

Edgar Filing: Wesco Aircraft Holdings, Inc - Form 8-K

Wesco Aircraft Holdings, Inc
Form 8-K
September 09, 2016

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): September 9, 2016

Wesco Aircraft Holdings, Inc.
(Exact name of registrant as specified in its charter)

DELAWARE	001-35253	20-5441563
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

24911 Avenue Stanford
Valencia, California 91355
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (661) 775-7200

(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:

- ☐ 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)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

On September 9, 2016, Wesco Aircraft Hardware Corp. (“Wesco Hardware”), a wholly owned subsidiary of Wesco Aircraft Holdings, Inc. (the “Company”), announced its intention to initiate a syndication process with respect to a new term loan A facility (the “new term loan A facility”) and a new revolving facility (the “new revolving facility”) to refinance its existing term loan A and revolving facilities, respectively, pursuant to a fourth amendment (the “Amendment”) to its Credit Agreement, dated as of December 7, 2012 (as amended, the “Credit Agreement”). Subject to market conditions and other factors, (a) the new term loan A facility is expected to be in the aggregate principal amount of \$400 million, (b) the new revolving facility is expected to be available up to the aggregate principal amount of \$200 million and (c) the new term loan A facility and the revolving facility are each expected to (i) mature on the date that is the earlier of (x) the date that is five years after the closing date of the Amendment and (y) the date that is 90 days prior to February 28, 2021 (as such date may be extended under the terms of the Credit Agreement from time to time including any similar term with respect to any refinancing thereof), (ii) be secured by a first lien on substantially all of the Company’s and Wesco Hardware’s assets and the assets of their guarantor subsidiaries (in each case, subject to certain exceptions) and (iii) bear interest at a floating interest based on LIBOR or the alternate base rate plus, in each case, the applicable margin.

The closing of the Amendment is anticipated to be subject to, among other things, successful syndication, negotiation, execution and delivery of definitive loan documentation and various customary closing conditions. Proceeds from the new term loan A facility are expected to be used to repay outstanding borrowings under the existing term loan A facility and to pay related fees and expenses associated with the Amendment. Proceeds from the new revolving facility are expected to be used for working capital and other general corporate purposes.

The information set forth in this Item 7.01 is intended to be furnished under Item 7.01 of Form 8-K (Regulation FD Disclosure). This information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. In addition, this information shall not be incorporated by reference into any registration statement filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, unless it is specifically incorporated by reference in such filing.

Cautionary Statement Regarding Forward-Looking Statements

This communication contains forward-looking statements (including within the meaning of the Private Securities Litigation Reform Act of 1995) concerning the Company and other matters. These statements may discuss goals, intentions and expectations as to future plans, trends, events, results of operations or financial condition, or otherwise, based on current beliefs of management, as well as assumptions made by, and information currently available to, management. Forward-looking statements may be accompanied by words such as “aim,” “anticipate,” “believe,” “plan,” “could,” “would,” “should,” “estimate,” “expect,” “forecast,” “future,” “guidance,” “intend,” “may,” “will,” “possible,” “potential,” “prudent,” or similar words, phrases or expressions. These forward-looking statements are subject to various risks and uncertainties, many of which are outside the Company’s control. Therefore, you should not place undue reliance on such statements.

Factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, the following: general economic and industry conditions; conditions in the credit markets; changes in military spending; risks unique to suppliers of equipment and services to the U.S. government; risks associated with the Company’s long-term, fixed-price agreements that have no guarantee of future sales volumes; risks associated with the loss of significant customers, a material reduction in purchase orders by significant customers or the delay, scaling back or elimination of significant programs on which the Company relies; the Company’s ability to effectively compete in its industry; the Company’s ability to effectively manage its inventory; the Company’s ability to fully integrate the acquired business of Haas Group Inc. and realize anticipated benefits of the combined operations; risks

relating to unanticipated costs of integration; the Company's suppliers' ability to provide it with the products the Company sells in a timely manner, in adequate quantities and/or at a reasonable cost; the Company's ability to maintain effective information technology systems; the Company's ability to retain key personnel; risks associated with the Company's international operations, including exposure to foreign currency movements; risks associated with assumptions the Company makes in connection with its critical accounting estimates (including goodwill) and legal proceedings; the Company's dependence on third-party package delivery companies; fuel price risks; the Company's ability to establish and maintain effective internal control over financial reporting; fluctuations in the Company's financial results from period-to-period; environmental risks; risks related to the handling, transportation and storage of chemical products; risks related to the aerospace industry and the regulation thereof; risks related to the Company's indebtedness; and other risks and uncertainties.

The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties that affect the Company's business, including those described in the Company's Annual Report on Form 10-

K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other documents filed from time to time with the Securities and Exchange Commission. All forward-looking statements included in this communication (including information included or incorporated by reference herein) are based upon information available to the Company as of the date hereof, and the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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.

WESCO AIRCRAFT HOLDINGS, INC.

Date: September 9, 2016 By: /s/ Richard J. Weller

Richard J. Weller

Executive Vice President and Chief Financial Officer