

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

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### FILER

#### **BT OFFICE PRODUCTS INTERNATIONAL INC**

CIK: **945248** | IRS No.: **133245865** | State of Incorporation: **DE** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-13858** | Film No.: **96688899**  
SIC: **5110** Paper & paper products

Mailing Address  
2150 E LAKE COOK RD  
BUFFALO GROVE IL 60089

Business Address  
2150 E LAKE COOK RD  
BUFFALO GROVE IL  
60089-1877  
8477937500

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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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): December 17, 1996

BT OFFICE PRODUCTS INTERNATIONAL, INC.  
(Exact name of registrant as specified in its charter)

Delaware	1-13858	13-3245865
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(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
2150 E. Lake Cook Road, Buffalo Grove, Illinois		60089-1877
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(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: (847) 793-7500

Item 2. Acquisition or Disposition of Assets.

On December 17, 1996, BT Office Products Sweden AB (the "Purchaser"), a Swedish company and an indirect wholly owned subsidiary of BT Office Products International, Inc., a Delaware corporation (the "Registrant"), acquired from Messrs. Ake Bjorsell and Anders Bjorsell (collectively, the "Sellers") all of the share capital of the Vinborggen I Boras AB group of companies ("Bjorsell") pursuant to the terms of an Agreement for Purchase of Shares (the "Purchase Agreement") dated December 10, 1996 between the Purchaser and the Sellers. Bjorsell is an office products distributor in Sweden with total sales of approximately \$85 million for the fiscal year ended August 31, 1996.

The purchase price for such transaction, which was determined as a result of an arm's length negotiation between unrelated parties, was approximately \$42 million in cash, subject to adjustment as provided in the Purchase Agreement. The purchase price, less a contractual holdback for potential indemnification claims, was paid on December 17, 1996.

The assets of Bjorsell that were acquired, including, without limitation, inventory and equipment, have been used by Bjorsell in the distribution of office products. The Purchaser intends to continue such use of the acquired assets.

The source of funds used to finance the acquisition was a borrowing under the Registrant's \$250 million syndicated Competitive Advance and Revolving Credit Agreement dated as of August 2, 1996 with the lenders named therein, The Chase Manhattan Bank, as Administrative Agent, and ABN AMRO Bank N.V., as Documentation Agent.

The foregoing summary of the Purchase Agreement is qualified in its entirety by reference to Exhibit 2 filed herewith and incorporated herein by reference.

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Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(a) and (b) Financial Statements of Businesses  
Acquired and Pro Forma Financial  
Information

It is impracticable at this time to provide financial statements and pro forma financial information required to be filed pursuant to Item 7 of Form 8-K. Such financial statements and pro forma financial information will be filed as soon as practicable but not later than 60 days from the date hereof.

(c) Exhibits

(1) Agreement for Purchase of Shares dated December 10, 1996 between Ake Bjorsell and Anders Bjorsell as Sellers and BT Office Products Sweden AB as Purchaser.

In accordance with Item 601(b)(2) of Regulation S-K, the schedules and exhibits referenced in the Purchase Agreement have not been filed as part of the exhibit to this Form 8-K. The Registrant agrees to furnish supplementally a copy of the omitted schedules and exhibits to the Commission upon request.

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.

BT OFFICE PRODUCTS INTERNATIONAL, INC.

By: /s/ John J. McKiernan

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John J. McKiernan  
Vice President-Finance and  
Administration, Chief  
Financial Officer and  
Secretary

DATE: December 31, 1996

INDEX TO EXHIBITS

Exhibit No.	Description
2	Purchase Agreement

Dated: December 10, 1996

AKE BJORSELL AND ANDERS BJORSELL (1)

-and

BT OFFICE PRODUCTS SWEDEN AB (2)

AGREEMENT

relating to  
the sale and purchase of the  
whole of the issued share capital of

VINBORGEN I BORAS AB

AGREEMENT FOR PURCHASE OF SHARES

THIS AGREEMENT is made on December 10, 1996 BETWEEN:

- (1) AKE BJORSELL, 370127-5830, residing at Riddarebo, Funningen, S-50593 Boras, and ANDERS BJORSELL, 350606-5899 residing at Vastermalmsgatan 17, S- 50263 Boras (the "Vendors" which expression shall include the legal personal representatives of any such persons); and
- (2) BT OFFICE PRODUCTS SWEDEN AB, registration number 556535-4668, whose registered office is at P.O. Box 120, S-501 03 Boras (the "Purchaser").

