

VIASAT INC  
Form 8-K  
March 27, 2019

**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 27, 2019**

**Viasat, Inc.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State or other jurisdiction**  
  
**of incorporation)**

**000-21767**  
**(Commission**  
  
**File No.)**  
**6155 El Camino Real**

**33-0174996**  
**(I.R.S. Employer**  
**Identification No.)**

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**Carlsbad, California 92009**

**(Address of principal executive offices, including zip code)**

**Registrant's telephone number, including area code: (760) 476-2200**

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

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.

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

On March 27, 2019, Viasat, Inc. (Viasat) completed the closing of the sale of \$600.0 million in aggregate principal amount of its 5.625% Senior Secured Notes due 2027 (the Notes). The Notes will not initially be guaranteed by any of Viasat's subsidiaries, but will be jointly and severally guaranteed on a senior secured basis (collectively, the Guarantees) by any of Viasat's domestic restricted subsidiaries (such subsidiaries, the Guarantors) which in the future may guarantee Viasat's revolving credit facility (as amended, amended and restated or otherwise modified from time to time, the Revolving Credit Facility).

The Notes were issued by Viasat pursuant to an Indenture, dated as of March 27, 2019 (the Indenture), by and between Viasat and Wilmington Trust, National Association (Wilmington Trust), as trustee and as collateral trustee, which governs the terms of the Notes. A copy of the Indenture, which includes the form of the Notes, is attached hereto as Exhibit 4.1 and is incorporated herein by reference.

Viasat intends to use the net proceeds from the Notes offering (which are estimated to be approximately \$590.5 million, after deducting estimated commissions and offering expenses) to repay all of its outstanding borrowings under the Revolving Credit Facility and for general corporate purposes, which may include financing costs related to the purchase, launch and operation of satellites, potential acquisitions, joint ventures and strategic alliances, working capital or capital expenditures. In addition, effective upon the closing of the Notes offering, Viasat reduced available commitments under the Revolving Credit Facility from \$800.0 million to \$700.0 million.

A brief description of the terms of the Notes and the Indenture follows:

*Interest.* The Notes will bear interest at a rate of 5.625% per year, payable semi-annually in arrears in cash on April 15 and October 15 of each year, beginning on October 15, 2019. Viasat will make each interest payment to the holders of record of the Notes on the immediately preceding April 1 and October 1.

*Maturity.* The Notes will mature on April 15, 2027, unless earlier redeemed or repurchased.

*Ranking.* The Notes are, and any future Guarantees will be, Viasat's and the applicable Guarantors' general senior secured obligations and rank equally in right of payment with all of their existing and future senior indebtedness, including Viasat's obligations under the Revolving Credit Facility, Viasat's 5.625% Senior Notes due 2025 and Viasat's guarantee of the direct loan facility with the Export-Import Bank of the United States for the ViaSat-2 satellite (the Ex-Im Credit Facility). The Notes are effectively subordinated to any obligations that are secured by liens on assets that do not constitute a part of the Collateral (as defined below) (including the guarantee obligations of Viasat under the Ex-Im Credit Facility), to the extent of the value of the assets or property securing such obligations, are effectively senior to all future indebtedness of Viasat that is secured by liens on the Collateral that are junior to the liens securing the Notes and any unsecured obligations of Viasat (in each case to the extent of the value of the Collateral) and are structurally subordinated to all existing and future liabilities (including trade payables) of Viasat's subsidiaries that are not Guarantors (including obligations of the borrower under the Ex-Im Credit Facility), and are senior in right of payment to all of ViaSat and the applicable Guarantors' existing and future subordinated indebtedness.

*Collateral.* The Notes are secured on a first-priority basis, equally and ratably with the indebtedness under the Revolving Credit Facility, by liens on substantially all of Viasat's assets (the Collateral), subject to certain exceptions and permitted liens.

