

KELLOGG CO
Form 8-K
November 13, 2006

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Item 1.01 Entry into a Material Definitive Agreement.

On November 10, 2006 (the Effective Date), Kellogg Company and one or more designated subsidiaries (the Borrowers) entered into an unsecured Amended and Restated Five-Year Credit Agreement dated as of November 10, 2006 (the New Credit Facility) with twenty four lenders (the Lenders), JPMorgan Chase Bank, N.A., as Administrative Agent, J.P. Morgan Europe Limited, as London Agent, JPMorgan Chase Bank, N.A., Toronto Branch, as Canadian Agent, J.P. Morgan Australia Limited, as Australian Agent, Barclays Bank PLC, as Syndication Agent and Bank of America, N.A., Citibank, N.A. and Suntrust Bank, as Co-Documentation Agents. J.P. Morgan Securities Inc. and Barclays Capital were Joint Lead Arrangers and Joint Bookrunners.

As of the Effective Date, the New Credit Facility amended and restated the Borrowers Five-Year Credit Agreement dated as of November 24, 2004 with the lenders who were a party to that agreement, JPMorgan Chase Bank, N.A., as Administrative Agent, J.P. Morgan Europe Limited, as London Agent, JPMorgan Chase Bank, N.A., Toronto Branch, as Canadian Agent, J.P. Morgan Australia Limited, as Australian Agent, Barclays Bank PLC, as Syndication Agent and Bank of America, N.A., Citibank, N.A. and Suntrust Bank, as Co-Documentation Agents. J.P. Morgan Securities Inc. and Barclays Capital were Joint Lead Arrangers and Joint Bookrunners.

The New Credit Facility allows the Borrowers, for the fees and expenses and at the interest rates specified therein, to borrow, on a revolving credit basis up to US \$2,000,000,000 (or the equivalent in other currencies) at any time outstanding, to obtain letters of credit in an aggregate stated amount not to exceed US \$75,000,000 at any time outstanding and to provide a procedure for the Lenders to bid on an uncommitted basis on short-term borrowings by the Borrowers.

The New Credit Facility contains customary covenants and warranties, including specified restrictions on indebtedness, liens, sale and leaseback transactions and an interest expense coverage ratio that requires the ratio of Consolidated EBITDA to Consolidated Interest Expense to be no less than 4.0 to 1.0 for any four consecutive fiscal quarters. It also contains customary Events of Default (as defined in the New Credit Facility). If an Event of Default occurs, then, to the extent permitted in the New Credit Facility, the Administrative Agent may terminate the commitments under the New Credit Facility, accelerate any outstanding loans under the New Credit Facility and demand the deposit of cash collateral equal to the Lenders letter of credit exposure plus interest thereon under the New Credit Facility.

Many of the Lenders have in the past performed, and may in the future from time to time perform, investment banking, financial advisory, lending and/or commercial banking services, or other services for Kellogg Company and its subsidiaries, for which they have received, and may in the future receive, customary compensation and expense reimbursement.

On the Effective Date, no borrowings were outstanding under the New Credit Facility.

A copy of the New Credit Facility will be filed as an exhibit to Kellogg Company s Annual Report on Form 10-K for its 2006 fiscal year.

Item 1.02. Termination of a Material Definitive Agreement.

See Item 1.01 above, the contents of which are incorporated by reference herein.

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

See Item 1.01 above, the contents of which are incorporated by reference herein.

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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.

KELLOGG COMPANY

Date: November 10, 2006

/s/ Jeffrey M. Boromisa

Name: Jeffrey M. Boromisa

Title: Senior Vice President and Chief Financial Officer