

Alliance HealthCare Services, Inc
Form 8-K
June 23, 2015

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 19, 2015

ALLIANCE HEALTHCARE SERVICES, INC.

(Exact Name of Registrant as Specified in Charter)

DELAWARE
(State or Other Jurisdiction

of Incorporation)

1-16609
(Commission

File Number)
100 Bayview Circle, Suite 400

33-0239910
(I.R.S. Employer

Identification No.)

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Newport Beach, CA 92660

(Address of principal executive offices, including zip code)

(949) 242-5300

(Registrant's telephone number, including area code)

Not Applicable

(Former address of principal executive offices)

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 (see General Instruction A.2. below):

- .. 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))

Item 1.01: Entry Into a Material Definitive Agreement.

On June 19, 2015, Alliance HealthCare Services, Inc. (the Company, we, or our) entered into a second amendment to its existing senior secured credit facility with Credit Suisse AG, Cayman Islands Branch, as administrative agent, and the other lenders party thereto in order to obtain an incremental \$30 million term loan that will be used to pay down all borrowings under its revolving credit facility, to pay fees and expenses related to the incremental term loan, and expects to use the remaining proceeds for general corporate purposes.

The incremental term loan closed and funded on Friday, June 19th. The incremental term loan funded at 99.5% of principal amount and will mature on the same date as the existing term loans in June 2019. The incremental term loan was converted to match all the terms of existing term loans. Interest on the incremental term loan is calculated, at the Company's option, at a base rate plus a 2.25% margin or LIBOR plus a 3.25% margin, subject to a 1.00% LIBOR floor.

The quarterly amortization payments of the term loans increased to \$1.3 million from the current amount of \$1.225 million.

The Company's obligations under the incremental term loan will be guaranteed by substantially all of our direct and indirect domestic subsidiaries. The obligations under the incremental term loan and the guarantees are secured by a lien on substantially all of our tangible and intangible property, and by a pledge of all of the shares of stock and limited liability company interests of our direct and indirect domestic subsidiaries, of which we now own or later acquire more than a 50% interest, subject to limited exceptions.

This Current Report on Form 8-K contains forward-looking statements relating to future events, including statements related to the anticipated use of the proceeds from the incremental term loan. In this context, forward-looking statements often address the Company's expected future business and financial results and often contain words such as expects, anticipates, intends, plans, believes, seeks or will. Forward-looking statements by their nature address uncertainties and risks. Such uncertainties and risks include: changes in the preliminary financial results and estimates due to the restatement or review of the Company's financial statements; the nature, timing and amount of any restatement or other adjustments; the Company's ability to make timely filings of its required periodic reports under the Securities Exchange Act of 1934; issues relating to the Company's ability to maintain effective internal control over financial reporting and disclosure controls and procedures; the Company's high degree of leverage and its ability to service its debt; factors affecting the Company's leverage, including interest rates; the risk that the counterparties to the Company's interest rate swap agreements fail to satisfy their obligations under these agreements; the Company's ability to obtain financing; the effect of operating and financial restrictions in the Company's debt instruments; the accuracy of the Company's estimates regarding its capital requirements; the effect of intense levels of competition in the Company's industry; changes in the methods of third party reimbursements for diagnostic imaging and radiation oncology services; fluctuations or unpredictability of the Company's revenues, including as a result of seasonality; changes in the healthcare regulatory environment; the Company's ability to keep pace with technological developments within its industry; the growth or lack thereof in the market for imaging, radiation oncology and other services; the disruptive effect of hurricanes and other natural disasters; adverse changes in general domestic and worldwide economic conditions and instability and disruption of credit markets; difficulties the Company may face in connection with recent, pending or future acquisitions, including unexpected costs or liabilities resulting from the acquisitions, diversion of management's attention from the operation of the Company's business, and risks associated with integration of the acquisitions; and other risks and uncertainties identified in the Risk Factors section of the Company's Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission (the SEC), as may be modified or supplemented by our subsequent filings with the SEC. These uncertainties may cause actual future results or outcomes to differ materially from those expressed in the Company's forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company does not undertake to update its forward-looking statements except as required under the federal securities laws.

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

The information contained in Item 1.01 of this Current Report is incorporated herein by reference.

Item 9.01: Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Description
10.1	Amendment No. 2 to Credit Agreement, dated as of June 19, 2015, by and among Alliance HealthCare Services, Inc., Credit Suisse AG, Cayman Islands Branch, as administrative agent and the lenders party thereto
10.2	Incremental Term Loan Commitment Agreement dated as of June 19, 2015, by and among the Company, Credit Suisse AG, Cayman Islands Branch, as administrative agent and other lenders party thereto.

SIGNATURE

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: June 23, 2015

/s/ Howard K. Aihara

Name: Howard K. Aihara

Title: Executive Vice President and Chief
Financial Officer

Exhibit Index

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