

LAMAR MEDIA CORP/DE  
Form 8-K  
February 14, 2012

**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): February 9, 2012**

**LAMAR ADVERTISING COMPANY**

**LAMAR MEDIA CORP.**

**(Exact name of registrants as specified in their charters)**

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<b>Delaware</b>	<b>0-30242</b>	<b>72-1449411</b>
<b>Delaware</b> <i>(States or other jurisdictions</i>	<b>1-12407</b> <i>(Commission File</i>	<b>72-1205791</b> <i>(IRS Employer</i>
<i>of incorporation)</i>	<i>Numbers)</i>	<i>Identification Nos.)</i>

**5321 Corporate Boulevard, Baton Rouge, Louisiana 70808**

**(Address of principal executive offices and zip code)**

**(225) 926-1000**

**(Registrants telephone number, including area code)**

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

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

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

*Private Placement of New Senior Subordinated Notes*

On February 9, 2012, Lamar Advertising Company (the "Company") completed an institutional private placement of \$500 million aggregate principal amount of 5 7/8% Senior Subordinated Notes due 2022 (the "Notes") of Lamar Media Corp., its wholly owned subsidiary ("Lamar Media"). The institutional private placement resulted in net proceeds to Lamar Media of approximately \$489 million. The Notes were sold within the United States only to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and outside the United States only to non-U.S. persons in reliance on Regulation S under the Securities Act.

On February 9, 2012, Lamar Media and its subsidiary guarantors entered into an Indenture (the "Indenture") with The Bank of New York Mellon Trust Company, N.A., as trustee, relating to the Notes. A copy of the Indenture (including the Form of Note and Guarantee) is filed as Exhibit 4.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 1.01.

The Notes mature on February 1, 2022 and bear interest at a rate of 5 7/8% per annum, which is payable semi-annually on February 1 and August 1 of each year, beginning August 1, 2012. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. The terms of the Indenture will, among other things, limit Lamar Media's and its restricted subsidiaries' ability to (i) incur additional debt and issue preferred stock; (ii) make certain distributions, investments and other restricted payments; (iii) create certain liens; (iv) enter into transactions with affiliates; (v) agree to restrictions on the restricted subsidiaries' ability to make payments to Lamar Media; (vi) merge, consolidate or sell substantially all of Lamar Media's or the restricted subsidiaries' assets; and (vii) sell assets. These covenants are subject to a number of exceptions and qualifications.

Lamar Media may redeem up to 35% of the aggregate principal amount of the Notes, at any time and from time to time, at a price equal to 105.875% of the aggregate principal amount so redeemed, plus accrued and unpaid interest thereon, with the net cash proceeds of certain public equity offerings completed before February 1, 2015, provided that following the redemption, at least 65% of the Notes that were originally issued remain outstanding. At any time prior to February 1, 2017, Lamar Media may redeem some or all of the Notes at a price equal to 100% of the aggregate principal amount plus a make-whole premium. On or after February 1, 2017, Lamar Media may redeem the Notes, in whole or in part, in cash at redemption prices specified in the Indenture. In addition, if the Company or Lamar Media undergoes a change of control, Lamar Media may be required to make an offer to purchase each holder's Notes at a price equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest, up to but not including the repurchase date.

The Indenture provides that each of the following is an event of default ("Event of Default"): (a) default in payment of any principal of, or premium, if any, on the Notes; (b) default for 30 days in payment of any interest on the Notes; (c) default by Lamar Media or any Guarantor (as defined in the Indenture) in the observance or performance of any other covenant in the Notes or the Indenture for 45 days after written notice from the Trustee or the holders of not less than 25%

in aggregate principal amount of the Notes then outstanding; (d) default or defaults under one or more agreements, instruments, mortgages, bonds, debentures or other evidences of Indebtedness (as defined in the Indenture) under which Lamar Media or any Restricted Subsidiary (as defined in the Indenture) of Lamar Media then has outstanding Indebtedness in excess of \$20 million, individually or in the aggregate, and either (i) such Indebtedness is already due and payable in full or (ii) such default or defaults have resulted in the acceleration of the maturity of such Indebtedness; (e) any final judgment or judgments which can no longer be appealed for the payment of money in excess of \$20 million (not covered by insurance) shall be rendered against Lamar Media or any Restricted Subsidiary and shall not be discharged for any period of 60 consecutive days during which a stay of enforcement shall not be in effect; and (f) certain events involving bankruptcy, insolvency or reorganization of Lamar Media or any Restricted Subsidiary.

