

Hill-Rom Holdings, Inc.
Form 8-K
July 07, 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): June 30, 2016

HILL-ROM HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Indiana (State or other jurisdiction of incorporation)	1-6651 (Commission File Number)	35-1160484 (IRS Employer Identification No.)
Two Prudential Plaza, Suite 4100 Chicago, Illinois (Address of principal executive offices)		60601 (Zip Code)

(312) 819-7200
(Registrant's telephone number, including area code)

Not Applicable
(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

On June 30, 2016, Hill-Rom Holdings, Inc. (the “Company”) amended its senior credit agreement (the “Credit Agreement”) with JPMorgan Chase Bank, N.A., as administrative agent, for its \$1.0 billion term loan A facility, and as administrative agent for a \$500.0 million senior secured revolving credit facility, Goldman Sachs Bank USA, as administrative agent for a \$800.0 million term loan B facility, and the other lenders party thereto (the “Amendment”). The Amendment amends the Credit Agreement to, among other things, (i) permit the Company and its subsidiaries to enter into certain internal business structuring actions, (ii) update the investment basket related to usage of the available amount to conform to the equivalent restricted payments basket and (iii) make certain other amendments to facilitate the foregoing. The foregoing description of the Amendment is a summary and is qualified in its entirety by the terms of the Amendment, a copy of which is filed herewith as Exhibit 10.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d)Exhibits:

Exhibit No.	Description
10.1	First Amendment to the Credit Agreement dated as of June 30, 2015 among Hill-Rom Holdings, Inc., the guarantors party thereto, the lenders party thereto, Goldman Sachs Bank USA, as Term Loan B Administrative Agent and JPMorgan Chase Bank, N.A., as Term Loan A/Revolver Administrative Agent.

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.

HILL-ROM HOLDINGS, INC.
(Registrant)

DATE: June 30, 2016

By: /s/ Steven J. Strobel
Name: Steven J. Strobel
Title: Senior Vice President and Chief Financial Officer
(duly authorized officer and principal financial officer)

Exhibit Index

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FONT STYLE="font-family:Arial Narrow" SIZE="1" COLOR="#333333"> (430) 0 (430) 529 99

RDR

70,613 0 0 70,613 (72,148) (1,535)

RTA

0 (313,334) 0 (313,334) 406,711 93,377

SBI

0 (163,367) 0 (163,367) 209,098 45,731

SOG

0 (373,775) 0 (373,775) 444,137 70,362

UBS

0 (394,891) 0 (394,891) 513,200 118,309

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Total Borrowings and Other Financing Transactions

\$ 97,880 \$ (2,489,155) \$ 0

See Accompanying Notes

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Consolidated Schedule of Investments PIMCO Dynamic Credit and Mortgage Income Fund (Cont.)**CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS****Remaining Contractual Maturity of the Agreements**

	Overnight and Continuous	Up to 30 days	31-90 days	Greater Than 90 days	Total
Reverse Repurchase Agreements					
Corporate Bonds & Notes	\$ 0	\$ (240,897)	\$ (463,668)	\$ (24,317)	\$ (728,882)
U.S. Government Agencies	0	(68,339)	(7,610)	0	(75,949)
Non-Agency Mortgage-Backed Securities	0	(171,854)	(229,456)	(278,271)	(679,581)
Asset-Backed Securities	0	(373,985)	(371,088)	(259,258)	(1,004,331)
Total Borrowings	\$ 0	\$ (855,075)	\$ (1,071,822)	\$ (561,846)	\$ (2,488,743)
Payable for reverse repurchase agreements and sale-buyback financing transactions⁽⁵⁾					\$ (2,488,743)

(n) Securities with an aggregate market value of \$3,207,289 have been pledged as collateral under the terms of the above master agreements as of June 30, 2018.

(1) Includes accrued interest.

(2) The average amount of borrowings outstanding during the period ended June 30, 2018 was \$(2,594,093) at a weighted average interest rate of 2.551%. Average borrowings may include sale-buyback transactions and reverse repurchase agreements, if held during the period.

(3) Open maturity reverse repurchase agreement.

(4) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. The Fund and Subsidiary are recognized as two separate legal entities. As such, exposure cannot be netted. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information regarding master netting arrangements.

(5) Unsettled reverse repurchase agreements liability of \$(412) is outstanding at period end.

