

GLOBAL POWER EQUIPMENT GROUP INC.

Form 8-K

July 26, 2016

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): **July 22, 2016**

Global Power Equipment Group Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-16501
(Commission
File Number)

73-1541378
(IRS Employer
Identification Number)

400 E. Las Colinas Boulevard, Suite 400

Irving, Texas 75039

(Address of Principal Executive Offices, Zip Code)

Registrant's telephone number, including area code: **214-574-2700**

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

Global Power Equipment Group Inc. (the *Company*) previously disclosed that it entered into certain amendments (the *Prior Amendments*) to its Credit Agreement, dated February 21, 2012, with Wells Fargo Bank, National Association, as Administrative Agent, U.S. Bank National Association, as Syndication Agent, and the various financial institutions (the *Lenders*) party thereto (as amended or supplemented from time to time, the *Credit Agreement*). Under the Prior Amendments, the Lenders agreed, among other things, to temporarily waive certain existing and anticipated events of default, however such waivers expired on May 15, 2016. The Company entered into a Third Amendment to Limited Waiver and Seventh Amendment to Credit Agreement and Amendment to Other Loan Documents (the *New Amendment*), dated as of July 22, 2016.

Under the New Amendment, the Lenders agreed to temporarily waive certain waiver termination events, certain events of default, the original known existing events of default, additional known existing events of default and certain anticipated events of default for a limited period of time ending on the earlier of October 31, 2016 or the occurrence of any additional waiver termination event (such period, the *New Limited Waiver Period*).

The Lenders agreed to continue making revolving credit loans and issuing letters of credit to the Company during the New Limited Waiver Period, subject to certain conditions (including a revised monthly asset coverage test limiting the availability of revolving credit loans and an amended cap on the Company's maximum borrowing capacity). The New Amendment also imposes minimum liquidity requirements on the Company.

The New Amendment continues to require that the Company maintain minimum consolidated monthly year-to-date consolidated adjusted EBITDA, and places limits on certain of the Company's expenses, including capital expenditures and expenses related to the restatement of its historical financial results. It further requires that the Company's audited restated historical financial results be delivered to the Lenders by September 30, 2016. The New Amendment also includes a cash dominion provision requiring the Company and its subsidiaries to pay down outstanding amounts under the Credit Agreement with available cash and a provision limiting the amount the Company can borrow to that which is reasonably necessary to cover its near term obligations.

The Company must continue to provide the Lenders with certain information about its business and financial condition and work with outside consultants and advisors, as provided for in the Credit Agreement (as amended).

The foregoing description does not constitute a complete summary of the terms of the New Amendment and is qualified in its entirety by reference to the full text of the New Amendment, which is filed as Exhibit 10.1 to this Form 8-K and incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 Third Amendment to Limited Waiver and Seventh Amendment to Credit Agreement and Amendment to Other Loan Documents, dated July 22, 2016, among the Company, Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and Issuing Lender, and the various financial institutions party thereto as lenders.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 26, 2016

Global Power Equipment Group Inc.

By: /s/ Tracy D. Pagliara
Tracy D. Pagliara
Senior Vice President, Chief Administrative Officer,
General Counsel and Secretary

EXHIBIT INDEX

| Exhibit No. | Description |
|--------------------|---|
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