

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): February 16, 2018



Shenandoah Telecommunications Company
(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

0-9881
(Commission
File Number)

54-1162807
(IRS Employer
Identification No.)

500 Shentel Way
P.O. Box 459
Edinburg, Virginia 22824
(Address of principal executive offices) (Zip Code)

(540) 984-4141
(Registrant's telephone number, including area code)

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 1.01. Entry into a Material Definitive Agreement.

On February 16, 2018, Shenandoah Telecommunications Company, a Virginia corporation (the “Company”), entered into a Second Amendment to Credit Agreement (the “Second Amendment”) with CoBank, ACB, as administrative agent (the “Administrative Agent”), and the various financial institutions party thereto (the “Lenders”), which amends certain provisions of the Credit Agreement, dated as of December 18, 2015, by and among the Company, the Administrative Agent and the Lenders (as amended by the First Amendment to Credit Agreement, dated as of March 29, 2016 (the “First Amendment”), the “Credit Agreement”).

The Second Amendment modifies the Credit Agreement by (i) reducing, by 50 basis points, the applicable margin for interest to be paid by the Company with respect to term loans A-1 and A-2 made by the Lenders to the Company under the Credit Agreement, and (ii) allowing the Company to make charitable contributions to Shentel Foundation, a Virginia nonstock corporation, of up to \$1.5 million in any fiscal year.

The Administrative Agent and many of the Lenders and their affiliates have in the past performed, and may in the future from time to time perform, investment banking, financial advisory, lending or commercial banking services, or other services for the Company and its subsidiaries, for which they have received, and may in the future receive, customary compensation and expense reimbursement.

The foregoing summary description of the Second Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Second Amendment, which is filed as Exhibit 10.50 to this Current Report on Form 8-K and is incorporated by reference into this Current Report on Form 8-K. The Credit Agreement (as in effect prior to the First Amendment) was previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Company’s Current Report on Form 8-K on December 24, 2015. The First Amendment was previously filed with the Securities and Exchange Commission as Exhibit 10.50 to the Company’s Current Report on Form 8-K on April 4, 2016.

ITEM 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description of Exhibit
<u>10.50</u>	<u>Second Amendment to Credit Agreement, dated as of February 16, 2018, by and among Shenandoah Telecommunications Company, as Borrower, CoBank, ACB, as Administrative Agent, and various other lenders named therein.</u>

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.

Date: February 20, 2018

SHENANDOAH TELECOMMUNICATIONS COMPANY

By: /s/ James F. Woodward
Name: James F. Woodward
Title: Senior Vice President – Finance and Chief Financial Officer (Duly Authorized Officer)

EXHIBIT INDEX

**Exhibit
No.**

Description of Exhibit

<u>10.50</u>	<u>Second Amendment to Credit Agreement, dated as of February 16, 2018, by and among Shenandoah Telecommunications Company, as Borrower, CoBank, ACB, as Administrative Agent, and various other lenders named therein.</u>
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SECOND AMENDMENT TO CREDIT AGREEMENT

This Second Amendment to Credit Agreement (this “**Agreement**”), dated as of February 16, 2018, is made and entered into by and among Shenandoah Telecommunications Company, a Virginia corporation (the “**Borrower**”), each of the Subsidiaries of the Borrower identified as guarantors on the signature pages hereto (the “**Guarantors**,” and together with the Borrower, the “**Loan Parties**”), CoBank, ACB, as Administrative Agent for the Secured Parties (the “**Administrative Agent**”), and each of the Lenders party hereto.

WHEREAS, the Borrower, the Guarantors party thereto from time to time, the Administrative Agent and the Lenders party thereto from time to time have entered into that certain Credit Agreement, dated as of December 18, 2015 (as amended by that certain First Amendment to Credit Agreement dated as of March 29, 2016, and as may be further amended, modified, supplemented, extended or restated from time to time, the “**Credit Agreement**”);

WHEREAS, the Borrower has requested, and the Administrative Agent and the Lenders have agreed, subject to the terms and conditions provided herein, to certain modifications to the Credit Agreement, as more fully described herein.

