

Globalstar, Inc.
Form 8-K
December 20, 2018

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): December 20, 2018 (December 19, 2018)

GLOBALSTAR, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation) 001-33117 41-2116508
(Commission (IRS Employer
File Number) Identification No.)

300 Holiday Square Blvd. Covington, LA 70433
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (985) 335-1500

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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.

Offering of Common Stock

On December 19, 2018, Globalstar, Inc. (“Globalstar,” “we” or “us”) entered into an underwriting agreement (the “Underwriting Agreement”) with Cantor Fitzgerald & Co., as the sole book-running manager, relating to the sale of 171,428,571 shares of voting common stock, par value \$0.0001 per share (the “Common Stock”), at a public offering price of \$0.35 per share. Under the terms of the Underwriting Agreement, we granted the underwriter a 30-day option to purchase an additional 25,714,285 shares of Common Stock. The Underwriting Agreement contains customary representations, warranties and conditions to closing.

The Company will receive approximately \$58.9 million in net proceeds from the sale of the Common Stock. Eighty percent of the net proceeds of the offering will be deposited in a restricted account that may only be used to pay debt service obligations. Globalstar expects that this amount, together with cash on hand, will be used to fund the principal and interest payment due in December 2018 under its Facility Agreement; the remainder will be used for general corporate purposes. The Company also expects the proceeds to qualify as an Equity Cure Contribution, allowing us to remain in compliance with the covenants under our Facility Agreement as of December 31, 2018.

The foregoing description of the Underwriting Agreement is qualified in its entirety by reference to the Underwriting Agreement, which is attached hereto as Exhibit 1.1 and is incorporated herein by reference .

A copy of the opinion of Taft Stettinius & Hollister LLP relating to the validity of the issuance and sale of the shares of Common Stock pursuant to the Underwriting Agreement is also filed herewith as Exhibit 5.1.

Item 7.01 Regulation FD Disclosure.

On December 19, 2018, Globalstar issued a press release announcing it had priced the offering of Common Stock described in Item 1.01. The press release is furnished as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

- 1.1 Underwriting Agreement for voting Common Stock dated as of December 19, 2018 by and among Globalstar, Inc. and Cantor Fitzgerald & Co., as sole book-running manager
 - 5.1 Opinion of Taft Stettinius & Hollister LLP
 - 23.1 Consent of Taft Stettinius & Hollister LLP (included in Exhibit 5.1)
 - 99.1 Press Release dated December 19, 2018
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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.

GLOBALSTAR, INC.

/s/ Rebecca S. Clary
Rebecca S. Clary
Vice President and Chief Financial Officer

Date: December 20, 2018