

GOODYEAR TIRE & RUBBER CO /OH/
Form 8-K
October 02, 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): September 28, 2018

THE GOODYEAR TIRE & RUBBER COMPANY
(Exact name of registrant as specified in its charter)

Ohio
(State or other jurisdiction

of incorporation)

1-1927
(Commission

File Number)

34-0253240
(I.R.S. Employer

Identification No.)

200 Innovation Way, Akron, Ohio
(Address of principal executive offices)

44316-0001
(Zip Code)

Registrant's telephone number, including area code: (330) 796-2121

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

Effective on September 28, 2018, Goodyear Dunlop Tires Europe B.V. (GDTE) and certain other European subsidiaries of The Goodyear Tire & Rubber Company (the Company) amended and restated the definitive agreements for the Company's pan-European accounts receivable securitization facility (the Facility), extending the term through 2023. The Facility provides the flexibility to designate annually the maximum amount of funding available under the Facility in an amount of not less than 30 million and not more than 450 million. For the period from October 18, 2018 to October 17, 2019, the designated maximum amount of the Facility will be 320 million.

The Facility involves the ongoing daily sale of substantially all of the trade accounts receivable of certain subsidiaries of GDTE. These subsidiaries retain servicing responsibilities. Utilization under the Facility is based on eligible receivable balances.

The funding commitments under the Facility will expire upon the earliest to occur of: (a) September 26, 2023, (b) the non-renewal and expiration (without substitution) of all of the back-up liquidity commitments, (c) the early termination of the Facility according to its terms (generally upon an Early Amortisation Event (as defined in the Facility), which includes, among other things, events similar to the events of default under the Company's senior secured credit facilities; certain tax law changes; or certain changes to law, regulation or accounting standards), or (d) our request for early termination of the Facility. The Facility is subject to the customary renewal of its back-up liquidity commitments, which expire on October 17, 2019.

The Facility has customary representations, warranties, covenants and Early Amortisation Events. In addition, it is an Early Amortisation Event under the Facility if GDTE's ratio of Consolidated Net J.V. Indebtedness to Consolidated European J.V. EBITDA for a period of four consecutive fiscal quarters is greater than 3.00 to 1.00 at the end of any fiscal quarter. This financial covenant is substantially similar to the covenant included in the Company's European Revolving Credit Agreement, as amended and restated on May 12, 2015.

Credit Agricole Corporate and Investment Bank and Natixis are the joint lead arrangers for the Facility. Currently, there are back-up liquidity commitments from Credit Agricole Corporate and Investment Bank and Natixis, and/or their respective conduits, to support 320 million of funding. Credit Agricole Corporate and Investment Bank and Natixis, and certain of their respective affiliates, have from time to time performed, and may in the future perform, banking, financial advisory and investment banking services for the Company and its affiliates.

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.

THE GOODYEAR TIRE & RUBBER COMPANY

Date: October 2, 2018

By /s/ Darren R. Wells
Name: Darren R. Wells
Title: Executive Vice President and Chief Financial Officer