Echo Global Logistics, Inc. Form 8-K October 24, 2018

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): October 23, 2018

ECHO GLOBAL LOGISTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)

001-34470 (Commission File Number) 20-5001120 (I.R.S. Employer Identification No.)

600 West Chicago Avenue
Suite 725
Chicago, Illinois
(Address of principal executive offices)

60654 (Zip Code)

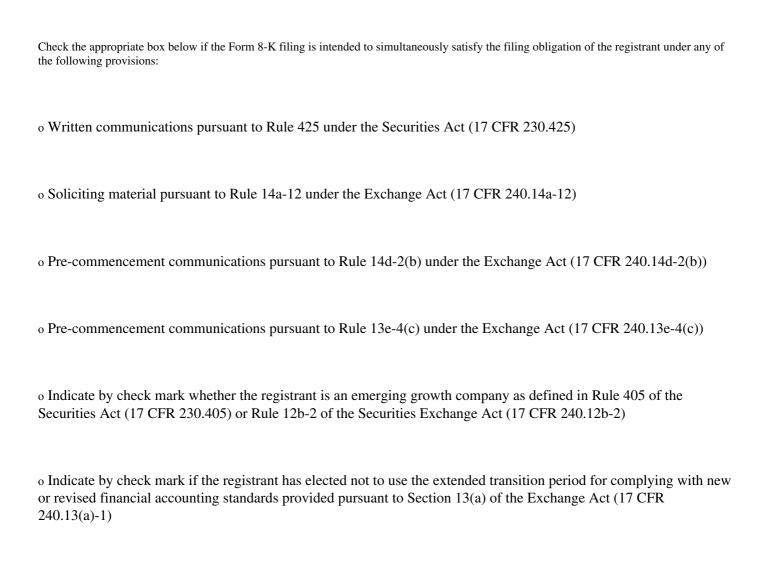
(800) 354-7993

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(Registrant s telephone number, including area code)

N/A

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



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Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On October 23, 2018, the Company entered into that certain Amendment No. 2 to the Revolving Credit and Security Agreement (the Second Amendment), which amends the terms of its existing Revolving Credit and Security Agreement, dated as of June 1, 2015, by and among the Company, the lenders party thereto, and PNC Bank, National Association, as administrative agent (as amended, restated or otherwise modified prior to the Second Amendment, the Existing Credit Agreement and, as amended by the Second Amendment, the Amended Credit Agreement). The Amended Credit Agreement provides for an increased senior secured revolving credit facility in an initial aggregate principal amount of up to \$350 million (the Amended ABL Facility), with an extended maturity date of October 23, 2023. The initial aggregate principal amount under the Amended ABL Facility may be increased from time to time by an additional \$150 million to a maximum aggregate principal amount of \$500 million; provided that certain requirements are satisfied. The Company s obligations under the Amended ABL Facility are secured, on a first lien priority basis, by certain working capital assets.

Interest is payable at a rate per annum equal to, at the option of the Company, any of the following, plus, in each case, an applicable margin: (a) a base rate determined by reference to the highest of (1) the federal funds effective rate, plus 0.50%, (2) the base commercial lending rate of PNC Bank, National Association and (3) a daily LIBOR rate, plus 1.00%; or (b) a LIBOR rate determined by reference to the costs of funds for deposits in the relevant currency for the interest period relevant to such borrowing adjusted for certain additional costs. The applicable margin is 0.25% to 0.50% for borrowings at the base rate and 1.25% to 1.50% for borrowings at the LIBOR rate, in each case, based on the excess availability under the Amended ABL Facility.

The Company will be required to pay a commitment fee in respect to the unutilized commitments under the Amended ABL Facility, calculated at a rate of 0.25%. The terms of the Amended ABL Facility include various covenants, including a covenant that requires the Company to maintain a consolidated fixed charge coverage ratio at any time (a) a specified default occurs or (b) if excess availability falls below certain specified levels.

The issuance of letters of credit under the Amended ABL Facility reduces available borrowings.

The description of the Amended Credit Agreement set forth above is qualified in its entirety by reference to the Second Amendment, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d)

Exhibit No. Description

Amendment No. 2 to Revolving Credit and Security Agreement, dated as of October 23, 2018.

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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.

ECHO GLOBAL LOGISTICS, INC.

Dated: October 24, 2018

By

/s/ Kyle Sauers

Name:

Kyle Sauers

Title: Chief Financial Officer

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