

SPRINT Corp
Form 425
April 30, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 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): **April 30, 2018 (April 27, 2018)**

T-MOBILE US, INC.

(Exact Name of Registrant as Specified in Charter)

DELAWARE
(State or other jurisdiction
of incorporation or organization)

1-33409
(Commission File Number)

20-0836269
(I.R.S. Employer
Identification No.)

12920 SE 38th Street

Edgar Filing: SPRINT Corp - Form 425

Bellevue, Washington
(Address of principal executive offices)

98006-1350
(Zip Code)

Registrant's telephone number, including area code: **(425) 378-4000**

(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 (see General Instructions 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))

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.

Business Combination Agreement

On April 29, 2018, T-Mobile US, Inc. (*T-Mobile*) entered into a Business Combination Agreement (the *Business Combination Agreement*) with Sprint Corporation, a Delaware corporation (*Sprint*), Huron Merger Sub LLC, a Delaware limited liability company and a wholly owned subsidiary of T-Mobile (*T-Mobile Merger Company*), Superior Merger Sub Corporation, a Delaware corporation and a wholly owned subsidiary of T-Mobile Merger Company (*Merger Sub*), Starburst I, Inc., a Delaware corporation (*Starburst*), Galaxy Investment Holdings, Inc., a Delaware corporation (*Galaxy*, and together with Starburst, the *SoftBank US HoldCos*), and for the limited purposes set forth therein, Deutsche Telekom AG, an *Aktiengesellschaft* organized and existing under the laws of the Federal Republic of Germany (*Deutsche Telekom*), Deutsche Telekom Holding B.V., a *besloten vennootschap met beperkte aansprakelijkheid* organized and existing under the laws of the Netherlands (*DT Holding*), and SoftBank Group Corp., a Japanese *kabushiki kaisha* (*SoftBank*).

Pursuant to the Business Combination Agreement and upon the terms and subject to the conditions described therein, the SoftBank US HoldCos will merge with and into T-Mobile Merger Company, with T-Mobile Merger Company continuing as the surviving entity and as a wholly owned subsidiary of T-Mobile (the *HoldCo Mergers*). Immediately following the HoldCo Mergers, Merger Sub will merge with and into Sprint, with Sprint continuing as the surviving corporation and as a wholly owned indirect subsidiary of T-Mobile (the *Merger* and, together with the HoldCo Mergers, the *Merger Transactions*). Pursuant to the Business Combination Agreement, (i) at the effective time of the HoldCo Mergers, all the issued and outstanding shares of common stock of Galaxy, par value \$0.01 per share, and all the issued and outstanding shares of common stock of Starburst, par value \$0.01 per share, held by SoftBank Group Capital Limited, a private limited company incorporated in England and Wales and a wholly owned subsidiary of SoftBank and the sole stockholder of Galaxy and Starburst (*SoftBank UK*), will be converted such that SoftBank UK will receive an aggregate number of shares of common stock of T-Mobile, par value \$0.00001 per share (the *T-Mobile Common Stock*), equal to the product of (x) 0.10256 (the *Exchange Ratio*) and (y) the aggregate number of shares of common stock of Sprint, par value \$0.01 per share (*Sprint Common Stock*), held by the SoftBank US HoldCos, collectively, immediately prior to the effective time of the HoldCo Mergers, and (ii) at the effective time of the Merger, each share of Sprint Common Stock issued and outstanding immediately prior to the effective time of the Merger (other than shares of Sprint Common Stock that were held by the SoftBank US HoldCos or are held by Sprint as treasury stock) will be converted into the right to receive a number of shares of T-Mobile Common Stock equal to the Exchange Ratio. SoftBank and its affiliates will receive the same amount of T-Mobile Common Stock per share of Sprint Common Stock as all other Sprint stockholders.

Immediately following the Merger Transactions, Deutsche Telekom and SoftBank are expected to hold approximately 42% and 27% of the fully diluted shares of T-Mobile Common Stock, respectively, with the remaining approximately 31% of the fully diluted shares of T-Mobile Common Stock held by public stockholders.