If any Event of Default arising under a clause other than clause (f) above occurs and is continuing, then the Trustee or the holders of 25% in aggregate principal amount of the Notes may declare to be immediately due and payable the entire principal amount of all the Notes then outstanding plus accrued interest to the date of acceleration, and such amounts shall become immediately due and payable. If an Event of Default arising under clause (f) above occurs, the entire principal amount of all the Notes then outstanding plus accrued interest thereon shall become immediately due and payable without any declaration or other act on the part of the Trustee or the holders of the Notes.

On February 9, 2012, in connection with the issuance of the Notes, Lamar Media and its subsidiary guarantors entered into a Registration Rights Agreement (the "Registration Rights Agreement") with J.P. Morgan Securities LLC for itself and as representative for Wells Fargo Securities, LLC, SunTrust Robinson Humphrey, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, RBS Securities Inc., Scotia Capital (USA) Inc. and Allen & Company LLC (each individually, an "Initial Purchaser" and collectively, the "Initial Purchasers"). Pursuant to the terms of the Registration Rights Agreement, Lamar Media and its subsidiary guarantors agreed to file and cause to become effective a registration statement covering an offer to exchange the Notes for a new issue of identical exchange notes registered under the Securities Act and to complete the exchange offer on or prior to the date 270 days following February 9, 2012 (the "Target Registration Date"). Under certain circumstances, the Company may be required to provide a shelf registration statement to cover resales of the Notes. If the exchange offer is not completed (or, if required, the shelf registration statement is not declared effective) on or before the Target Registration Date, then the annual interest rate borne by the notes will be increased (i) 0.25% per annum for the first 90-day period immediately following the Target Registration Date and (ii) an additional 0.25% per annum with respect to each subsequent 90-day period, in each case until the exchange offer is completed or, if required, the shelf registration statement is declared effective, up to a maximum of 1.00% per annum of additional interest. A copy of the Registration Rights Agreement is filed as Exhibit 10.1 to this current report on Form 8-K and is incorporated by reference into this Item 1.01.

The Initial Purchasers and their affiliates perform various financial advisory, investment banking and commercial banking services from time to time for us and our affiliates, for which they receive customary fees. We have used the net proceeds of this offering to repurchase some of our outstanding 6 5/8% Senior Subordinated Notes due 2015, 6 5/8% Senior Subordinated Notes

due 2015 Series B and 6 5/8% Senior Subordinated Notes due 2015 Series C (collectively, the 6 5/8% Notes ) and intend to use the remaining proceeds to repurchase some or all of the remaining outstanding 6 5/8% Notes. J.P. Morgan Securities LLC has been retained to act as exclusive dealer manager for the tender offer of the 6 5/8% Notes and will receive customary fees and expense reimbursement in connection therewith. JPMorgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, is the administrative agent and a lender under our senior credit facility, each Initial Purchaser or its affiliate is a lender under the senior credit facility, and some Initial Purchasers are lenders for a portion of A-3 Loan discussed below, and as consideration therefore each of the Initial Purchasers or their affiliates will receive customary fees and expense reimbursement in connection therewith.

The description above is qualified in its entirety by the Indenture and Registration Rights Agreement filed as Exhibits 4.1 and 10.1, respectively, to this Current Report on Form 8-K.

*Restatement Agreement and \$100 million term loan A facility*

On February 9, 2012, the Company, Lamar Media, Lamar Advertising of Puerto Rico, Inc. (a wholly-owned subsidiary of Lamar Media), and Lamar Media's subsidiary guarantors entered into a Restatement Agreement (the Restatement Agreement ) with respect to Lamar Media's existing senior credit facility. The purpose of the Restatement Agreement was to effectuate (i) the borrowing by Lamar Media of a new \$100 million term loan A facility (the A-3 Loan ) under its existing senior credit facility and (ii) certain other amendments to the existing senior credit facility. The Restatement Agreement amended and restated the existing senior credit facility (the Amended and Restated Credit Agreement ).

