

**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): November 27, 2019 (November 26, 2019)

GLOBALSTAR, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-33117
(Commission
File Number)

41-2116508
(IRS Employer
Identification No.)

1351 Holiday Square Blvd. Covington, LA
(Address of Principal Executive Offices)

70433
(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.

On November 26, 2019, the Company entered into (i) a Fourth Global Amendment and Restatement Agreement (the "2019 GARA") amending and restating the terms of its existing facility agreement with a syndicate of lenders and BNP Paribas as security agent (the "Facility Agreement") and (ii) a new \$199.0 million second lien term loan facility (the "Second Lien Term Loan Facility") with Thermo, the controlling shareholder of Globalstar, EchoStar Corporation, a premier global provider of satellite communication solutions, and certain other unaffiliated lenders. The Second Lien Term Loan Facility is scheduled to mature in November 2025. A portion of the proceeds from the Second Lien Term Loan Facility will be used to pay all the Company's \$66.0 million of outstanding obligations under the Subordinated Loan Agreement entered into in June 2019. The remaining proceeds of the Second Lien Term Loan Facility will be used towards the prepayment of scheduled principal payments under the Facility Agreement as described below. The loans under the Second Lien Term Loan Facility bear interest at a blended rate of 13.5% per annum to be paid-in-kind (or in cash at the option of the Company, subject to restrictions in the Facility Agreement) and warrants to purchase up to 7% of the Company's outstanding shares of Voting Stock on a fully diluted basis.

The 2019 GARA provides primarily for the following:

- The prepayment of \$151.6 million of outstanding principal, paying in full the next three scheduled principal payments and a portion of the fourth scheduled principal payment using proceeds from the Second Lien Term Loan Facility, together with cash on hand and proceeds from the reduction of the Debt Service Reserve Account;
- A \$10.0 million reduction to the required balance in the Debt Service Reserve Account, which will remain at approximately \$51.0 million through the maturity date;
- Revisions to the remaining repayment schedule to reduce the amount of scheduled principal payments prior to maturity, leaving a final scheduled principal payment upon maturity of \$109.5 million;
- A requirement that the Company raise no less than \$45.0 million of equity prior to March 31, 2021 via the cash exercise of outstanding warrants or other equity to be applied towards the principal payment due on June 30, 2021 and then, if applicable, to the next scheduled principal payments;
- A reset of financial covenant levels based on the Company's 2019 business plan agreed with the lenders under the Facility Agreement;
- An extension of the Company's ability to make Equity Cure Contributions to prevent certain financial covenant defaults through the maturity date; and
- Amendment fees of \$0.7 million were due upon signing of the 2019 GARA.

Additionally, in connection with this refinancing, Thermo agreed to voluntarily convert all of the Company's outstanding obligations under its existing 2009 loan agreement to Voting Stock at a conversion price of \$0.69 per share in early 2020.

The description of the terms and conditions of the Facility Agreement, the Second Lien Term Loan Facility and the 2019 GARA does not purport to be complete and is qualified in its entirety by the full text of the Facility Agreement, the Second Lien Term Loan Facility and the 2019 GARA, which the Company expects to file as exhibits to its Annual Report on Form 10-K for year ended December 31, 2019.

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

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated into this Item 2.03 by reference.

Item 7.01 Regulation FD Disclosure

On November 26, 2019, Globalstar issued a press release announcing the refinancing described in Items 1.01 and 2.03. The press release is furnished as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

- (d) Exhibits:
- 99.1 [Press Release dated November 26, 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.

GLOBALSTAR, INC.

/s/ David B. Kagan

David B. Kagan

Chief Executive Officer

Date: November 27, 2019



GLOBALSTAR EXECUTES REFINANCING WITH FRENCH LENDER CONSORTIUM AND NEW SECOND LIEN CREDIT FACILITY

Covington, LA, November 26, 2019 - Globalstar, Inc. (NYSE American: GSAT) announced today that it has successfully refinanced its capital structure by executing an amendment of its existing senior secured credit facility ("Senior Facility") and raising a new six-year second lien term loan facility ("Second Lien Facility") led by Thermo, the controlling shareholder in Globalstar, and EchoStar Corporation, a premier global provider of satellite communication solutions.