IT IS AGREED as follows:

## 1.1 Definitions

In this Agreement, including its Schedules, unless the context otherwise requires:

"Accounts" means both the Statutory Accounts and the Pro forma Accounts;

"Balance Sheet Date" means 31 August 1996;

"Business Day" means any day (other than a Saturday or Sunday) on which banks are generally open for business in Goteborg;

"Company" means Vinborggen i Boras AB, particulars of which are set out in Part 1 of Schedule 1;

"Completion" means the completion of the sale and purchase of the Shares pursuant to Clause 4;

"Completion Date" means the date for Completion of the transaction contemplated by this Agreement, as defined in Clause 4;

"Confidential Information" means all information not at present in the public domain used in or otherwise relating to the business customers or financial or other affairs of any Group Company;

"Consideration" means the consideration for the purchase of the Shares shown in Clause 3.1;

"Encumbrances" means any mortgage charge, pledge, lien, option, right of pre-emption claim, third party

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interest or right or other encumbrance or security interest of any kind and any other type of preferential arrangement having similar effect;

"GAAP" means generally accepted Swedish accounting principles, standards and practises generally accepted and recommended by Foreningen for Auktoriserade Revisorer (FAR) at the date of this Agreement;

"Group" means the Company its subsidiaries and those other companies, specified in Schedule 1, and "Group Company" means any one of them;

"Just Nu" means the Group Company Bjorsells Just Nu - Tryck AB, particulars of which are set out in Part 2 of Schedule 1;

"Leased Properties" means the leased properties short particulars of which are set out in Enclosure 10.1 to Schedule 2 and "Leased Property" means any one of them;

"Pro forma accounts" means the consolidated accounts for the Group as at the Balance Sheet Date, based on adjustments to the Statutory Accounts to reflect the ownership of shares in Subsidiaries as described in Parts 2 and 3 of Schedule 1 and the exclusion of the following companies: Bjorsells Tryckerigrupp AB, 556163-5318 Bjorsells Tryckeri AB, 556142-4259, Multitryck AB, 556043-8672, Anders & Tomas Forvaltnings AB, 556455-1686, Fastighets AB Vindan, 556432-9612 and Wecan Data och Kontorsmaskiner 556222-5531;

"Purchaser's Group" means the Purchaser and any subsidiary or immediate holding company of the Purchaser or any subsidiary of such holding company from time to time;

"Purchaser's Solicitors" means Lagerlof & Leman Advokatbyra AB;

"SEK" means the currency of Sweden;

"Shares" means 1.000 ordinary shares of SEK 100 each being the entire issued share capital of the Company, described in Part 1 of Schedule 1;

"Statutory Accounts" means the consolidated audited accounts as at the Balance Sheet Date for the Company and all Subsidiaries at that date;

"Subsidiaries" means the subsidiaries of the Company and those other companies particulars of which are contained in Parts 2 and 3 of Schedule 1;

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"Vendors' Solicitors" means Advokatfirman Vinge KB;

"Warranties" means the warranties, representations and undertakings set out in Clause 5 and Schedule 2; and

"Warranty" means any of them.

## 1.2 Accounts

Any reference to "Accounts" shall include the auditors' reports, relevant balance sheets and profit and loss accounts and related notes together with all documents which are or would be required by law to be annexed to the accounts of the company concerned to be laid before that company in general meeting for the accounting reference period in question; any reference to "Statutory Accounts" shall also include the directors' reports.

## 1.3 Knowledge, Etc.

Reference in the Warranties to the knowledge, information, belief or awareness of any of the Vendors shall be deemed to include any knowledge, information belief or awareness which that person would have if he had made all, diligent and careful inquiries.

# 2. AGREEMENT TO SELL THE SHARES

## 2.1 Sale of Shares

The Vendors (each as to those of the Shares specified against his name in Part 1 of Schedule 1) shall sell with full title guarantee and the Purchaser, relying on (inter alia) the Warranties and undertakings contained in this Agreement, shall purchase the Shares free from all claims and encumbrances and together with all rights and advantages now and hereafter attaching thereto.

## 2.2 Rights of Pre-emption

The Vendors hereby waive all rights of pre-emption over any of the Shares conferred either by the Articles of Association of the Company or in any other way.

## 2.3 Effective Date

Subject to Completion, the sale and purchase of the Shares shall be effective as per September 1, 1996.



