

KFORCE INC
Form 8-K
November 03, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): October 28, 2005

Kforce Inc.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction

of incorporation)

000-26058
(Commission File Number)

59-3264661
(IRS Employer

Identification No.)

1001 East Palm Avenue, Tampa, Florida 33605

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (813) 552-5000

Edgar Filing: KFORCE INC - Form 8-K

N/A

(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 (see General Instruction A.2. below):

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

Item 1.01 Entry into a Material Definitive Agreement

On October 28, 2005, Kforce Inc. (Kforce) entered into a Seventh Amendment to its current credit facility (the Extended Credit Facility) with a syndicate led by Bank of America. Under the Extended Credit Facility, Kforce's maximum borrowings are limited to \$100 million. In addition, Kforce has the right under the Extended Credit Facility to increase the maximum borrowings available to \$140 million under an accordion feature. Borrowings under the Extended Credit Facility are limited to 85% of eligible accounts receivable. Under the Extended Credit Facility, Kforce may have loans outstanding with a rate of LIBOR plus 1.25% or Prime minus 0.25%. To the extent that Kforce has unused availability under the Extended Credit Facility, an unused line fee is required to be paid equal to 0.25% of the average unused balance on a monthly basis. Kforce was required to pay a closing fee of \$250,000 upon entering into the Extended Credit Facility, and is also required to pay an annual administrative fee of \$50,000. Borrowings under the Extended Credit Facility are secured by all of the assets of Kforce. Under the Extended Credit Facility, Kforce is required to meet certain minimum availability and fixed charge coverage ratio requirements, and is prohibited from making any dividend distributions. The Extended Credit Facility expires on November 3, 2010.

A copy of the Extended Credit Facility is furnished as Exhibit 10.1 to this Report and is incorporated into this Report by reference.

Item 2.02. Results of Operations and Financial Condition.

On November 1, 2005, Kforce Inc. issued a press release regarding its third quarter earnings. A copy of this press release is furnished as Exhibit 99.1 to this Report and is incorporated into this Report by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

Exhibit

| <u>Number</u> | <u>Description</u> |
|---------------|---|
| 10.1 | Seventh Amendment to Amended and Restated Credit Agreement. |
| 99.1 | Press release of Kforce Inc. dated November 1, 2005. |

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.

KFORCE INC.
(Registrant)

November 3, 2005

By: /s/ Joseph J. Liberatore

Joseph J. Liberatore,

Chief Financial Officer

Exhibit Index

Exhibit

| Number | Description |
|---------------|---|
| 10.1 | Seventh Amendment to the Amended and Restated Credit Agreement. |
| 99.1 | Press release of Kforce Inc. dated November 1, 2005. |