NOW, THEREFORE, in consideration of the foregoing and the agreements set forth in this Agreement, each of the Borrower, the Guarantors, the Administrative Agent and the Lenders hereby agree as follows:

SECTION 1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

SECTION 2. Amendments.

(A) Section 1.1 of the Credit Agreement is hereby amended by replacing the grid set forth in the definition of “Pricing Grid” with the following:

Level	Total Leverage Ratio	Revolving Loans and Term Loan A-1		Term Loan A-2		Revolving Loans
		Applicable Margin for Base Rate Loans	Applicable Margin for LIBOR Rate Loans and Letter of Credit Fee	Applicable Margin for Base Rate Loans	Applicable Margin for LIBOR Rate Loans	Applicable Revolving Unused Commitment Fee Rate
Level I	< 2.25x	0.750%	1.750%	1.000%	2.000%	0.200%
Level II	≥ 2.25x and < 2.75x	1.000%	2.000%	1.250%	2.250%	0.200%
Level III	≥ 2.75x and < 3.25x	1.250%	2.250%	1.500%	2.500%	0.250%
Level IV	≥ 3.25x	1.500%	2.500%	1.750%	2.750%	0.375%

(B) Section 7.3 of the Credit Agreement is hereby amended by adding a new clause (c)(v) thereto immediately after clause (c)(iv), to read as follows:

“or (v) is a charitable contribution to Shentel Foundation, a Virginia nonstock corporation, so long as the aggregate amount of all such contributions does not exceed \$1,500,000 in any fiscal year.”

(C) Section 7.8 of the Credit Agreement is hereby amended by adding a new clause (n) thereto immediately after clause (m), to read as follows:

“and (n) Dispositions solely in cash to Shentel Foundation, a Virginia nonstock corporation, subject to the dollar limitation set forth in Section 7.3(c)(v).”

SECTION 3. This Agreement shall not constitute a novation of the Credit Agreement or any other Loan Document. Except as expressly provided in this Agreement, the execution and delivery of this Agreement does not and will not amend, modify or supplement any provision of, or constitute a consent to or a waiver of any noncompliance with the provisions of, the Loan Documents, and the Loan Documents shall remain in full force and effect.

SECTION 4. Each Loan Party hereby represents and warrants to the Administrative Agent and the Lenders as follows:

(A) Such entity has the right and power, and has taken all necessary action to authorize it, to execute, deliver and perform this Agreement in accordance with its terms. This Agreement has been duly executed and delivered by the Borrower and is a legal, valid and binding obligation of it, enforceable against it in accordance with its terms.

(B) The execution, delivery and performance of this Agreement in accordance with its terms do not and will not, by the passage of time, the giving of notice or otherwise,

(1) require any Governmental Authority approval or violate any applicable Law relating to such entity;

(2) conflict with, result in a breach of or constitute a default under the organizational documents of such entity, any material provision of any indenture, agreement or other instrument to which it is a party or by which it or any of its properties may be bound or any Governmental Authority approval relating to it; or

(3) result in or require the creation or imposition of any Lien (except as permitted by the Loan Documents) upon or with respect to any property now owned or hereafter acquired by such entity.

(C) The representations and warranties of such entity set forth in the Loan Documents are true and correct in all material respects as of the date hereof, except that such representations and warranties that are qualified in the Credit Agreement by reference to materiality or Material Adverse Effect shall be true and correct in all respects, as of the date hereof (or, if such representation or warranty makes reference to an earlier date, as of such earlier date).

(D) No Event of Default under the Loan Documents has occurred and is continuing as of this date.

SECTION 5. This Agreement will be effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of the Borrower, each Guarantor and the Lenders.

SECTION 6. The Borrower hereby confirms and agrees that (a) each Collateral Document is and shall continue to be in full force and effect, and (b) the obligations secured by each such document include any and all obligations of the Loan Parties to the Secured Parties under the Credit Agreement.