Pursuant to the Business Combination Agreement and upon the terms and subject to the conditions described therein, in connection with the Merger, each option to purchase Sprint Common Stock (other than under the Sprint Employees Stock Purchase Plan) will be converted into an option to purchase T-Mobile Common Stock; each time-based restricted stock unit award covering Sprint Common Stock will be converted into a time-based restricted stock unit award covering T-Mobile Common Stock; with respect to each performance stock unit award covering Sprint Common Stock (a *PSU Award*) for which performance is measured using the volume-weighted average price of Sprint Common Stock (the *VWAP*), for the portion of such PSU Award subject to performance-based vesting, the VWAP will be deemed equal to the greatest of (x) the VWAP over the five (5) consecutive trading day period ending with the second complete trading day prior to the effective time of the Merger, (y) the VWAP over any 150 calendar day period as specified in the applicable award agreement as of the effective time of the Merger, and (z) the VWAP corresponding to *target* level performance for such PSU Award, and the entire portion of such PSU Award will be converted into a time-based restricted stock unit award covering T-Mobile Common Stock; with respect to each PSU Award for which performance is not measured using the VWAP, for the portion of any such PSU Award subject to performance-based vesting, performance will be deemed met at *target* levels, and the entire portion of such PSU Award will be converted into a time-based restricted stock unit award covering T-Mobile

Edgar Filing: SPRINT Corp - Form 425

Common Stock; and the purchase period underway under the Sprint Employees Stock Purchase Plan will terminate and each outstanding purchase right thereunder will be exercised.

The consummation of the Merger Transactions and the other transactions contemplated by the Business Combination Agreement (collectively, the Transactions) is subject to obtaining the consent of the holders of a majority of the outstanding shares of Sprint Common Stock in favor of the adoption of the Business Combination Agreement (the Sprint Stockholder Approval). Subsequent to the execution of the Business Combination Agreement, SoftBank entered into a support agreement (the SoftBank Support Agreement), pursuant to which it has agreed to cause SoftBank UK, Galaxy and Starburst to deliver a written consent in favor of the adoption of the Business Combination Agreement, which will constitute receipt by Sprint of the Sprint Stockholder Approval. As of April 25, 2018, SoftBank beneficially owned approximately 84.8% of Sprint Common

Stock outstanding. Under the terms of the SoftBank Support Agreement, SoftBank and its affiliates are generally prohibited from transferring ownership of Sprint Common Stock prior to the earlier of the consummation of the Merger and the termination of the Business Combination Agreement in accordance with its terms. The consummation of the Transactions is also subject to obtaining the consent of the holders of a majority of the outstanding shares of T-Mobile Common Stock in favor of the issuance of T-Mobile Common Stock in the Merger Transactions (the T-Mobile Stock Issuance Approval) and in favor of the amendment and restatement of T-Mobile's Certificate of Incorporation in its entirety in the form attached as Exhibit A to the Business Combination Agreement (the T-Mobile Charter Amendment) (collectively, the T-Mobile Stockholder Approval). Subsequent to the execution of the Business Combination Agreement, Deutsche Telekom entered into a support agreement (the Deutsche Telekom Support Agreement), pursuant to which it has agreed to deliver a written consent in favor of the T-Mobile Stock Issuance Approval and the T-Mobile Charter Amendment, which will constitute receipt by T-Mobile of the T-Mobile Stockholder Approval. As of April 25, 2018, Deutsche Telekom beneficially owned approximately 63.5% of the T-Mobile Common Stock outstanding. Under the terms of the Deutsche Telekom Support Agreement, Deutsche Telekom and its affiliates are generally prohibited from transferring ownership of T-Mobile Common Stock prior to the earlier of the consummation of the Merger and the termination of the Business Combination Agreement in accordance with its terms.

The consummation of the Transactions is also subject to the satisfaction or waiver, if legally permitted, of certain other conditions, including, among other things, (i) the accuracy of representations and warranties and performance of covenants of the parties, (ii) the effectiveness of the registration statement for the shares of T-Mobile Common Stock to be issued in the Merger Transactions, and the approval of the listing of such shares on the NASDAQ Global Select Market (NASDAQ), (iii) receipt of certain regulatory approvals, including approvals of the Federal Communications Commission, applicable state public utility commissions and expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and favorable completion of review by the Committee on Foreign Investments in the United States, (iv) specified minimum credit ratings for T-Mobile on the closing date of the Merger Transactions (after giving effect to the Merger) from at least two of the three credit rating agencies, subject to certain qualifications, and (v) no material adverse effect with respect to Sprint or T-Mobile since the date of the Business Combination Agreement.

