

**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 2, 2020**

EMCOR Group, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

1-8267

(Commission File Number)

11-2125338

(I.R.S. Employer Identification No.)

301 Merritt Seven

Norwalk, Connecticut

(Address of Principal Executive Offices)

06851-1092

(Zip Code)

(203) 849-7800

(Registrant's 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 (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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Trading Symbol

Name of each exchange on which registered

Common Stock

EME

New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company



If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On March 2, 2020, EMCOR Group, Inc. (the “Company”) and EMCOR Group (UK) plc., a wholly-owned subsidiary of the Company (“EMCOR UK”), entered into a Sixth Amended and Restated Credit Agreement (the “Credit Agreement”) dated as of March 2, 2020 with Bank of Montreal, as Agent, and certain other lenders listed on the signature pages thereof (collectively, the “Lenders”). The Credit Agreement amends and restates a Fifth Amended and Restated Credit Agreement dated as of August 3, 2016 (the “Former Credit Agreement”), among the Company and EMCOR UK, Bank of Montreal, as Agent, and the lenders listed on the signature pages thereto. The Former Credit Agreement was filed as Exhibit 4(a) to the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 filed on October 27, 2016.

The Credit Agreement provides for (a) a revolving credit facility under which the Company may borrow up to \$1,300,000,000 and (b) a term loan to the Company in the amount of \$300,000,000. EMCOR UK may borrow under the revolving credit facility a portion of the \$1,300,000,000 directly from the Lenders, as provided in the Credit Agreement. If the Company so desires it may identify one or more additional lenders (which may include existing Lenders) willing to participate, or increase their participation, in the revolving credit facility, and thereby increase the Company’s maximum borrowings under the revolving credit facility by up to an additional \$600,000,000, provided that such additional lender is acceptable, in their reasonable discretion, to Bank of Montreal and each Lender which has outstanding, at the time of the increased commitment, a letter of credit issued by it pursuant to the Credit Agreement.

The Credit Agreement contains financial covenants, representations and warranties and events of default and has a five-year term. The Credit Agreement is secured by substantially all of the assets of the Company and substantially all of the assets of substantially all of its subsidiaries pursuant to the terms of a Sixth Amended and Restated Security Agreement dated as of March 2, 2020 among the Company, substantially all of its U.S. subsidiaries, and Bank of Montreal, as Agent (the “Security Agreement”), and pursuant to the terms of a Sixth Amended and Restated Pledge Agreement dated as of March 2, 2020 among the Company, substantially all of its U.S. subsidiaries, and Bank of Montreal, as Agent (the “Pledge Agreement”). The Company’s obligations under the Credit Agreement are guaranteed by substantially all of its subsidiaries pursuant to the terms of a Fifth Amended and Restated Guaranty Agreement dated as of March 2, 2020, (the “Guaranty Agreement”).

All outstanding borrowings under the Credit Agreement are due upon expiration of the Credit Agreement on March 2, 2025. In addition commencing December 31, 2020, the Company is required to make annual installments of principal with respect to the term loan, with a principal payment amount of \$7,500,000 on December 31, 2020 and principal payments on December 31 of each subsequent year prior to the expiration of the Credit Agreement in the amount of \$15,000,000.

Borrowings bear interest, at the Company’s option at a margin above Adjusted LIBOR or the Base Rate, in each case based upon the Company’s leverage ratio (as defined in the Credit Agreement). For LIBOR based borrowings, interest rates will range from 1.00% to 1.75% above Adjusted LIBOR. For Base Rate borrowings, interest rates will range between 0.00% and 0.75% above the Base Rate. The Base Rate is determined by the greater of (a) the prime commercial lending rate announced by Bank of Montreal from time to time, (b) the federal funds effective rate, plus ½ of 1.00%, (c) the daily one month LIBOR rate, plus 1.00%, or (d) 0.00%. The interest rate on the borrowings in effect on March 2, 2020 was 2.58%.

Certain of the Lenders and other parties to the Credit Agreement or their affiliates have provided and in the future may provide, commercial banking, underwriting, lending, investment banking and financial advisory services in the ordinary course of business for the Company, its subsidiaries and certain of its affiliates, for which such Lenders, other parties and/or their affiliates may receive customary fees and commissions.

The foregoing description is only a summary of certain provisions of the Credit Agreement, the Security Agreement, the Pledge Agreement and the Guaranty Agreement, and are qualified in the entirety by the terms, as applicable, by each of the foregoing agreements, a copy of each of which will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.

A copy of the press release is filed herewith as Exhibit 99.1.

Item 1.02 Termination of a Material Definitive Agreement.