SECTION 7. Each of the Guarantors hereby confirms and agrees that (a) its guarantee contained in the Credit Agreement and each Collateral Document to which it is a party is and shall continue to be in full force and effect, and (b) the obligations guaranteed or secured by each such applicable document include any and all obligations of the Loan Parties to the Secured Parties under the Credit Agreement.

SECTION 8. The Borrower agrees to pay to the Administrative Agent, on demand, all reasonable out-of-pocket costs and expenses incurred by the Administrative Agent, including, without limitation, the reasonable fees and expenses of counsel retained by the Administrative Agent, in connection with the negotiation, preparation, execution and delivery of this Agreement and all other instruments and documents contemplated hereby.

SECTION 9. This Agreement may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same instrument. Each party hereto acknowledges and agrees that a facsimile or an electronic (".pdf" or ".tif") transmission to the Administrative Agent of signature pages hereof purporting to be signed on behalf of such party shall constitute effective and binding execution and delivery hereof by such party.

SECTION 10. This Agreement is subject to, shall be governed by and shall be construed and enforced in accordance with all provisions of the Credit Agreement, including the governing law provisions thereof.

[Signatures Follow on Next Page.]

Witness the due execution hereof by the respective duly authorized officers of the undersigned as of the date first written above.

SHENANDOAH TELECOMMUNICATIONS COMPANY, as Borrower

By: _____

Name: Christopher E. French

Title: President and Chief Executive Officer

**SHENTEL COMMUNICATIONS, LLC,
SHENTEL COMMUNICATIONS, LLC,
SHENANDOAH CABLE TELEVISION, LLC,
SHENANDOAH CABLE TELEVISION, LLC,
SHENANDOAH PERSONAL COMMUNICATIONS, LLC,
SHENANDOAH MOBILE, LLC,
SHENTEL MANAGEMENT COMPANY,**
each as a Guarantor

By: _____

Name: Christopher E. French

Title: President and Chief Executive Officer

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

COBANK, ACB, as Administrative Agent and a Lender

By: _____

Name: Gloria Hancock

Title: Managing Director

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

ROYAL BANK OF CANADA, as a Lender

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

FIFTH THIRD BANK, as a Lender

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

CAPITAL ONE, NATIONAL ASSOCIATION, as a Lender

By: _____

Name:

Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

BANK OF AMERICA, N.A., as a Lender

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

CITIZENS BANK, N.A., as a Lender

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

TORONTO DOMINION (TEXAS) LLC, as a Lender

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

WEBSTER BANK, NATIONAL ASSOCIATION, as a Lender

By: _____

Name:

Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

FARM CREDIT BANK OF TEXAS, as a voting participant pursuant to
Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

AGFIRST FARM CREDIT BANK, as a voting participant pursuant to
Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

FARM CREDIT SERVICES OF AMERICA, FLCA, as a voting participant
pursuant to Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

COMPEER FINANCIAL, FLCA, as a voting participant pursuant to
Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

FARM CREDIT MID-AMERICA, FLCA, as a voting participant pursuant to Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

**FCS COMMERCIAL FINANCE GROUP, for AGCOUNTRY FARM
CREDIT SERVICES, FLCA**, as a voting participant pursuant to Subsection
11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

GREENSTONE FARM CREDIT SERVICES, ACA/FLCA, as a voting participant pursuant to Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

AMERICAN AGCREDIT, FLCA, as a voting participant pursuant to
Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

FARM CREDIT WEST, FLCA, as a voting participant pursuant to
Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

MIDATLANTIC FARM CREDIT, FLCA, as a voting participant pursuant to Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

NORTHWEST FARM CREDIT SERVICES, FLCA, as a voting participant
pursuant to Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

AGCHOICE FARM CREDIT, FLCA, as a voting participant pursuant to
Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

FARM CREDIT EAST, ACA, as a voting participant pursuant to Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

WESTERN AGCREDIT, PCA, as a voting participant pursuant to
Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]

[Signatures continued from previous page.]

GOLDEN STATE FARM CREDIT, FLCA, as a voting participant pursuant to Subsection 11.7(d) of the Credit Agreement

By: _____
Name:
Title:

[Second Amendment to Credit Agreement – Shenandoah Telecommunications Company]