(o) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED**SWAP AGREEMENTS:****CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION⁽¹⁾**

Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at June 30, 2018 ⁽²⁾	Notional Amount ⁽³⁾	Premiums Paid/(Received)	Unrealized Appreciation/ Depreciation	Market Value ⁽⁴⁾	Variation Margin	
									Asset	Liability
Frontier Communications Corp.	5.000%	Quarterly	06/20/2020	8.963%	\$ 31,430	\$ (1,130)	\$ (949)	\$ (2,079)	\$ 0	\$ (83)

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Frontier											
Communications Corp.	5.000	Quarterly	06/20/2022	12.139		2,800	(378)	(172)	(550)	0	(13)
Navient Corp.	5.000	Quarterly	09/20/2020	1.085		200	8	9	17	0	0
Navient Corp.	5.000	Quarterly	12/20/2021	1.998		400	2	37	39	0	(1)
Navient Corp.	5.000	Quarterly	06/20/2022	2.296		2,200	146	74	220	0	(2)
Novo Banco S.A.	5.000	Quarterly	12/20/2020	9.660	EUR	2,500	(519)	393	(126)	46	0
Sprint Corp.	5.000	Quarterly	12/20/2021	2.482	\$	13,300	249	843	1,092	0	(5)
							\$ (1,622)	\$ 235	\$ (1,387)	\$ 46	\$ (104)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION⁽¹⁾

Index/Tranches	Fixed Receive Rate	Payment Frequency	Maturity Date	Notional Amount ⁽³⁾	Premiums Paid/(Received)	Unrealized Appreciation/(Depreciation)	Market Value ⁽⁴⁾	Variation Margin	
								Asset	Liability
CDX.HY-30 5-Year Index	5.000%	Quarterly	06/20/2023	\$ 500	\$ 30	\$ 0	\$ 30	\$ 0	\$ 0

INTEREST RATE SWAPS

Pay/Receive	Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/(Depreciation)	Market Value	Variation Margin	
										Asset	Liability
Pay	3-Month CAD	3.300%									
	Bank Bill			Semi-Annual	06/19/2024	CAD 102,200	\$ 4,746	\$ (1,115)	\$ 3,631	\$ 0	\$ (482)
Receive	3-Month CAD	3.500									
	Bank Bill			Semi-Annual	06/20/2044	46,900	(1,672)	(4,358)	(6,030)	472	0
Pay	3-Month USD-LIBOR	2.200		Semi-Annual	01/18/2023	\$ 1,800,000	(6,930)	(37,523)	(44,453)	0	(836)
Pay	3-Month USD-LIBOR	1.750		Semi-Annual	12/21/2023	164,300	3,084	(12,751)	(9,667)	0	(114)
Pay	3-Month USD-LIBOR	1.750		Semi-Annual	12/21/2026	464,100	11,168	(53,088)	(41,920)	0	(431)
Pay	3-Month USD-LIBOR	1.500		Semi-Annual	06/21/2027	245,900	(17,834)	(10,609)	(28,443)	0	(238)
Pay	3-Month USD-LIBOR	2.500		Semi-Annual	12/20/2027	64,900	1,045	(3,343)	(2,298)	0	(49)
Receive	3-Month USD-LIBOR	2.250		Semi-Annual	06/20/2028	14,800	853	72	925	15	0
Receive	3-Month USD-LIBOR	2.500		Semi-Annual	06/20/2038	187,300	4,314	10,398	14,712	180	0
Receive	3-Month USD-LIBOR	2.500		Semi-Annual	06/20/2048	410,600	11,822	25,306	37,128	466	0
Pay	6-Month	3.631									
	AUD-BBR-BBSW			Semi-Annual	03/06/2019	AUD 150,000	0	1,721	1,721	25	0
Pay	6-Month	3.635									
	AUD-BBR-BBSW			Semi-Annual	03/06/2019	175,000	0	2,012	2,012	29	0
Pay	6-Month	3.500									
	AUD-BBR-BBSW			Semi-Annual	06/17/2025	41,800	1,036	688	1,724	3	0

84 PIMCO CLOSED-END FUNDS

See Accompanying Notes

June 30, 2018

Pay/Receive	Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Appreciation/Depreciation	Market Value	Variation Margin	
										Asset	Liability
Receive ⁽⁵⁾	6-Month	EUR-EURIBOR	1.250 %	Annual	09/19/2028	EUR 69,700	\$ (976)	\$ (1,610)	\$ (2,586)	\$ 0	\$ (110)
Receive ⁽⁵⁾	6-Month	EUR-EURIBOR	1.250	Annual	12/19/2028	5,500	(94)	(76)	(170)	0	(9)
Receive ⁽⁵⁾	6-Month	GBP-LIBOR	1.500	Semi-Annual	09/19/2028	GBP 156,975	3,596	(2,602)	994	228	0
							\$ 14,158	\$ (86,878)	\$ (72,720)	\$ 1,418	\$ (2,269)
Total Swap Agreements							\$ 12,566	\$ (86,643)	\$ (74,077)	\$ 1,464	\$ (2,373)