*Redemption.* Viasat may redeem the Notes, in whole or in part, at any time on or after April 15, 2022 at the redemption prices set forth in the Indenture, plus accrued and unpaid interest, if any, to the date of redemption. Prior to April 15, 2022 Viasat may redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount thereof plus a make-whole premium, plus accrued and unpaid interest, if any, to the date of redemption. In addition, prior to April 15, 2022, Viasat may redeem up to 40% of the aggregate principal amount of the Notes with the net cash proceeds from specified equity offerings at the redemption price set forth in the Indenture; however, Viasat may only make these redemptions if at least 50% of the aggregate principal amount of the Notes issued under the Indenture remains outstanding after such redemptions. Viasat is not required to make any mandatory redemption or sinking fund payments with respect to the Notes.

If a Change of Control Triggering Event occurs (as defined in the Indenture), each holder of Notes may require Viasat to repurchase all or a portion of such holder's Notes at a purchase price equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to the date of purchase.

*Covenants.* The Indenture contains covenants limiting Viasat's and its restricted subsidiaries' ability to, among other things incur, assume or guarantee additional debt; issue redeemable stock and preferred stock; pay dividends, make distributions or redeem or repurchase capital stock; prepay, redeem or repurchase debt that is junior in right of payment to the Notes; make loans and investments; grant or incur liens; restrict dividends, loans or asset transfers from restricted subsidiaries; sell or otherwise dispose of assets, including capital stock of subsidiaries; enter into transactions with affiliates; reduce Viasat's satellite insurance; and consolidate or merge with, or sell substantially all of their assets to, another person.

*Events of Default.* Subject to the terms and conditions of the Indenture, each of the following, among other events, constitutes an event of default under the Indenture (after the expiration of the applicable grace periods specified therein): (1) failure by Viasat to pay interest or premium, if any, on, or the principal of, the Notes when due; (2) failure by Viasat or any of its restricted subsidiaries to comply with the covenants in the Indenture; (3) default by Viasat or any of its restricted subsidiaries under any mortgage, indenture or instrument securing or evidencing indebtedness with an aggregate principal amount in excess of \$50.0 million with respect to a default in the payment of principal, interest or premium when due or where such default results in the acceleration of such indebtedness; (4) failure of Viasat or any of its significant subsidiaries to satisfy certain final judgments when due; (5) certain bankruptcy events; (6) the Guarantee of a Guarantor in certain circumstances ceasing to be in full force and effect, being declared null and void in a judicial proceeding or being denied or disaffirmed by such Guarantor; and (7) a security interest with respect to any Collateral having a fair market value in excess of \$50.0 million, individually or in the aggregate, in certain circumstances ceasing to be in full force and effect or the assertion by Viasat or a Guarantor that any such security interest is invalid or unenforceable. Upon the occurrence of an event of default under the Indenture, the principal and accrued interest under the Notes then outstanding may be declared due and payable, subject to certain limitations.

*Securities Laws.* The Notes were issued through a private placement to qualified institutional buyers pursuant to Rule 144A and to non-U.S. persons outside the U.S. in reliance on Regulation S under the Securities Act of 1933, as amended (the Securities Act). The Notes have not been registered under the Securities Act, are subject to restrictions on transfer and may only be offered or sold in transactions exempt from, or not subject to, the registration requirements of the Securities Act. This Current Report on Form 8-K does not constitute an offer to sell or buy securities, or the solicitation of an offer to sell or buy any securities.

The foregoing description of the Indenture does not purport to be complete and is qualified in its entirety by reference to the complete text of the Indenture, which is attached hereto as Exhibit 4.1 and is incorporated herein by reference.

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

The information contained in Item 1.01 above is hereby incorporated by reference into this Item 2.03.

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

(d) Exhibits.

Exhibit Number	Description of Exhibit
4.1	<u>Indenture, dated as of March 27, 2019, between Viasat, Inc. and Wilmington Trust, National Association, as trustee and as collateral trustee.</u>

**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.

Date: March 27, 2019

VIASAT, INC.

By: /s/ Brett Church

Name: Brett Church

Title: Associate General Counsel