

MTS SYSTEMS CORP  
Form 8-K  
April 11, 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): **April 5, 2016**

**MTS SYSTEMS CORPORATION**

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

**MINNESOTA**  
(STATE OR OTHER  
JURISDICTION OF  
INCORPORATION)

**0-02382**  
(COMMISSION FILE  
NUMBER)

**41-0908057**  
(IRS EMPLOYER  
IDENTIFICATION NO.)

**14000 TECHNOLOGY DRIVE**

**EDEN PRAIRIE, MN 55344**

(ADDRESS OF PRINCIPAL  
EXECUTIVE OFFICES,  
INCLUDING ZIP CODE)

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(952) 937-4000

(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

N/A

(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)
  - 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.**

As previously announced, on April 5, 2016, MTS Systems Corporation (the Company) and Nickel Merger Sub Inc., a newly formed wholly owned subsidiary of the Company, entered into an Agreement and Plan of Merger (the Merger Agreement) by and among the Company, Merger Sub, PCB Group, Inc, and David T. Hore, John A. Lally and David M. Lally, as representatives of the shareholders of PCB, providing for the acquisition of PCB by the Company (the Merger).

In connection with the execution of the Merger Agreement, the Company received a commitment letter, dated April 5, 2016 (the Commitment Letter), from JPMorgan Chase Bank, N.A. (JPMorgan) providing JPMorgan's commitments with respect to new debt financing to be utilized in connection with funding the Merger. Under the Commitment Letter, JPMorgan has committed to provide, subject to the various terms and conditions set forth in the Commitment Letter: 100% of the Senior Secured Facilities (as defined below) and 100% of the Bridge Facility (as defined below).

As set forth in the Commitment Letter, it is intended that the Company will obtain (i) senior secured credit facilities (the Senior Secured Facilities) consisting of a \$100.0 million revolving credit facility and a \$390.0 million term loan B facility and (ii) \$250.0 million in gross cash proceeds from (a) the issuance of senior unsecured notes (the Senior Notes) and/or (b) if the Company is unable to issue the full amount of the Senior Notes at or prior to the closing of the Merger, a senior unsecured bridge facility (the Bridge Facility) in an amount equal to \$250.0 million minus any gross cash proceeds received by the Company from the issuance of any Senior Notes or from other debt or equity financing transactions entered into for the purpose of financing the Merger or related transaction costs.

The foregoing description of the Commitment Letter does not purport to be complete and is qualified in its entirety by reference to the Commitment Letter, a copy of which is filed as Exhibit 10.1 hereto and incorporated by reference in this Current Report on Form 8-K.

This Current Report on Form 8-K contains forward-looking statements. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements. These forward-looking statements cover, among other things, the terms and conditions of certain planned financing for the Merger. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated, including the following: (1) the Merger may not be completed, or completed within the expected timeframe; (2) costs relating to the Merger (including in respect of the financing of the Merger) may be greater than expected; (3) the conditions set forth in the Commitment Letter may not be met; and (4) other factors identified under Risk Factors in Part I, Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended October 3, 2015, and updated in the Company's subsequent reports filed with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update them in light of new information or future events.

**Item 9.01. Financial Statements and Exhibits.**

(d) *Exhibits.*

10.1 Commitment Letter, dated April 5, 2016, by and between MTS Systems Corporation and JPMorgan Chase Bank, N.A.

**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.

**MTS SYSTEMS CORPORATION**  
(Registrant)

Date: April 11, 2016

By: */s/ Jeffrey P. Oldenkamp*  
Jeffrey P. Oldenkamp  
Senior Vice President and Chief Financial Officer

**EXHIBIT INDEX**

<b>Number</b>	<b>Description</b>	<b>Method of Filing</b>
10.1	Commitment Letter, dated April 5, 2016, by and between MTS Systems Corporation and JPMorgan Chase Bank, N.A.	Filed Electronically