The Business Combination Agreement contains representations and warranties and covenants customary for a transaction of this nature. Sprint and SoftBank, and T-Mobile and Deutsche Telekom, are each subject to restrictions on their ability to solicit alternative acquisition proposals and to provide information to, and engage in discussion with, third parties regarding such proposals, except under limited circumstances to permit Sprint's and T-Mobile's boards of directors to comply with their respective fiduciary duties. Subject to certain exceptions, each of the parties has agreed to use its reasonable best efforts to take or cause to be taken actions necessary to consummate the Transactions, including with respect to obtaining required government approvals. The Business Combination Agreement also contains certain termination rights for both Sprint and T-Mobile. In the event that T-Mobile terminates the Business Combination Agreement in connection with a failure to satisfy the closing condition related to the specified minimum credit ratings noted above, then in certain circumstances, T-Mobile may be required to pay Sprint \$600 million.

In accordance with the Business Combination Agreement, upon consummation of the Transactions, the T-Mobile board of directors will consist of fourteen members, comprising nine directors designated by Deutsche Telekom (of which nine directors, at least two will be independent directors under the listing standards of NASDAQ), four directors designated by SoftBank (of which four directors, at least two will be independent directors under the listing standards of NASDAQ), and T-Mobile's chief executive officer. Pursuant to the terms of the Business Combination Agreement, T-Mobile, SoftBank and Deutsche Telekom will also enter into an amended and restated stockholders' agreement (the Stockholders Agreement), a form of which is attached as Exhibit E to the Business Combination Agreement, which will become effective upon the closing of the Transactions, and which will govern, among other things, the composition of T-Mobile's board of directors following the closing of the Transactions. The Stockholders Agreement will also set forth certain consent rights for each of SoftBank and Deutsche Telekom over certain material transactions of T-Mobile and will contain a non-compete which will apply to SoftBank, Deutsche Telekom and their respective affiliates, subject to certain exceptions, until such time as SoftBank's or Deutsche Telekom's ownership in T-Mobile has been reduced below an agreed threshold.

In addition, pursuant to the terms of the Business Combination Agreement, SoftBank and Deutsche Telekom will enter into a proxy, lock-up and right of first refusal agreement (the PLR Agreement), a form of which is attached as Exhibit F to the Business Combination Agreement, which will become effective upon the closing of the Transactions, and which will set forth certain rights and obligations in respect to the shares of

Edgar Filing: SPRINT Corp - Form 425

T-Mobile Common Stock owned by each of SoftBank, Deutsche Telekom and their respective affiliates to enable Deutsche Telekom to consolidate T-Mobile into Deutsche Telekom's financial statements following the consummation of the Transactions. Among other terms, these rights and obligations will require SoftBank to agree to vote its shares of T-Mobile Common Stock as directed by Deutsche Telekom and will restrict SoftBank from transferring its shares of T-Mobile Common Stock in a manner that would prevent Deutsche Telekom from consolidating T-Mobile into Deutsche Telekom's financial statements following the consummation of the Transactions, subject in each case to certain exceptions set forth in the PLR Agreement. In addition, the PLR Agreement will impose certain restrictions on

SoftBank's and Deutsche Telekom's ability to transfer their shares of T-Mobile Common Stock in the four year period following the closing of the Transactions and will provide each of SoftBank and Deutsche Telekom with a right of first refusal with respect to proposed transfers of shares of T-Mobile Common Stock by the other party, subject in each case to certain exceptions and limitations set forth in the PLR Agreement. As a result of the PLR Agreement, T-Mobile is expected to continue to be a "Controlled Company" for purposes of NASDAQ rules following consummation of the Merger, which provides T-Mobile with exemptions from certain corporate governance requirements under the NASDAQ rules.

