

Vanda Pharmaceuticals Inc.
Form 8-K
February 13, 2019

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 13, 2019

VANDA PHARMACEUTICALS INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-34186
(Commission)

03-0491827
(IRS Employer)

File No.)

Identification No.)

2200 Pennsylvania Avenue NW

Suite 300E

Washington, DC 20037

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (202) 734-3400

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))

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 2.02. Results of Operations and Financial Condition.

On February 13, 2019, Vanda Pharmaceuticals Inc. (Vanda) issued a press release and is holding a conference call regarding its results of operations and financial condition for the quarter and year ended December 31, 2018. The full text of the press release which includes information regarding Vanda s use of Non-GAAP financial measures, is furnished as Exhibit 99.1 to this current report on Form 8-K and is incorporated by reference herein.

Various statements to be made during the conference call are forward-looking statements under the securities laws, including, but not limited to, Vanda s financial guidance for 2019. Words such as, but not limited to, believe, expect, anticipate, estimate, intend, plan, project, target, goal, likely, will, would, and could, or the nee similar expressions or words, identify forward-looking statements. Forward-looking statements are based upon current expectations that involve risks, changes in circumstances, assumptions and uncertainties.

Important factors that could cause actual results to differ materially from those reflected in Vanda s forward-looking statements include, among others: Vanda s assumptions regarding its ability to continue to grow its business in the U.S., Vanda s ability to complete the clinical development and obtain regulatory approval of tradipitant for the treatment of gastroparesis and/or the treatment of chronic pruritus in atopic dermatitis, the outcome of the lawsuit initiated by Vanda against the FDA relating to tradipitant, the ability of HETLIOZ[®] to provide significant benefit in the treatment of the symptoms of jet lag disorder, Vanda s ability to obtain marketing approval for the use of HETLIOZ[®] in the treatment of jet lag disorder, Vanda s ability to complete the clinical development and obtain regulatory approval of tasimelteon for the treatment of sleep disorders in patients with SMS and other factors that are described in the Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations sections of Vanda s annual report on Form 10-K for the fiscal year ended December 31, 2017 and quarterly report on Form 10-Q for the quarter ended September 30, 2018, which are on file with the SEC and available on the SEC s website at www.sec.gov. Additional factors may be set forth in those sections of Vanda s annual report on Form 10-K for the year ended December 31, 2018, to be filed with the SEC in the first quarter of 2019. In addition to the risks described above and in Vanda s annual report on Form 10-K and quarterly reports on Form 10-Q, current reports on Form 8-K and other filings with the SEC, other unknown or unpredictable factors also could affect Vanda s results. There can be no assurance that the actual results or developments anticipated by Vanda will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Vanda. Therefore, no assurance can be given that the outcomes stated in such forward-looking statements and estimates will be achieved.

All written and verbal forward-looking statements attributable to Vanda or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to herein. Vanda cautions investors not to rely too heavily on the forward-looking statements Vanda makes or that are made on its behalf. The information conveyed on the conference call will be provided only as of the date of the call, and Vanda undertakes no obligation, and specifically declines any obligation, to update or revise publicly any forward-looking statements made during the call after the date thereof, whether as a result of new information, future events or otherwise.

The information in Item 2.02 of this current report on Form 8-K and the Exhibit attached hereto shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

**Exhibit
No.**

Description

99.1 Press release of Vanda Pharmaceuticals Inc. dated February 13, 2019.

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.

Dated: February 13, 2019

VANDA PHARMACEUTICALS INC.

By: /s/ Timothy Williams

Name: Timothy Williams

Title: Senior Vice President, General Counsel and

Secretary

t that is issued under the Revolving Credit Facility at the rate that is one-half of the rate then used to compute fees for standby letters of credit under the Revolving Credit Facility. In addition, the Borrowers pay an unused commitment fee of 0.25% per annum on the average daily unused amount of the Revolving Credit Facility during the most recently completed calendar quarter. Interest on Base Rate loans and all letter of credit fees are payable quarterly and interest on each LIBOR Rate loan is payable at the end of the loan's interest period (but not less frequently than quarterly). The Borrowers also will pay a fronting fee for each letter of credit issued under the Revolving Credit Facility at a rate to be mutually agreed by the Borrowers and the letter of credit issuer (but not to exceed 0.125% per annum). If any of certain specified events of default exists under the Credit Agreement, the rates used to compute interest on loans and fees for letters of credit shall be increased by two percentage points (2.00%). If any other event of default exists under the Credit Agreement, the Agent may (or, if directed by the Required Lenders, the Agent shall) increase the rates used to compute interest on loans and fees for letters of credit by two percentage points (2.00%).

The Credit Agreement contains a financial covenant to maintain a fixed charge coverage ratio of at least 1.0 to 1.0, calculated quarterly on a trailing four quarters basis, that becomes effective only when specified availability under the Revolving Credit Facility falls below the greater of \$17.5 million or 10% of the Combined Loan Cap (as defined in the Credit Agreement). The Credit Agreement also contains a number of customary covenants that, among other things, grant certain inspection rights to the Bank and limit or restrict the Company's cash management and the ability of the Company and its subsidiaries to incur additional liens; make acquisitions or investments; incur additional indebtedness; engage in mergers, consolidations, liquidations, dissolutions or dispositions; pay dividends or other restricted payments; prepay certain indebtedness; engage in transactions with affiliates; and use proceeds. The Credit Agreement contains customary events of default. If an event of default occurs, the lenders are entitled to accelerate the advances made thereunder and exercise rights against the collateral.

As of March 29, 2019, a total of \$44,590,000 of loans and letters of credit were outstanding under the Revolving Credit Facility and \$25 million was outstanding under the FILO Term Loan.

The Lenders perform normal banking (including as lenders under other facilities) and investment banking and advisory services from time to time for the Company and its affiliates, for which they receive customary fees and expenses.

The foregoing description of the Credit Agreement is qualified in its entirety by reference to the full text of the Credit Agreement, which has been filed with this Current Report on Form 8-K as Exhibit 10.1 and is incorporated herein by reference.

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

See Item 1.01 above, the content of which is incorporated herein by reference.

Item 9.01

Financial Statements and Exhibits.

(d) Exhibits.

EXHIBIT DESCRIPTION

10.1 Fourth Amended and Restated Credit Agreement, dated as of March 29, 2019, among Lumber Liquidators Holdings, Inc. and its domestic subsidiaries, including Lumber Liquidators, Inc. and Lumber Liquidators Services, LLC (collectively, the “Borrowers”), Bank of America, N.A. as administrative agent and collateral agent, and Bank of America, N.A. and Wells Fargo Bank, National Association, as Lenders.*

* Pursuant to Release No. 33-10618, the Registrant has omitted the schedules and exhibits to this Agreement because such schedules and exhibits are not material. If requested by the Commission or its Staff, the Registrant will provide an unredacted copy of this Exhibit on a supplemental basis.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 29, 2019

**LUMBER LIQUIDATORS HOLDINGS,
INC.**

By: /s/ M. Lee Reeves
M. Lee Reeves
Chief Legal Officer and Corporate Secretary

EXHIBIT INDEX

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