3. CONSIDERATION

3.1 Amount

3.1.1 The Consideration for the Shares shall be SEK 234.768.421 as calculated in accordance with Part 4 of Schedule 1.

3.1.2 Furthermore the Purchaser shall pay to the Vendors an amount equal to six (6) times the average operating result for Just Nu for the financial year ending on the Balance Sheet Date and the following twelve month period ending August 31, 1997 less SEK fifteen million (15.000.000). For the purposes of this clause, "operating result" shall mean the operating profit after depreciation and interest but before group transfers (koncernbidrag), profit allocations (bokslutsdispositioner) and tax and the operating result shall be calculated in accordance with GAAP consistently applied.

3.1.3 If and to the extent that the total value of book debts, net of provisions, which were included in the Pro forma accounts, are realized at a higher total amount than such value, the amount so realized on March 31, 1998, less income tax thereon to be paid by relevant Group Company, shall be paid as additional Consideration to the Vendors if it exceeds SEK 100.000.

3.1.4 The Consideration shall be split equally among the Vendors.

3.2 Payment

The Consideration shall be paid as follows:

3.2.1 SEK 220.808.421 of the Consideration in Clause 3.1.1 shall be paid on the Completion Date.

3.2.2 SEK 13.960.000 of the Consideration in

Clause 3.1.1 shall be paid on the Completion Date into an escrow account with Skandinaviska Enskilda Banken 5102 in Boras to be opened in the joint names of the Vendors as per instructions in Schedule 4. The deposit shall be fixed for such periods that a maximum of interest is received and the funds will be released to the Vendors on December 15, 1997, provided that the Purchaser has not given

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notice in writing of a warranty claim pursuant to Article 2.2 in Schedule 3.

3.2.3 The consideration as per Clause 3.1.2 shall be paid within two weeks after the accounts per August 31, 1997 have been audited by the auditors of Just Nu.

3.2.4 Payment pursuant to Clause 3.2.1 and 3.2.3 shall be made as per written instructions from the Vendors' Solicitors who are authorized to receive the same on behalf of the Vendors.

### 3.3 Interest

The payments to be effected pursuant to Clause 3.2.1 and 3.2.2 shall be increased by interest at an annual rate of eight per cent over the period from September 1, 1996 until Completion Date.

## 4. COMPLETION

### 4.1 Date and Place

Subject as hereinafter provided Completion shall take place at the offices of the Purchaser's Solicitors on the seventh Business Day after the signing of this Agreement or at such other place or on such other date as may be agreed between the Purchaser and the Vendors.

### 4.2 Vendors' Obligations

On Completion Date there shall be delivered to the Purchaser:

- 4.2.1           duly executed transfers of the Shares in favor of the Purchaser or as it may direct accompanied by the relative share certificates;
- 4.2.2           written approval of the sale of Shares as contemplated in this Agreement, by the Boards of Directors of AB J.F. Bjorsell:
- 4.2.3           irrevocable powers of attorney (in such form as the Purchaser may reasonably require) executed by authorized signatories for the Company and AB J.F. Bjorsell in favor of the Purchaser.

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#### 4.3           Miscellaneous Agreements

- 4.3.1           On Completion Date an employment agreement shall be concluded between Ake Bjorsell and AB J.F. Bjorsell in the form agreed by the Parties with effect as of September 1, 1996.
- 4.3.2           The Vendors shall procure that the Lease Agreements mentioned in Schedule 5 hereto shall be adjusted by the respective lessor at the first written request from the Purchaser, to provide for a right to sub-lease the premises.

#### 4.4           General Meeting

On Completion Date Mr Anders Bjorsell shall tender his resignation as director in all Group Companies without any claim for remuneration, in the form agreed by the Parties.

#### 4.5           Group Company Debts to Vendors

On Completion Date the Purchaser shall ensure that the Company shall repay to the Vendors all outstanding amounts pertaining to loans and shareholders contribution from the Vendors, specified in Schedule 6.

#### 4.6 Minority Shares

On Completion Date the Purchaser will cause to be paid to the Vendors on behalf of the Company an amount of SEK 23.089.840, together with interest, SEK 549.025, all in accordance with calculations in Part 4 of Schedule 1, to finance the Company's purchase of the minority shares in AB J.F. Bjorsell.

#### 4.7 Satisfaction

Against compliance by the Vendors with the foregoing provisions the Purchaser shall satisfy the Consideration in the manner specified in Clause 3.