The foregoing description of the Business Combination Agreement, the Deutsche Telekom Support Agreement, the SoftBank Support Agreement, the Stockholders Agreement and the PLR Agreement is not complete and is qualified in its entirety by reference to the Business Combination Agreement, which is filed as Exhibit 2.1 hereto, the form of Deutsche Telekom Support Agreement attached as Exhibit C to the Business Combination Agreement, the SoftBank Support Agreement, which is filed as Exhibit 10.1 hereto, the form of Stockholders Agreement attached as Exhibit E to the Business Combination Agreement, and the form of PLR Agreement attached as Exhibit F to the Business Combination Agreement, each of which is incorporated herein by reference.

Important Statement regarding the Business Combination Agreement. The Business Combination Agreement has been included to provide investors with information regarding terms of the Transactions. It is not intended to provide any other factual information about T-Mobile, Sprint or their respective subsidiaries or affiliates. The representations, warranties, and covenants contained in the Business Combination Agreement were made only for purposes of the Business Combination Agreement and as of specific dates, were solely for the benefit of the parties to the Business Combination Agreement, may be subject to limitations, qualifications or other particulars agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Business Combination Agreement instead of establishing these matters as facts or made for other purposes, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Investors are not third-party beneficiaries under the Business Combination Agreement and should not rely on the representations, warranties, and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the parties thereto or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of representations and warranties may change after the date of the Business Combination Agreement, which subsequent information may or may not be fully reflected in Sprint's public disclosures.

Commitment Letter

In connection with entry into the Business Combination Agreement, T-Mobile USA, Inc. ("T-Mobile USA") entered into a commitment letter, dated as of April 29, 2018 (the "Commitment Letter"), with Barclays Bank PLC, Credit Suisse AG, Deutsche Bank AG, Goldman Sachs Bank USA, Morgan Stanley Senior Funding, Inc., RBC Capital Markets, and certain of their affiliates (collectively, the "Commitment Parties"), pursuant to which, subject to the terms and conditions set forth therein, certain of the Commitment Parties have committed to provide up to \$38.0 billion in secured and unsecured debt financing, including a \$4.0 billion secured revolving credit facility, a \$7.0 billion secured term loan facility, a \$19.0 billion secured bridge loan facility and a \$8.0 billion unsecured bridge loan facility. The funding of the debt facilities provided for in the Commitment Letter is subject to the satisfaction of the conditions set forth therein, including consummation of the proposed merger with Sprint. The proceeds of the debt financing provided for in the Commitment Letter will be used to refinance certain existing debt of T-Mobile, Sprint and their respective subsidiaries and for post-closing working capital needs of the combined company.

Edgar Filing: SPRINT Corp - Form 425

The foregoing description of the Commitment Letter and the transactions contemplated thereby is not complete and is qualified in its entirety by reference to the Commitment Letter, which is filed as Exhibit 10.2 hereto and is incorporated herein by reference.

Financing Matters Agreement

In connection with the entry into the Business Combination Agreement, Deutsche Telekom and T-Mobile USA entered into a Financing Matters Agreement, dated as of April 29, 2018 (the "Financing Matters Agreement"). Pursuant to the Financing Matters Agreement, Deutsche Telekom agreed, among other things, to consent to the incurrence by T-Mobile USA of secured debt in connection with and after the consummation of the Merger, and to provide a lock up on sales thereby as to certain senior notes of T-Mobile USA held thereby. In addition, T-Mobile USA agreed, among other things, to repay and terminate, upon closing of the Merger, the existing credit facilities of T-Mobile USA which are provided by Deutsche Telekom, as well as \$2 billion of T-Mobile USA's 5.300% senior notes due 2021 and \$2 billion of T-Mobile USA's 6.000% senior notes due 2024. In addition, T-Mobile USA and Deutsche Telekom agreed, upon closing of the Merger, to amend the \$1.25 billion of T-Mobile USA's 5.125% senior notes due 2025 and \$1.25 billion of T-Mobile USA's 5.375% senior notes due 2027 to change the maturity dates thereof to April 15, 2021 and April 15, 2022, respectively.

The foregoing description of the Financing Matters Agreement and the transactions contemplated thereby is not complete and is qualified in its entirety by reference to the Financing Matters Agreement, which is filed as Exhibit 10.3 hereto and is

incorporated herein by reference.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

Executive Severance Letters

On April 27, 2018, the compensation committee of the board of directors of T-Mobile approved the entry into severance letter agreements (the Letter Agreements) with each of J. Braxton Carter, T-Mobile's Executive Vice President and Chief Financial Officer, Neville R. Ray, T-Mobile's Executive Vice President and Chief Technology Officer, and Thomas C. Keys, T-Mobile's President, MetroPCS (collectively, the Executives), which became effective on April 29, 2018.

