Fabrinet
Form 8-K
June 07, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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)

June 4, 2018

Fabrinet

(Exact name of registrant as specified in its charter)

Cayman Islands	**001-34775**	**Not Applicable**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

c/o Intertrust Corporate Services (Cayman) Limited

190 Elgin Avenue

George Town

Grand Cayman

KY1-9005

Cayman Islands

(Address of principal executive offices, including zip code)

+66 2-524-9600

(Registrant s telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

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):

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 (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 Agreement.

On June 4, 2018, Fabrinet entered into the Fifth Amendment to Credit Agreement (the Amendment) which amends that certain Credit Agreement, dated as of May 22, 2014, among Fabrinet, certain of its subsidiaries as designated borrowers thereunder, certain of its subsidiaries from time to time party thereto as guarantors, the lenders from time to time party thereto and Bank of America, N.A., as administrative agent (the Administrative Agent) for the lenders (as amended, the Credit Agreement).

Among other things, the Amendment amends the Credit Agreement to (i) reduce the revolving commitments thereunder from $150.0 million to $25.0 million, (ii) extend the termination date of the revolving commitments from May 22, 2019 to June 4, 2023, (iii) refinance the existing term loan and all the existing revolving loans under the Credit Agreement into a $65.0 million term loan that matures on June 4, 2023 and (iv) reduce the applicable interest rate margins and commitment fees. Term loans made under the Credit Agreement shall be repaid in quarterly installments equal to $812,500, beginning on June 30, 2018, with the remaining outstanding principal and accrued and unpaid interest being due and payable on June 4, 2023. After giving effect to the Amendment, $65.0 million aggregate principal amount of term loans and no revolving loans were outstanding under the Credit Agreement.

After giving effect to the Amendment, loans under the Credit Agreement will bear interest, at Fabrinet s option, at a rate per annum equal to a LIBOR rate plus a spread of 1.50% to 2.25%, or a base rate, determined in accordance with the Credit Agreement, plus a spread of 0.50% to 1.25%, in each case with such spread determined based on Fabrinet s consolidated total leverage ratio for the preceding four fiscal quarter period. In addition, the Credit Agreement contains an accordion feature permitting Fabrinet to request an increase in the revolving loan facility to provide up to an aggregate of $200.0 million in additional commitments, subject to customary terms and conditions, and provided that no default or event of default exists at the time of such request.

The foregoing description of the Amendment is qualified in its entirety by reference to the Amendment, a copy of which is attached as Exhibit 10.1 hereto and 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 set forth under Item 1.01 above is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit

No.	Description
10.1	Fifth Amendment to Credit Agreement, dated as of June 4, 2018, by and among Fabrinet, the Designated Borrowers party thereto, the Guarantors party thereto, the lenders party thereto and Bank of America, N.A. as administrative agent.

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.

FABRINET

By: /s/ Toh-Seng Ng

Toh-Seng Ng

Executive Vice President, Chief Financial Officer

Date: June 7, 2018