK, N.A., as
Administrative Agent

By: /S/ RANDOLPH CATES
Name: Randolph Cates
Title: Vice President

JPMORGAN CHASE BANK, N.A.

By: /S/ RANDOLPH CATES
Name: Randolph Cates
Title: Vice President

Citibank, N.A.

By: /S/ DIANE L. POCKAJ
Name: Diane L. Pockaj
Title: Managing Director

BANK OF AMERICA, N.A.

By: /S/ SANJAY H. GURNANI
Name: Sanjay H. Gurnani
Title: Senior Vice President

Barclays Bank PLC

By: /S/ NICHOLAS BELL
Name: Nicholas Bell
Title: Director

Deutsche Bank AG New York Branch

By: /S/ YVONNE TILDEN
Name: Yvonne Tilden
Title: Vice President

By: /S/ DAVID G. DICKINSON, JR.
Name: David G. Dickinson, Jr.
Title: Director

UBS Loan Finance LLC

By: /S/ BARBARA EZELL-MCMICHAEL

Name: Barbare Ezell-McMichael
Title: Associate Director
Banking Products Services, US

By: /S/ TOBA LUMBANTOBING

Name: Toba Lumbantobing
Title: Associate Director
Banking Products Services, US

Bank of Tokyo-Mitsubishi UFJ Trust
Company

By: /S/ CHRISTOPHER J. DELAURO
Name: Christopher J. DeLauro
Title: Assistant Vice President

BNP Paribas

By: /S/ RICHARD PACE
Name: Richard Pace
Title: Managing Director

By: /S/ ANGELA B. ARNOLD
Name: Angela B. Arnold
Title: Director

Credit Suisse First Boston, acting through its
Cayman Islands Branch

By: /S/ JAY CHALL
Name: Jay Chall
Title: Director

By: /S/ JAMES NEIRA
Name: James Neira
Title: Associate

HSBC Bank USA, National Association

By: /S/ C J WARNER
Name: C J Warner
Title: Head of Transport Services
and Infrastructure

Merrill Lynch Bank USA

By: /S/ Louis Alder
Name: Louis Alder
Title: Director

Morgan Stanley Bank

By: /S/ DANIEL TWENGE
Name: Daniel Twenge
Title: Vice President

Wachovia Bank, National Association

By: /S/ NATHAN R. RANTALA
Name: Nathan R. Rantala
Title: Vice President

William Street Commitment Corporation
(Recourse only to assets of William Street
Commitment Corporation)

By: /S/ MARK WALTON
Name: Mark Walton
Title: Assistant Vice President

BANK OF MONTREAL

By: /S/ JOSEPH W. LINDER
 Name: Joseph W. Linder
 Title: Vice President

The Bank of Nova Scotia

By: /S/ PETER J. VAN SCHAICK
 Name: Peter J. Van Schaick
 Title: Managing Director

Societe Generale

By: /S/ AMBRISH D. THANAWALA
 Name: Ambrish D. Thanawala
 Title: Managing Director

The Bank of New York

By: /S/ PATRICK VATEL
 Name: Patrick Vatel
 Title: Managing Director

Mellon Bank, N.A.

By: /S/ LAURIE G. DUNN
 Name: Laurie G. Dunn
 Title: First Vice President

COMMITMENT SCHEDULE

<u>Bank</u>	<u>Commitment</u>
JPMorgan Chase Bank, N.A.	\$120,000,000
Citibank, N.A.	\$120,000,000
Bank of America, N.A.	\$90,000,000
Barclays Bank PLC	\$90,000,000
Deutsche Bank AG New York Branch	\$90,000,000
UBS Loan Finance LLC	\$90,000,000
Bank of Tokyo-Mitsubishi UFJ Trust Company	\$60,000,000
BNP Paribas	\$60,000,000
Credit Suisse First Boston, acting through its Cayman Islands Branch	\$60,000,000
HSBC Bank USA, National Association	\$60,000,000
Merrill Lynch Bank USA	\$60,000,000
Morgan Stanley Bank	\$60,000,000
Wachovia Bank, National Association	\$60,000,000
William Street Commitment Corporation	\$60,000,000
Bank of Montreal	\$45,000,000
The Bank of Nova Scotia	\$45,000,000
Societe Generale	\$40,000,000
The Bank of New York	\$20,000,000
Mellon Bank, N.A.	\$20,000,000
Total	\$1,250,000,000

