

Edgar Filing: IDT CORP - Form 8-K

- .. 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 2.01.
Completion
of
Acquisition
or
Disposition
of Assets.

On September 11, 2014, Fabrix Systems Ltd. (“Fabrix”), a subsidiary of IDT Corporation (the “Registrant”), of which the Registrant owned approximately 78% of the outstanding equity on a fully-diluted basis, entered into a Share Purchase Agreement (the “Agreement”) with Telefonaktiebolaget LM Ericsson (publ) (“Ericsson”), individual shareholders of Fabrix and other parties to sell the capital stock of Fabrix to Ericsson.

On October 8, 2014, the Registrant completed the sale of Fabrix Systems (Fabrix) to Ericsson (the “Closing”). The final sale price for 100% of the shares in Fabrix was \$95 million in cash, excluding working-capital and other adjustments.

IDT’s share of the sale price, net of transaction costs, is expected to be approximately \$73 million in cash. IDT and other shareholders have placed \$13.0 million of their proceeds in escrow to resolve any post-closing claims that may arise. Any unclaimed escrow balance will be released in two tranches over a period of 18 months.

The foregoing description of the disposition is a summary only and is qualified in its entirety by reference to the complete text of the Agreement, a copy of which was filed as an exhibit to a Form 8-K that the Registrant filed with the Securities and Exchange Commission on September 12, 2014 and is incorporated herein by reference.

A copy of the Registrant’s press release announcing the Closing is filed as Exhibit 99.1 to this Form 8-K.

Item 9.01.
Financial
Statements
and
Exhibits.

(d) Exhibits.

Exhibit No.	Document
99.1	Press Release of the Registrant dated October 8, 2014.

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.

IDT CORPORATION

By: /s/ Shmuel Jonas
Name: Shmuel Jonas
Title: Chief Executive Officer

Dated: October 10, 2014

EXHIBIT INDEX

Exhibit No. Document

99.1 Press Release of the Registrant dated October 8, 2014.