As described above in Item 1.01, the Former Credit Agreement is amended and restated in its entirety by the Credit Agreement. The information provided in Item 1.01 of this Current Report on Form 8-K and Item 1.01 of the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 3, 2016 are incorporated by reference into this Item 1.02.

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

The information provided in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item. 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	<u>Press Release issued by EMCOR Group, Inc. on March 3, 2020, announcing the execution of the Sixth Amended and Restated Credit Agreement (the "Credit Agreement") dated as of March 2, 2020 with Bank of Montreal, as Agent, and certain other lenders listed on the signature pages thereof</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

EMCOR Group, Inc.

Dated: March 3, 2020

By: /s/ R. KEVIN MATZ
R. Kevin Matz
Executive Vice President,
Shares Services



News Release

FOR: EMCOR GROUP, INC.

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Investors: Jamie Baird
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**EMCOR GROUP, INC. ANNOUNCES INCREASE IN
SHARE REPURCHASE PROGRAM OF \$200 MILLION**

- COMPANY ALSO AMENDS AND RESTATES CREDIT AGREEMENT -

NORWALK, CONNECTICUT, March 3, 2020 - EMCOR Group, Inc. (NYSE: EME), a Fortune 500® leader in mechanical and electrical construction, industrial energy infrastructure, and facilities services for a diverse range of businesses, today announced that its Board of Directors has authorized an additional \$200 million for the purchase of shares of its outstanding common stock under its share repurchase program.

Such share repurchase authorization is effective immediately and is in addition to the previous authorization of \$200 million, which had approximately \$158.5 million remaining authorized and available as of December 31, 2019. Since the inception of the program on September 26, 2011 through December 31, 2019, the Company has repurchased 15.9 million shares of its outstanding common stock for approximately \$791.5 million under its share repurchase program.

Repurchases under the authorization will be funded by the Company's operations. Shares will be repurchased from time to time on the open market or through privately negotiated transactions at the Company's discretion, subject to market conditions, and in accordance with applicable regulatory requirements. The share repurchase program has no expiration date and does not obligate the Company to acquire any particular amount of common stock and may be suspended, recommenced or discontinued at any time or from time to time without prior notice.

Amended and Restated Credit Agreement

The Company also announced that it had entered into a \$1.6 billion credit agreement with a syndicate of banks led by Bank of Montreal, as Agent, and BMO Capital Markets Corp., Bank of America, N.A., JPMorgan Chase Bank, N.A., U.S. Bank National Association, and Citizens Bank, N.A. as joint lead arrangers and joint book runners.

– MORE –



The credit agreement is comprised of a \$1.3 billion revolving credit facility and a \$300 million term loan. The credit agreement, which matures in March 2025, amends and restates the Company's existing \$1.3 billion credit agreement. The Company is using the proceeds of the term loan to refinance existing indebtedness, pay transaction fees and fund other general corporate purposes. The revolving credit facility will be used for working capital and other general corporate purposes. The loans under the credit agreement are secured by substantially all the assets of EMCOR and its subsidiaries.

Mark Pompa, Executive Vice President, Chief Financial Officer and Treasurer of EMCOR, stated, "We are pleased to announce the completion of our amended and restated credit agreement which provides incremental liquidity, as well as extends our debt maturities. Most importantly, it provides us with enhanced flexibility to pursue all strategic growth opportunities. We are grateful for the support of our bank syndicate and look forward to our continued long-term relationship."

EMCOR Group, Inc. is a Fortune 500 leader in mechanical and electrical construction services, industrial and energy infrastructure and building services. This press release and other press releases may be viewed at the Company's website at www.emcorgroup.com.

Forward Looking Statements:

This release contains certain forward-looking statements. Any such comments speak only as of this date and EMCOR assumes no obligation to update any such forward-looking statements, unless required by law. These forward-looking statements include statements regarding the potential benefits of the transaction, including those that indicate or imply that EMCOR will retain BKI's experienced executive and field management teams and broaden and enhance EMCOR's service offerings. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Accordingly, these statements are no guarantee of future performance. Such risks and uncertainties include, but are not limited to, EMCOR's ability to realize the potential benefits of the transaction, adverse effects of general economic conditions, changes in the political environment, changes in the specific markets for EMCOR's services, adverse business conditions, availability of adequate levels of surety bonding, increased competition, unfavorable labor productivity and mix of business. Certain of the risk factors associated with EMCOR's business are also discussed in Part I, Item 1A "Risk Factors," of the Company's 2018 Form 10-K and in other reports filed from time to time with the Securities and Exchange Commission and available at www.sec.gov and www.emcorgroup.com. Such risk factors should be taken into account in evaluating any forward-looking statements.

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