Each Letter Agreement provides that, upon a termination of the applicable Executive's employment by T-Mobile without cause or by the Executive for good reason (each as defined in the applicable Letter Agreement) (each, a qualifying termination) in either case, within twelve (12) months following the first to occur of (i) the closing of the Transactions or (ii) the date on which T-Mobile publicly announces that the Transactions will not close, and subject to the Executive's timely execution and non-revocation of a release of claims in favor of T-Mobile and continued compliance with certain non-competition and non-solicitation restrictions for eighteen (18) months following such qualifying termination (or, if such qualifying termination occurs within twelve (12) months following the date on which T-Mobile publicly announces that the Transactions will not close, twelve (12) months), the Executive will receive:

- a lump-sum payment equal to two (2) times the sum of (I) the Executive's then-current base salary plus (II) the Executive's then-current target short-term (annual) incentive award;
- a pro-rata short-term incentive award for the calendar year in which the qualifying termination occurs, based on actual performance results for such year;
- any earned, unpaid short-term incentive award for the calendar year ending immediately prior to the year of such qualifying termination;
- full vesting of the Executive's time-based long-term incentive awards;
- vesting of the Executive's performance-based long-term incentive awards based on actual performance through the termination date;

- company-paid health coverage for up to eighteen (18) months following such qualifying termination; and
- company-paid outplacement services for twelve (12) months following such qualifying termination.

The foregoing severance benefits will apply in lieu of any other severance benefits that the applicable Executive would otherwise be entitled to receive upon a qualifying termination (unless such other benefits are more favorable to the Executive).

To the extent that any payment or benefit received by any Executive pursuant to his Letter Agreement or otherwise would be subject to an excise tax under Internal Revenue Code Section 4999, such payments and/or benefits will be subject to a best pay cap reduction if such reduction would result in a greater net after-tax benefit to the Executive than receiving the full amount of such payments.

The foregoing description of the Letter Agreement is qualified in its entirety by the full text of the Letter Agreement, a copy of which will subsequently be filed with the Securities and Exchange Commission.

Amendments to Executive Employment Arrangements

On April 27, 2018, T-Mobile adopted (i) an amendment to the amended and restated employment agreement, dated April 1, 2017, with John J. Legere, T-Mobile's President and Chief Executive Officer (the Legere Amendment), (ii) an amendment to the compensation term sheet, dated April 1, 2017, with G. Michael Sievert, T-Mobile's Chief Operating Officer (the Sievert Amendment) and (iii) an amendment to the amended and restated employment agreement, dated December 20, 2017, with Mr. Carter (the Carter Amendment), each of which became effective on April 29, 2018. The material terms of the amendments are described below.

On April 29, 2018, T-Mobile announced that Mr. Sievert will succeed Mr. Legere as President upon ratification by the T-Mobile board of directors.

Legere Amendment

The Legere Amendment amends Mr. Legere's employment agreement to extend the term of such employment agreement through April 30, 2020 (with Mr. Legere's employment terminating on such date, unless earlier terminated). In addition, under the Legere Amendment, (i) Mr. Legere's annual base salary was increased to \$2,000,000, (ii) the target value of Mr. Legere's short-term (annual) incentive award was increased to \$4,000,000, and (iii) the target grant-date value of Mr. Legere's long-term incentive awards was increased to \$17,250,000. The Legere Amendment also provides for the grant to Mr. Legere of a one-time award of performance-based restricted stock units (PRSUs) under T-Mobile's 2013 Omnibus Incentive Plan (the Plan) with an aggregate grant date value equal to \$37,000,000. The PRSUs are generally subject to the same terms and conditions as the PRSUs granted to Mr. Legere under the Plan on February 15, 2018, except that (i) fifty percent (50%) of the PRSUs will vest on the earlier of the closing of the Transactions or the date on which Mr. Legere's employment term expires, and (ii) the remaining fifty percent (50%) of the PRSUs will vest on the date on which Mr. Legere's employment term expires, subject to Mr. Legere's continued employment through the applicable vesting date (except as otherwise set forth in his employment agreement and PRSU award agreement).