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of June 30, 2018:

	Financial Derivative Assets				Financial Derivative Liabilities			
	Variation Margin				Variation Margin			
	Market Value		Asset		Market Value		Liability	
	Purchased	Options	Futures	Swap Agreements	Written	Options	Futures	Swap Agreements
Total Exchange-Traded or Centrally Cleared⁽⁶⁾	\$ 0	\$ 0	\$ 1,464	\$ 1,464	\$ 0	\$ 0	\$ (2,373)	\$ (2,373)

(p) Securities with an aggregate market value of \$6,957 and cash of \$119,446 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of June 30, 2018.

(1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate issues as of period end serve as indicators of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(3) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(4) The prices and resulting values for credit default swap agreements on credit indices serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced indices' credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(5) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(6) The Subsidiary did not have Exchange-Traded or Centrally Cleared financial derivative instruments as of period end.

(q) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation)			
						Asset	Liability		
BOA	07/2018	ARS	27,570	\$	951	\$	0	\$	(2)
	07/2018		\$	1,074	ARS	27,570	0		(121)
	07/2018			782	AUD	1,059	2		0
BPS	08/2018	AUD	1,059	\$	782		0		(2)
	07/2018	ARS	27,806		1,013		52		0
	07/2018	PEN	17,220		5,271		31		0
BRC	07/2018		\$	2,887	ARS	80,236	2		(133)
	07/2018	RUB	1,050,217	\$	16,703		0		(8)
	07/2018		\$	547,942	GBP	419,026	5,067		0
CBK	08/2018	GBP	419,026	\$	548,706		0		(5,058)
	08/2018		\$	16,625	RUB	1,050,217	6		0
	07/2018			3,885	GBP	2,892	0		(68)
DUB	07/2018			810	RUB	51,215	5		0
	10/2018			401	ARS	12,030	0		(25)
	07/2018	ARS	236	\$	8		0		0
GLM	07/2018		\$	79	ARS	2,076	0		(8)
	07/2018	EUR	6,965	\$	8,193		59		0
	07/2018	GBP	12,960		17,449		345		0
	07/2018		\$	1,387	EUR	1,191	4		0
	07/2018			1,974	RUB	123,294	0		(13)

See Accompanying Notes

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Consolidated Schedule of Investments PIMCO Dynamic Credit and Mortgage Income Fund (Cont.)

Counterparty	Settlement Month	Currency to be Delivered	Currency to be Received	Unrealized Appreciation/ (Depreciation)	
				Asset	Liability
	08/2018	NZD 65	\$ 45	\$ 1	\$ 0
	08/2018	\$ 4,825	EUR 4,135	15	0
HUS	07/2018	EUR 8,882	\$ 10,368	0	(4)
	07/2018	\$ 13,700	RUB 875,708	234	0
	08/2018	12,892	805,785	0	(131)
	10/2018	57	ARS 1,710	0	(3)
JPM	07/2018	AUD 1,059	\$ 798	14	0
	07/2018	CAD 4,031	3,110	44	0
	07/2018	\$ 6,247	EUR 5,329	0	(24)
	07/2018	9,535	GBP 7,158	0	(89)
MSB	07/2018	BRL 88,529	\$ 23,350	509	0
	07/2018	\$ 23,495	BRL 88,529	0	(653)
	08/2018	BRL 88,528	\$ 23,429	669	0
RYL	07/2018	GBP 2,634	3,501	24	0
SCX	07/2018	BRL 57,967	15,872	916	0
	07/2018	GBP 414,429	550,936	3,993	0
	07/2018	\$ 15,034	BRL 57,967	0	(77)
SSB	07/2018	1,269	GBP 947	0	(19)
UAG	07/2018	EUR 192,939	\$ 223,473	0	(1,842)
	07/2018	\$ 234,861	EUR 202,266	1,345	0
	08/2018	EUR 202,266	\$ 235,386	0	(1,333)
Total Forward Foreign Currency Contracts				\$ 13,337	\$ (9,613)

SWAP AGREEMENTS:**CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION⁽¹⁾**