

BLACKBAUD INC
Form 8-K
August 10, 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): August 10, 2015

Blackbaud, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)
000-50600
(Commission File Number)

11-2617163
(IRS Employer ID Number)

2000 Daniel Island Drive, Charleston, South Carolina
(Address of principal executive offices)

29492
(Zip Code)

Registrant's telephone number, including area code: (843) 216-6200

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))
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Item 1.01. Entry into a Material Definitive Agreement.

On August 10, 2015, Blackbaud, Inc., a Delaware corporation (the “Company”), entered into a Unit Purchase Agreement (the “Purchase Agreement”) with Smart Tuition Holdings, LLC, a Delaware limited liability company (“Seller”). Pursuant to the terms and conditions of the Purchase Agreement, the Company will acquire from Seller, and Seller will sell to the Company, all of the outstanding units of Smart, LLC, a Delaware limited liability company (“Smart Tuition”), on the closing date (the “Closing”). The acquisition and other transactions contemplated in the Purchase Agreement are expected to close within ninety days, subject to the satisfaction of certain closing conditions as set forth in the Purchase Agreement, including the expiration or termination of the applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended.

The aggregate purchase price payable to Seller at Closing is \$190.0 million in cash, subject to adjustment up or down to reflect the difference between estimated working capital at Closing and a target working capital. Seller has agreed to place a portion of the purchase price due to Seller in escrow in connection with its indemnity obligations under the Purchase Agreement and for customary post-closing adjustments, if any, to the purchase price with respect to final determinations of, among other amounts, Closing working capital and Closing cash amounts.

The Purchase Agreement contains customary representations, warranties and covenants of the Company and Seller. From the date of the Purchase Agreement until the Closing, Smart Tuition is required to conduct its business in the ordinary course consistent with past practice and to comply with certain covenants regarding the operation of its business. Subject to certain limitations, the Company will be indemnified for damages resulting from breaches of Seller’s representations, warranties and covenants made in the Purchase Agreement, and certain other matters.

The Purchase Agreement provides for certain termination rights of the Company and Seller including termination by the Company or Seller if the Closing has not been consummated on or before the date that is ninety days after the date of the Purchase Agreement, subject to certain conditions.

The foregoing description of the Purchase Agreement is only a summary, does not purport to be complete and is qualified in its entirety by reference to the complete text of the Purchase Agreement, a copy of which will be filed as an exhibit to the Company’s quarterly report on Form 10-Q for the quarter ending September 30, 2015.

Item 8.01. Other Events.

On August 10, 2015, the Company issued a press release announcing its entry into the Purchase Agreement. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are filed with this current report:

| Exhibit No. | Description |
|-------------|-------------|
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| 99.1 | Press release of Blackbaud, Inc. dated August 10, 2015. |
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Forward-Looking Statements

This Current Report on Form 8-K contains “forward-looking statements” regarding the acquisition of Smart Tuition by the Company and related transactions that are not historical or current facts and deal with potential future circumstances or developments, in particular regarding whether and when the transactions contemplated by the Purchase Agreement will be consummated. These forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change any of them, and actual outcomes and results could differ materially. Risks and uncertainties that could affect these forward-looking statements include: satisfaction of the conditions to closing of the acquisition, together with the risk factors and uncertainties that affect the Company’s business, particularly those identified in the Company’s Annual Reports on Form 10-K and other filings with the U.S. Securities and Exchange Commission. Except as might be required by law, the Company disclaims any obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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.

Blackbaud, Inc.

Date: August 10, 2015

/s/ Michael P. Gianoni
Michael P. Gianoni
President and Chief Executive Officer
(Principal Executive Officer)