The Legere Amendment also amends the severance benefits that Mr. Legere will, subject to his timely execution and non-revocation of a release of claims in favor of T-Mobile, be eligible to receive upon a termination of his employment by T-Mobile without cause (including due to the expiration of the employment term) or by Mr. Legere for good reason (each as defined in Mr. Legere's employment agreement) to include (a) company-paid COBRA coverage for up to eighteen (18) months following such termination and (b) company payment or reimbursement for an exclusive office and exclusive executive assistant for eighteen (18) months following such termination (capped at \$25,000 per month).

The Legere Amendment also provides that T-Mobile will reimburse Mr. Legere for up to \$25,000 in legal fees incurred by him in connection with the Legere Amendment.

The foregoing description of the Legere Amendment is qualified in its entirety by the full text of the Legere Amendment, a copy of which will subsequently be filed with the Securities and Exchange Commission.

Sievert Amendment

The Sievert Amendment amends Mr. Sievert's compensation term sheet to reflect his new position as President and Chief Operating Officer of T-Mobile, effective as of April 29, 2018 and to provide for Mr. Sievert's service as President and Chief Operating Officer of the combined entity resulting from the closing of the Transactions. In addition, under the Sievert Amendment: (i) Mr. Sievert's annual base salary was increased to \$1,200,000, (ii) the target value of Mr. Sievert's short-term (annual) incentive award was increased to \$2,400,000, and (iii) the target grant-date value of Mr. Sievert's long-term incentive awards was increased to \$10,350,000. The Sievert Amendment also provides for the grant to Mr. Sievert of a one-time award of PRSUs under the Plan with an aggregate grant date value equal to \$20,000,000. The PRSUs are generally subject to the same terms and conditions as the PRSUs granted to Mr. Sievert under the Plan on February 15, 2018, except that (i) fifty percent (50%) of the PRSUs will vest on the earlier of the closing of the Transactions or the third anniversary of the grant date, and (ii) the remaining fifty percent (50%) of the PRSUs will vest on the third anniversary of the grant date, subject to Mr. Sievert's continued employment through the applicable vesting date (except as otherwise set forth in his term sheet and PRSU award agreement).

The Sievert Amendment also amends Mr. Sievert's compensation term sheet to provide that, upon Mr. Sievert's termination of the employment by T-Mobile without cause or due to a constructive termination (each as defined in Mr. Sievert's compensation term sheet), then, subject to his timely execution and non-revocation of a release of claims in favor of T-Mobile, Mr. Sievert will be entitled to receive the same severance payments and benefits provided under the Letter Agreements described above under the heading Executive Letter Agreements, except that Mr. Sievert's performance-based long-term incentive awards will be treated as follows:

- A portion of each performance-based long-term incentive award, determined by multiplying (i) the total number of shares or units, as applicable, subject to such award by (ii) a fraction, the numerator of which is the number of days between the commencement of the applicable performance period in effect as of Mr. Sievert's termination of employment through the date of such termination, and the denominator of which is the number of days in the full performance period, will vest based on actual performance through the termination date; and

- A portion of each performance-based long-term incentive award, determined by multiplying (i) the total number of shares or units, as applicable, subject to such award by (ii) a fraction, the numerator of which is the number of days between the date of Mr. Sievert's termination of employment and the end of the applicable performance period in effect as of such termination, and the denominator of which is the number of days in the full performance period, will vest at target.

The foregoing description of the Sievert Amendment is qualified in its entirety by the full text of the Sievert Amendment, a copy of which will subsequently be filed with the Securities and Exchange Commission.