The A-3 Loan matures on August 9, 2017. The A-3 Loan will begin amortizing on March 31, 2013 in quarterly installments paid on each June 30, September 30, December 31 and March 31 thereafter, as follows:

Principal Payment Date	Principal Amount
March 31, 2013 - December 31, 2014	\$ 625,000
March 31, 2015 - December 31, 2016	\$ 1,250,000
March 31, 2017 - June 30, 2017	\$ 21,250,000
August 9, 2017	\$ 42,500,000

The A-3 Loan will become due earlier in certain circumstances, including if Lamar Media fails to repay or refinance certain of its outstanding senior notes.

The interest rate, guarantees, covenants, events of default and other terms of our existing senior credit facility, as amended, apply to the A-3 Loan.

The description above is qualified in its entirety by the Restatement Agreement (including the Amended and Restated Credit Agreement) filed as Exhibit 10.2 to this Current Report on Form 8-K.

Lamar Media intends to use the proceeds of the private placement of the Notes, the A-3 Loan and borrowings under the revolving portion of its senior credit facility, after the payment of fees and expenses, (i) to repurchase up to \$700 million in aggregate principal amount of its outstanding 6 5/8% Notes pursuant to a tender offer, redemption or other means, (ii) to fund repayment of the 6 5/8% Notes at maturity, or (iii) for general corporate purposes. On February 9, 2012, Lamar Media used a portion of the proceeds received in the private placement of the Notes and the A-3 Loan to fund the repurchase of 6 5/8% Notes in connection with a tender offer, as described below.

*Tender Offer for Existing Senior Subordinated Notes*

As previously reported, on January 26, 2012, Lamar Media commenced a tender offer, as amended, to purchase for cash up to \$700 million of its outstanding 6 5/8% Notes. On February 9, 2012 Lamar Media accepted tenders for \$483.7 million in aggregate principal amount of the 6 5/8% Notes in connection with the early settlement date of the tender offer. The holders of accepted notes received a total consideration of \$1,025.83 per \$1,000 principal amount of the notes tendered. The total cash payment to purchase the tendered 6 5/8% Notes, including accrued and unpaid interest up to but excluding February 9, 2012 was \$511.6 million.

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

The information set forth in Item 1.01 above is incorporated by reference into this Item 2.03.

**Item 8.01. Other Events.**

On February 9, 2012 the Company issued a press release announcing the closing of the private placement of the Notes. The press release is attached hereto as Exhibit 99.1 and incorporated by reference herein in accordance with Rule 135c of the Securities Act of 1933, as amended.

Also on February 9, 2012, the Company issued a press release, a copy of which is attached hereto as Exhibit 99.2 and incorporated by reference herein, announcing that Lamar Media had completed the purchase of the 6 5/8% Notes that were tendered by the early settlement date of the tender offer.

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

(c) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
4.1	Indenture, dated as of February 9, 2012, between Lamar Media, the Guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee (including the Form of Note and Guarantee as Exhibit A thereto).
10.1	Registration Rights Agreement, dated as of February 9, 2012, between Lamar Media, the Guarantors named therein and the Initial Purchasers named therein.

- 10.2 Restatement Agreement, dated as of February 9, 2012, by and among Lamar Media Corp., Lamar Advertising of Puerto Rico, Inc., Lamar Advertising Company, the Subsidiary Guarantors named therein, the Lenders named therein, and JPMorgan Chase Bank, N.A., as administrative agent (including the Amended and Restated Credit Agreement as Exhibit A thereto).
- 99.1 Press Release of Lamar Advertising Company dated February 9, 2012.
- 99.2 Press Release of Lamar Advertising Company dated February 9, 2012.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

Date: February 14, 2012

**LAMAR ADVERTISING COMPANY**

By: /s/ Keith A. Istre  
Keith A. Istre  
Treasurer and Chief Financial Officer

Date: February 14, 2012

**LAMAR MEDIA CORP.**

By: /s/ Keith A. Istre  
Keith A. Istre  
Treasurer and Chief Financial Officer



**EXHIBIT INDEX**

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