The proceeds from the \$199 million Second Lien Facility, which matures in November 2025, will be used towards the prepayment of scheduled Senior Facility principal payments in the amount of \$152 million as well as to pay off the \$66 million bridge facility raised in June 2019. The loans under the Second Lien Facility bear payment-in-kind interest at a blended annual rate of 13.5%, and the Second Lien Facility lenders received warrants to purchase 7% of the Company's outstanding shares on a fully diluted basis. The amended terms of the Senior Facility include primarily (i) revisions to the remaining repayment schedule to reduce the amount of principal payments required prior to maturity from \$300 million to \$85 million, leaving a final principal balance of approximately \$59 million (net of the debt service reserve account) due on December 31, 2022, and (ii) a reset of financial covenant levels together with an extension of our ability to make equity cures through maturity. In connection with this refinancing, Thermo agreed to voluntarily convert its 2009 subordinated loan to equity at \$0.69 per share in early 2020.

Jay Monroe, Executive Chairman of Globalstar, said "This is a great day for Globalstar, all of our shareholders, and existing and new lenders. The transaction significantly improves our balance sheet, provides us with runway, keeps the favorable pricing of our existing credit facility in place and enhances our relationship with EchoStar, one of the most respected satellite and telecommunications companies in the world. We spent a considerable amount of time this year selecting the solution that we believe is best for the Company and our shareholders and are thankful to all participating parties who worked together to complete this financing."

Mike Dugan, CEO and President of EchoStar, said "We believe Globalstar's refinancing and the Second Lien Facility positions the Company to realize the upside from their collection of spectrum and satellite assets. With Globalstar, we see a satellite business that should experience renewed growth in a connected IoT world combined with a worldwide multi-band spectrum position. EchoStar continues to invest in S-band spectrum assets across the globe and we see potential opportunities to collaborate with Globalstar in S-band development."

Pradman Kaul, President of Hughes Network Systems, LLC, added "Globalstar and EchoStar, through its Hughes business, have worked together for more than a dozen years. Hughes designed and developed the second-generation ground network system for Globalstar and we look forward to exploring ways we can work together to continue meeting the growing demands for connectivity across all of our market segments."

The Company will conduct an investor conference call on Monday, December 2, 2019 at 8:30 a.m. ET to discuss this refinancing.

Conference Call Details

Conference Call:

8:30 a.m. ET

Investors and the media are encouraged to listen to the call through the Investor Relations section of the Company's website at www.globalstar.com/corporate. If you would like to participate in the live question and answer session following the Company's conference call, please dial 1 (888) 771-4371 (US and Canada), 1 (847) 585-4405 (International) and use the participant pass code 49233124.

Audio Replay:

A replay of the conference call will be available for a limited time and can be heard after 11:00 a.m. ET on December 2, 2019. Dial: 1 (888) 843-7419 (US and Canada), 1 (630) 652-3042 (International) and pass code 4923 3124#.

About Globalstar

Globalstar is a leading provider of customizable Satellite IoT Solutions for customers around the world in industries such as oil and gas, transportation, emergency management, government, maritime and outdoor recreation. A pioneer of mobile satellite voice and data services, Globalstar allows businesses to streamline operations by connecting people to their devices, supplying personal safety and communication, and automating data to more easily monitor and manage mobile assets via the Globalstar Satellite Network. The Company's Commercial IoT product portfolio includes the industry-acclaimed SmartOne™ asset tracking products, Simplex satellite transmitters and the SPOT® product line of personal safety, asset and communication devices, all supported on SPOT My Globalstar, a robust cloud-based back office solution. Completing the satellite product suite are Duplex satellite data modems, the innovative Sat-Fi2® satellite Wi-Fi hotspot and the Sat-Fi2® Remote Antenna Station, with all product solutions offering a variety of data service plans. Learn more at Globalstar.com

Note that all SPOT products described in this press release are the products of SPOT LLC, which is not affiliated in any manner with Spot Image of Toulouse, France or Spot Image Corporation of Chantilly, Virginia.

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Safe Harbor Language for Globalstar Releases

This press release contains certain statements that are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Forward-looking statements, such as the statements regarding our expectations with respect to the close of a financing arrangement, the pursuit of terrestrial spectrum authorities globally, future increases in our revenue and profitability and other statements contained in this release regarding matters that are not historical facts, involve predictions. Any forward-looking statements made in this press release are believed to be accurate as of the date made and are not guarantees of future performance. Actual results or developments may differ materially from the expectations expressed or implied in the forward-looking statements, and we undertake no obligation to update any such statements. Additional information on factors that could influence our financial results is included in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.