PRICING SCHEDULE

Each of " **Facility Fee Rate** ", " **Euro-Dollar Margin** " and " **Letter of Credit Fee Rate** " means, for any date, the rate set forth below in the row opposite such term and in the row corresponding to the the " **Utilization** " at such date and under the column corresponding to the " **Pricing Level** " at such date:

	Level I	Level II	Level III	Level IV	Level V	Level VI
Facility Fee Rate	0.05%	0.06%	0.07%	0.08%	0.09%	0.125%
Euro-Dollar Margin						
Utilization \leq 50%	0.125%	0.14%	0.18%	0.37%	0.535%	0.625%
Utilization \geq 50%	0.175%	0.19%	0.23%	0.42%	0.585%	0.675%
Letter of Credit Fee Rate	0.175%	0.19%	0.23%	0.42%	0.585%	0.675%

For purposes of this Schedule, the following terms have the following meanings, subject to the concluding paragraph of this Schedule:

" **Level I Pricing** " applies at any date if, at such date, the Company's long-term debt is rated A+ or higher by S&P, A1 or higher by Moody's and A+ or higher by Fitch.

" **Level II Pricing** " applies at any date if, at such date, the Company's long-term debt is rated A by S&P, A2 by Moody's and A by Fitch.

" **Level III Pricing** " applies at any date if, at such date, the Company's long-term debt is rated A- by S&P, A3 by Moody's and A- by Fitch.

" **Level IV Pricing** " applies at any date, if at such date, the Company's long-term debt is rated BBB+ by S&P, Baa1 by Moody's and BBB+ by Fitch.

" **Level V Pricing** " applies at any date if, at such date, the Company's long-term debt is rated BBB by S&P, Baa2 by Moody's and BBB by Fitch.

" **Level VI Pricing** " applies at any date if, at such date, no other Pricing Level applies.

" **Fitch** " means Fitch Ratings Ltd.

" **Moody 's** " means Moody's Investors Service, Inc.

" **Pricing Level** " refers to the determination of which of Level I, Level II, Level III, Level IV, Level V or Level VI applies at any date.

" **S&P** " means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

" **Utilization** " means, at any date, the percentage equivalent of a fraction (i) the numerator of which is the sum of (A) the aggregate outstanding principal amount of the loans under the Facility at such date (after giving effect to any borrowing or payment on such date) plus (B) the aggregate amount then owing in respect of amounts paid by the Issuing Bank upon a drawing under a letter of credit issued under the Facility at such date plus (C) the aggregate amount then available for drawing under all outstanding letters of credit under the Facility at such date and (ii) the denominator of which is the aggregate amount of the commitments under the Facility at such date (after giving effect to any reduction on such date). If for any reason any Loans or Letter of Credit Liabilities remain outstanding after termination of the commitments under the Facility, Utilization shall be deemed to be 100%.

The credit ratings to be utilized for purposes of this Schedule are those assigned to the senior unsecured long-term debt securities of the Company without third-party enhancement, and any rating assigned to any other debt security of the Company shall be disregarded. The rating in effect at any date is that in effect at the close of business of such date.

If the Company is split-rated, then for purposes of determining the applicable Pricing Level, (a) if the S&P and Moody's ratings are the same, all three ratings will be deemed to be at that level, (b) if the S&P and Moody's ratings are not the same, and the ratings differential is one level, all three ratings will be deemed to be at the higher level of S&P and Moody's and (c) if the S&P and Moody's ratings are not the same and the ratings differential is two levels or more, all three ratings will be deemed to be at a level one notch lower than the higher of S&P and Moody's.