

NETFLIX INC
Form 8-K
February 19, 2014

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):

February 19, 2014

NETFLIX, INC.

(Exact name of registrant as specified in its charter)

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

**001-35727
(Commission
File Number)
100 Winchester Circle**

**77-0467272
(I.R.S. Employer
Identification No.)**

Edgar Filing: NETFLIX INC - Form 8-K

Los Gatos, CA

95032

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number including area code: (408) 540-3700

(Former name or 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:

- .. 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))

Item 1.01. Entry into a Material Definitive Agreement.

Indenture

On February 19, 2014, Netflix, Inc. (the *Company* or *Netflix*) issued \$400,000,000 aggregate principal amount of its 5.750% Senior Notes due 2024 (the *Notes*), in a private placement to qualified institutional buyers in the United States, defined in Rule 144A under the Securities Act of 1933, as amended (the *Securities Act*), and outside the United States pursuant to Regulation S under the Securities Act (the *Notes Offering*) pursuant to an indenture, dated as of February 19, 2014 (the *Indenture*), between the Company and Wells Fargo Bank, National Association, as trustee.

The Notes mature on March 1, 2024, and bear interest at a rate of 5.750% per annum, payable semi-annually on March 1 and September 1 of each year, commencing on September 1, 2014.

At any time prior to maturity, Netflix may redeem any of the Notes at any time at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus an applicable premium and accrued and unpaid interest, if any, to the applicable redemption date.

If Netflix experiences specified change of control triggering events, Netflix must offer to repurchase the Notes at a repurchase price equal to 101% of the principal amount of the Notes repurchased, plus accrued and unpaid interest, if any, to the applicable repurchase date.

The Indenture contains covenants that, among other things, restrict the ability of Netflix and its restricted subsidiaries to:

create certain liens and enter into sale and lease-back transactions;

create, assume, incur or guarantee certain indebtedness without such restricted subsidiary guaranteeing the Notes on a pari passu basis; and

consolidate or merge with, or convey, transfer or lease all or substantially all of Netflix and its subsidiaries assets, to another person.

These covenants are subject to a number of other limitations and exceptions set forth in the Indenture.

The Indenture provides for customary events of default, including, but not limited to, cross defaults to specified other debt of Netflix and its significant subsidiaries. In the case of an event of default arising from specified events of bankruptcy or insolvency, all outstanding Notes will become due and payable immediately without further action or notice. If any other event of default under the Indenture occurs or is continuing, the trustee or holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all of the Notes to be due and payable immediately.

The description of the Notes and the Indenture contained in this Current Report on Form 8-K is qualified in its entirety by reference to the complete text of the Indenture, a copy of which is filed as Exhibit 4.1 and incorporated herein by reference.

Registration Rights Agreement

Edgar Filing: NETFLIX INC - Form 8-K

In connection with the issuance of the Notes, the Company also entered into a registration rights agreement, dated February 19, 2014, with the Morgan Stanley & Co. LLC, as

representative of the several initial purchasers listed in Schedule 1 thereto (the Registration Rights Agreement). Under the terms of the Registration Rights Agreement, if any Notes are not freely transferable by non-affiliates pursuant to Rule 144 under the Securities Act within 366 days after their original issuance, Netflix is required to use commercially reasonable efforts to file with the Securities and Exchange Commission (the SEC) a registration statement relating to an offer to exchange the Notes for an issue of SEC-registered notes (the Exchange Notes) with terms identical to the Notes (except that the Exchange Notes will not be subject to restrictions on transfer or to any increase in annual interest rate).

The description of the Registration Rights Agreements contained in this Current Report on Form 8-K is qualified in its entirety by reference to the complete text of the Registration Rights Agreement, a copy of which is filed as Exhibit 10.1 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 in Item 1.01 above is incorporated herein by reference.

Item 9.01. Financial Statement and Exhibits.

(d) Exhibits.

Exhibit	Description
4.1	Indenture, dated as of February 19, 2014, by and between the Company and Wells Fargo Bank, National Association, as Trustee.
10.1	Registration Rights Agreement, dated as of February 19, 2014, by and among the Company and Morgan Stanley & Co. LLC, as representative of the Initial Purchasers listed in Schedule 1 thereto.

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.

NETFLIX, INC.

/s/ David Hyman

By: David Hyman

Title: General Counsel

Dated: February 19, 2014

Index to Exhibits

Exhibit	Description
4.1	Indenture, dated as of February 19, 2014, by and between the Company and Wells Fargo Bank, National Association, as Trustee.
10.1	Registration Rights Agreement, dated as of February 19, 2014, by and among the Company and Morgan Stanley & Co. LLC, as representative of the Initial Purchasers listed in Schedule 1 thereto.