Carter Amendment

The Carter Amendment amends Mr. Carter's employment agreement to extend the term of such employment agreement through the earlier of: (i) if the Transactions close, the twentieth (20th) day following the first quarterly or annual financial filing made by T-Mobile following the closing of the Transactions, (ii) if (A) prior to March 1, 2019, T-Mobile publicly announces that the Transactions will not close and (B) the deadline for T-Mobile's next quarterly or annual financial filing after such public announcement is after March 1, 2019, the twentieth (20th) day following the date on which such quarterly or annual filing is made by T-Mobile, (iii) if (A) prior to March 1, 2019, T-Mobile publicly announces that the closing of the Transactions will not occur for any reason and (B) the deadline for T-Mobile's next quarterly or annual financial filing after such public announcement is before March 1, 2019, and (iv) if, after March 1, 2019, T-Mobile publicly announces that the closing of the Transactions will not occur for any reason, the twentieth (20th) day following the first quarterly or annual financial filing made by T-Mobile after such public announcement. The Carter Amendment also clarifies that Mr. Carter will be eligible for severance benefits under his employment agreement or Letter Agreement (as applicable) upon a termination of his employment due to the expiration of the employment term and subject to the terms and conditions thereof (including the requirement that Mr. Carter timely execute and not revoke a release of claims in favor of T-Mobile).

The foregoing description of the Carter Amendment is qualified in its entirety by the full text of the Carter Amendment, a copy of which will subsequently be filed with the Securities and Exchange Commission.

Item 8.01 Other Events.

On April 29, 2018, T-Mobile and Sprint issued a joint press release announcing that they have entered into the Business Combination Agreement. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated into this Form 8-K by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
2.1	<u>Business Combination Agreement, dated as of April 29, 2018, by and among T-Mobile US, Inc., Huron Merger Sub LLC, Superior Merger Sub Corporation, Sprint Corporation, Starburst I, Inc., Galaxy Investment Holdings, Inc., and for the limited purposes set forth therein, Deutsche Telekom AG, Deutsche Telekom Holding B.V., and SoftBank Group Corp.*</u>
10.1	<u>Support Agreement, dated as of April 29, 2018, by and among SoftBank Group Corp., SoftBank Group Capital Limited, Starburst I, Inc., Galaxy Investment Holdings, Inc., T-Mobile US, Inc., and Deutsche Telekom AG.</u>
10.2	<u>Commitment Letter, dated as of April 29, 2018, by and among T-Mobile USA, Inc. and the financial institutions party thereto.</u>
10.3	<u>Financing Matters Agreement, dated as of April 29, 2018, by and between T-Mobile USA, Inc. and Deutsche Telekom AG.</u>
99.1	<u>Press Release, dated April 29, 2018.</u>

* This filing excludes certain schedules and exhibits pursuant to Item 601(b)(2) of Regulation S-K, which the registrant agrees to furnish supplementally to the Securities and Exchange Commission upon request by the Commission; provided, however, that the registrant may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedules or exhibits so furnished.

Important Additional Information

In connection with the proposed transaction, T-Mobile US, Inc. ("T-Mobile") will file a registration statement on Form S-4, which will contain a joint consent solicitation statement of T-Mobile and Sprint Corporation ("Sprint"), that also constitutes a prospectus of T-Mobile (the "joint consent solicitation statement/prospectus"), and each party will file other documents regarding the proposed transaction with the U.S. Securities and Exchange Commission (the "SEC"). INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE JOINT CONSENT SOLICITATION STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. When final, a definitive copy of the joint consent solicitation statement/prospectus will be sent to T-Mobile and Sprint stockholders. Investors and security holders will be able to obtain the registration statement and the joint consent solicitation statement/prospectus free of charge from the SEC's website or from T-Mobile or Sprint. The documents filed by T-Mobile with the SEC may be obtained free of charge at T-Mobile's website, at www.t-mobile.com, or at the SEC's website, at www.sec.gov. These documents may also be obtained free of charge from T-Mobile by requesting them by mail at T-Mobile US, Inc., Investor Relations, 1 Park Avenue, 14th Floor, New York, NY 10016, or by telephone at 212-358-3210. The documents filed by Sprint with the SEC may be obtained free of charge at Sprint's website, at www.sprint.com, or at the SEC's website, at www.sec.gov. These documents may also be obtained free of charge from Sprint by requesting them by mail at Sprint Corporation, Shareholder Relations, 6200 Sprint Parkway, Mailstop KSOPHF0302-3B679, Overland Park, Kansas 66251, or by telephone at 913-794-1091.

