

FRANKLIN COVEY CO
Form 8-K
March 15, 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):
March 13, 2012

FRANKLIN COVEY CO.

(Exact name of registrant as specified in its charter)

Commission File No. 1-11107

Utah
(State or other
jurisdiction of
incorporation)

87-0401551
(IRS
Employer
Identification
Number)

2200 West Parkway Boulevard
Salt Lake City, Utah 84119-2099
(Address of principal executive offices)(Zip Code)

Registrant's telephone number, including area code: (801) 817-1776

Former name or former address, if changed since last report: Not Applicable

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:

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- 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))
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Item 1.01 Entry into a Material Definitive Agreement

On March 13, 2012, Franklin Covey Co. (the Company) entered into the First Modification Agreement (the Modified Agreement) to its existing amended and restated secured credit agreement (the Restated Credit Agreement) with JPMorgan Chase Bank, N.A. (the Lender). The Lender also provides the majority of the Company's day-to-day banking services.

The Modified Agreement continues to provide a revolving line of credit facility with a maximum borrowing amount of \$10.0 million that now expires on March 31, 2013. The interest rate on the revolving line of credit will continue to be LIBOR plus 2.50% per annum. The other key terms, conditions, and financial covenants of the Modified Agreement are substantially the same as those defined in the Restated Credit Agreement. The Restated Credit Agreement was described in the Company's Form 8-K filed on March 17, 2011, which information is incorporated by reference herein.

In connection with the Modification Agreement, certain of the Company's subsidiaries entered into a Consent and Agreement of Guarantor.

The foregoing description of the Modified Agreement does not purport to be complete and is qualified in its entirety by reference to the text of the Modified Agreement and the Consent and Agreement of Guarantor, which are filed as Exhibits 10.1 and 10.2 attached hereto.

Item Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement
2.03

On March 13, 2012, the Company and certain of its subsidiaries entered into the Modified Agreement and the Consent and Agreement of Guarantor with the Lender as described above in Item 1.01. The information in Item 1.01 is incorporated by reference herein.

Item Financial Statements and Exhibits
9.01

(d) Exhibits:

- | | |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10.1 | First Modification Agreement by and between JPMorgan Chase Bank, N.A. and Franklin Covey Co., dated March 13, 2012. |
| 10.2 | Consent and Agreement of Guarantor by and among Franklin Covey Co., Franklin Development Corporation, Franklin Covey Travel, Inc., Franklin Covey Client Sales, Inc. and JPMorgan Chase Bank, N.A., dated March 13, 2012. |

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.

FRANKLIN COVEY CO.

Date: March
15,
2012

By: /s/ Stephen D.
Young

Stephen D.
Young
Chief Financial
Officer