### 5. WARRANTIES

#### 5.1 Incorporation of Schedule 2 (Warranties)

The Vendors hereby jointly and severally warrant and represent to and undertake with the Purchaser and its successors in title the Warranties in the terms set out in Schedule 2, subject only to the limitations as Provided in Schedule 3. The Vendors acknowledge that the Purchaser has entered into this Agreement in

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reliance upon (inter alia) the Warranties and on the undertakings contained in Clause 6. Save as expressly otherwise provided, the Warranties shall be separate and independent and shall not be limited by reference to any other paragraph of the said Schedule 2 or anything in this Agreement and, save as provided for in Section 8 of Schedule 3, claims may be made whether or not the Purchaser prior to signing this Agreement could have discovered (whether by any investigation made by it or on its behalf into the affairs of any Group Company or otherwise) that any Warranty or undertaking has not been complied with or carried out or is otherwise untrue or misleading.

#### 5.2 Effect of Completion

The Warranties and all other provisions of this Agreement in so far as the same shall not have been performed at Completion shall not be extinguished or affected by Completion, or by any other event or matter whatsoever, except by a specific and

duly authorized written waiver or release by the Purchaser.

### 5.3 Measure of Damages

Without limiting the rights of the Purchaser in any way, including the right to claim damages for Breach of Warranty on any basis but subject to the limitations of Schedule 3, the Vendors hereby jointly and severally agree and undertake with the Purchaser to pay in cash to the Purchaser on demand by way of reduction of the Consideration, if there is a breach of warranty, a sum equal to the aggregate of:

5.3.1 the amount necessary to put the Group Company into the position which would have existed had there been no breach of Warranty, in particular, where the breach of Warranty or the effect of the breach of Warranty is that either:

(i) the value of an asset (including one warranted to exist but not in fact existing) of any Group Company is or becomes less than its value would have been had there been no such breach, or

(ii) any Group Company has or incurs any liability or increase in any liability which would not have been incurred had there been no such breach

then the Vendors will pay the full amount of such deficiency or diminution in value of the

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asset or (as the case may be) of such liability or increase in liability; and

5.3.2 all reasonable costs and expenses properly incurred and any other loss or damage suffered by the Purchaser or any Group Company, directly or indirectly, as a result of or in connection with the breach of Warranty.

For the purpose of this Agreement, there is a "Breach of Warranty" if, at any time it is found that any of the Warranties has not been complied with, is untrue or is misleading, and references to liabilities include contingent liabilities.

## 6. RESTRICTIONS ON THE VENDORS

### 6.1 Restrictions

For the purpose of assuring to the Purchaser the full benefit of each Group Company and in consideration for the Purchaser agreeing to buy the Shares on the terms of this Agreement, each of the Vendors undertakes to the Purchaser that he will not in any Relevant Capacity during the Restricted Period within the Restricted Area:

- 6.1.1 directly or indirectly carry on any business (whether carried on under the same name as any Group Company or any name likely to be confused therewith or otherwise) which is of the same or similar type to the business carried on by any Group Company or which is or is likely to be in competition with the business of any Group Company;
- 6.1.2 be engaged, concerned or interested in, or provide technical commercial or professional advice to, any other business which supplies goods and/or services which are competitive with or of the type supplied by any Group Company at Completion;
- 6.1.3 induce or seek to induce any present employee of any Group Company to become employed whether as employee, consultant or otherwise by any of the Vendors.

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### 6.2 Reasonableness of Restrictions

The Vendors agree that they consider that the restrictions contained in this Clause are no greater than is reasonable and

necessary for the protection of the interest of the Purchaser but if any such restriction shall be held to be void but would be valid if deleted in part or reduced in application, such restriction shall apply with such deletion or modification as may be necessary to make it valid and enforceable.

### 6.3 Interpretation

The following terms shall have the following meanings respectively in this Clause:

6.3.1 "Restricted Period" means three (3) years commencing on the Completion Date:

6.3.2 "Relevant Capacity" means for his own account or for that of any person, firm or company (other than the Purchaser, any member of the Purchaser's Group and the Group Companies) and whether through the medium of any company controlled by him (for which purpose there shall be aggregated with his share holding the ability to exercise control the shares held or control exercised by any person connected with the Vendors) or as principal, partner, director, employee, consultant or agent:

6.3.3 "Restricted Area" means Sweden, Poland, Russia, Estland, Latvia and Lithuania.

### 6.4 Confidential Information

The Vendors shall not at any time after the date of this Agreement use or disclose to any person any Confidential Information and shall otherwise procure that no Confidential Information is disclosed.

### 6.5 Exceptions to the Restrictions

The restrictions set out in Clause 6.1 do not apply to printing operations in Bjorsells Tryckerigrupp AB, 556163-5318, Bjorsells Tryckeri AB, 556142-4259, and Multitryck AB, 556043-8672 in the forms that they were carried out by these companies as per the Balance Sheet Date.