Participants in the Solicitation

T-Mobile and Sprint and their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of consents in respect of the proposed transaction. Information about T-Mobile's directors and executive officers is available in T-Mobile's proxy statement dated April 26, 2018, for its 2018 Annual Meeting of Stockholders. Information about Sprint's directors and executive officers is available in Sprint's proxy statement dated June 19, 2017, for its 2017 Annual Meeting of Stockholders, and in Sprint's subsequent reports on Form 8-K filed with the SEC on January 4, 2018 and January 17, 2018. Other information regarding the participants in the consent solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint consent solicitation statement/prospectus and other relevant materials to be filed with the SEC regarding the acquisition when they become available. Investors should read the joint consent solicitation statement/prospectus carefully when it becomes available before making any voting or investment decisions. You may obtain free copies of these documents from T-Mobile or Sprint as indicated above.

No Offer or Solicitation

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

Cautionary Statement Regarding Forward-Looking Statements

This communication contains certain forward-looking statements concerning T-Mobile, Sprint and the proposed transaction between T-Mobile and Sprint. All statements other than statements of fact, including information concerning future results, are forward-looking statements. These forward-looking statements are generally identified by the words "anticipate," "believe," "estimate," "expect," "intend," "may," "could" or similar expressions. Such forward-looking statements include, but are not limited to, statements about the benefits of the proposed transaction, including anticipated

Edgar Filing: SPRINT Corp - Form 425

future financial and operating results, synergies, accretion and growth rates, T-Mobile's, Sprint's and the combined company's plans, objectives, expectations and intentions, and the expected timing of completion of the proposed transaction. There are several factors which could cause actual plans and results to differ materially from those expressed or implied in forward-looking statements. Such factors include, but are not limited to, the failure to obtain, or delays in obtaining, required regulatory approvals, and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the proposed transaction, or the failure to satisfy any of the other conditions to the proposed transaction on a timely basis or at all; the occurrence of events that may give rise to a right of one or both of the parties to terminate the business combination agreement; adverse effects on the market price of T-Mobile's or Sprint's common stock and on T-Mobile's or Sprint's operating results because of a failure to complete the proposed transaction in the anticipated timeframe or at all; inability to obtain the financing contemplated to be obtained in connection with the proposed transaction on the expected terms or timing or at all; the ability of T-Mobile, Sprint and the combined company to make payments on debt or to repay existing or future indebtedness when due or to comply with the covenants contained therein; adverse changes in the ratings of T-Mobile's or

Sprint's debt securities or adverse conditions in the credit markets; negative effects of the announcement, pendency or consummation of the transaction on the market price of T-Mobile's or Sprint's common stock and on T-Mobile's or Sprint's operating results, including as a result of changes in key customer, supplier, employee or other business relationships; significant transaction costs, including financing costs, and unknown liabilities; failure to realize the expected benefits and synergies of the proposed transaction in the expected timeframes or at all; costs or difficulties related to the integration of Sprint's network and operations into T-Mobile; the risk of litigation or regulatory actions; the inability of T-Mobile, Sprint or the combined company to retain and hire key personnel; the risk that certain contractual restrictions contained in the business combination agreement during the pendency of the proposed transaction could adversely affect T-Mobile's or Sprint's ability to pursue business opportunities or strategic transactions; effects of changes in the regulatory environment in which T-Mobile and Sprint operate; changes in global, political, economic, business, competitive and market conditions; changes in tax and other laws and regulations; and other risks and uncertainties detailed in T-Mobile's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and in its subsequent reports on Form 10-Q, including in the sections thereof captioned "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements," as well as in its subsequent reports on Form 8-K, all of which are filed with the SEC and available at www.sec.gov and www.t-mobile.com. Forward-looking statements are based on current expectations and assumptions, which are subject to risks and uncertainties that may cause actual results to differ materially from those expressed in or implied by such forward-looking statements. Given these risks and uncertainties, persons reading this communication are cautioned not to place undue reliance on such forward-looking statements. T-Mobile assumes no obligation to update or revise the information contained in this communication (whether as a result of new information, future events or otherwise), except as required by applicable law.

SIGNATURES

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: April 30, 2018

T-MOBILE US, INC.

By:

/s/ J. Braxton Carter

J. Braxton Carter

Executive Vice President and Chief Financial Officer