7. COMPETITION APPLICATION

An application to the Swedish Competition Authorities shall be made by the Purchaser with, on the Purchaser's demand, the assistance of the Seller. The application shall be handed in by the Purchaser.

8. CONDITION

With respect to the application to the Swedish Competition Authorities referred to in Clause 7, this Agreement may be rescinded by the Purchaser if none of the following events have occurred prior to March 31, 1997:

- (a) the expiry of a thirty day period from the day a complete notification of the transaction contemplated by this Agreement was made in accordance with Section 37 of the Swedish Competition Act (1993:20) without a decision by the Competition authority to carry out a special investigation; or
- (b) decision by the Competition authority not to carry out a special investigation or to give its clearance to the transaction contemplated under this Agreement.

9. OTHER PROVISIONS

9.1 Announcements

The Vendors and the Purchaser shall consult together as to the terms of, the timetable for and manner of publication of, any announcement to shareholders, employees, customers and suppliers or to the media or otherwise which either may desire. Subject as aforesaid, neither the Vendors nor the Purchaser shall make or authorize any announcement concerning the subject matter of this Agreement unless legally required to do so, in which case that Party shall, where reasonably possible, consult with the other Party beforehand.

9.2 Successors and Assigns

The Purchaser shall have the right to assign it's rights and benefits under this Agreement to a third party.



### 9.3 Whole Agreement and Variation

This Agreement including its Schedules and Enclosures (together with all documents to be executed pursuant to Clause 4) contains the whole agreement between the parties relating to the subject matter of this Agreement and no variation of this Agreement shall be effective unless in writing and executed by the parties hereto.

### 9.4 Further Assurance

At any time after the date of this Agreement the Vendors at the request of the Purchaser shall and shall use all reasonable endeavors at the expense of the Purchaser provided that no expense is incurred without the prior authority of the Purchaser, to procure that any necessary third party shall execute such documents and do such acts and things as the Purchaser may reasonably require for the purpose of giving to the Purchaser the full benefit of all the provisions of this Agreement.

### 9.5 Costs

The Vendors shall bear all legal accountancy and other costs and expenses incurred by them in connection with this Agreement. The Purchaser shall bear all such costs and expenses incurred by it.

### 9.6 Notices

Any notice, claim or demand requiring to be served under or in connection with this Agreement shall be in writing and shall be sent,

if to the Vendors', to: Ake Bjorsell  
Riddarebo, Funninggen  
S 505 93 Boras, and

if to the Purchaser to: BT Office Products Europe C.V  
Hoogoorddreef 62  
P.O. Box 22740  
NL 1100 DE Amsterdam ZO  
Fax no: 31 20 691 93 69

### 9.7 Invalidity

If any term or provision in this Agreement shall be held to be illegal or unenforceable, in whole or in part, under any

enactment or rule of law, such term or provision or part shall to that extent be deemed not to form part of this Agreement but enforceability of the remainder of this Agreement shall not be affected. In

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such case and upon request by any one of the parties hereto, the parties shall negotiate, in good faith, the subject matter of such term or provision and with the aim to agree on fair and reasonable substitute terms or provisions.

#### 9.8 Remedies

The rights and remedies of the Purchaser and the Company and/or the Vendors under this Agreement or under applicable law shall not be diminished or extinguished or deemed to be waived by the granting of any indulgence, forbearance or extension of time or the failure of or delay by the Purchaser in asserting any such rights or remedies.

#### 9.9 Governing Law and Submission to Jurisdiction

This Agreement and the documents to be entered into pursuant to it shall be governed by and construed in accordance with substantive Swedish law.

Any dispute arising out of or in connection with this contract shall be settled by arbitration in accordance with the Swedish Arbitration Act (SFS 1929:145) as amended. The provisions on voting in the Swedish Code of Procedure shall apply.

The arbitral tribunal shall convene in Gothenburg, Sweden, where the arbitration award shall be given. The arbitration proceeding shall be held in the English language and written materials prepared for the arbitral tribunal shall be in English. The decision of the arbitral tribunal shall be final and binding.

Judgment upon on the award rendered in such arbitration may be entered in any court having jurisdiction thereof, or application may be made to such court for a judicial acceptance of the award or of an order of enforcement, as the case may be.

IN WITNESS whereof this Agreement has been duly executed in triplicate, one to each of the parties, on the first above mentioned date.

/s/Ake Bjorsell

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Ake Bjorsell

/s/ Anders Bjorsell

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Anders Bjorsell

BT OFFICE PRODUCTS SWEDEN AB

/s/Janhein Pieterse

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Janhein Pieterse