

REALPAGE INC  
Form 8-K  
April 20, 2018  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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FORM 8-K

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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 19, 2018

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

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Delaware                      001-34846      75-2788861  
(State or other jurisdiction   (Commission   (IRS Employer  
of incorporation)              File Number)   Identification No.)

2201 Lakeside Blvd.                      75082  
Richardson, Texas  
(Address of principal executive offices)   (Zip Code)  
Registrant's telephone number, including area code: (972) 820-3000

(Former name or former address, if changed since last report)

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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 Instruction A.2. below):

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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.

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

On April 19, 2018, RealPage, Inc., a Delaware corporation (“RealPage”), entered into an Acquisition Agreement (the “Acquisition Agreement”), by and among RealPage, each of the holders (the “Sellers”) of outstanding membership units of NovelPay, LLC, a New York limited liability company (“NovelPay”), other than those owned by ClickPay Services, Inc., a Delaware Corporation (“ClickPay”), and NP Representative, LLC, a Delaware limited liability company (“NP Rep”), solely in its capacity as Sellers’ Representative, pursuant to which RealPage acquired substantially all of the issued and outstanding membership units of NovelPay not owned by ClickPay. Pursuant to the Acquisition Agreement, certain holders retained a portion of their units representing approximately 12% of the membership units of NovelPay subject to put rights that may be exercised by the holders after September 1, 2018 and call rights that may be exercised by RealPage after October 1, 2018. The exercise price of the put rights and call rights is the same as the per unit price of the units purchased at the closing.

On April 19, 2018, RealPage also entered into an Agreement and Plan of Merger (the “Merger Agreement”), by and among RealPage, RP Newco XXIII Inc., a wholly owned subsidiary of RealPage (“RP Newco XIII”), RP Newco XXIV Inc., a wholly owned subsidiary of RealPage (“RP Newco XIV”), ClickPay, and NP Rep, solely in its capacity as Sellers’ Representative, pursuant to which RP Newco XXIII was merged with and into ClickPay, with ClickPay as the temporary surviving corporation, which was immediately followed by ClickPay merging with and into RP Newco XXIV, with RP Newco XXIV surviving as a wholly owned subsidiary of RealPage. As a result of the Merger Agreement, RealPage acquired all of the outstanding stock of ClickPay. NovelPay and ClickPay generally conduct business under the name ‘ClickPay’.

The combined purchase price to be paid pursuant to the Acquisition Agreement and the Merger Agreement, assuming exercise of the put or call rights described above, is approximately \$218.5 million, consisting of approximately \$142.2 million in cash and \$76.3 million in shares of RealPage common stock, subject to a working capital adjustment and a holdback of a portion of the purchase price to serve as security for the benefit of RealPage and its affiliates in respect of the indemnification and post-closing purchase price adjustments. Subject to any indemnification claims and post-closing purchase price adjustments, the holdback will be released to the Sellers on or shortly after the first and second anniversary dates of the closing.

The Acquisition Agreement and the Merger Agreement contain customary representations and warranties and covenants of RealPage, RP Newco XXIII, RP Newco XXIV, NovelPay, ClickPay and the Sellers. The representations, warranties and covenants contained in the Acquisition Agreement and Merger Agreement were made only for purposes of the Acquisition Agreement and Merger Agreement and as of the specified dates set forth therein, were solely for the benefit of the parties to the Acquisition Agreement and Merger Agreement, may be subject to limitations 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 Acquisition Agreement and Merger Agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Investors should not rely on the representations, warranties or covenants or any descriptions thereof as characterizations of the actual state of facts or conditions of RealPage, RP Newco XXIII, RP Newco XXIV, NovelPay, ClickPay or the Sellers or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Acquisition Agreement and Merger Agreement, which subsequent information may or may not be fully reflected in RealPage’s public disclosures.

The foregoing summary is qualified in its entirety by the full text of the Acquisition Agreement and the Merger Agreement, which RealPage will file with the Securities and Exchange Commission as an exhibit to a forthcoming periodic financial report.

**Item 2.01 Completion of Acquisition or Disposition of Assets.**

See the disclosure under Item 1.01 above.

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**Item 7.01. Regulation FD Disclosure.**

On April 20, 2018, RealPage issued a press release announcing the transaction described in Item 1.01 and Item 2.01 above. A copy of the press release is furnished herewith as Exhibit 99.1.

The information furnished under Item 7.01 of this Current Report on Form 8-K shall be deemed “furnished” and not “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, and shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Exhibit**

**No. Description**

99.1 RealPage, Inc. Press Release dated April 20, 2018

Exhibit 99.1 attached hereto shall be deemed “furnished” and not “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that Section, and shall not be incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

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**SIGNATURE**

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.

**REALPAGE, INC.**

By: /s/ Stephen T. Winn  
Stephen T. Winn

Chief Executive Officer, President  
and Chairman

Date: April 20, 2018

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**Exhibit Index**

<b>Exhibit No.</b>	<b>Description</b>
<u>99.1</u>	<u>RealPage, Inc.</u> <u>Press Release</u> <u>dated April 20,</u> <u>2018</u>

.05pt;color:#000000;font-family:Arial Narrow;font-size: 9pt;"> %

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%

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%

—

%

Interest rate swaps



Fixed to variable (USD)

\$

—

\$

540

\$

203

\$

—

\$

—

\$

—

\$

743

\$

17

Average receive rate

—

%

2.14

%

2.30

%

—

%

—

%

—

%

Average pay rate

—

%

1.81

%

1.23

%

—

%

—

%

—

%

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(a) Expected maturity amounts are based on the face value of debt.

Interest rate risk—At March 31, 2018 and December 31, 2017, the fair value of debt, presented above, was \$9.9 billion and \$7.5 billion, respectively. During the three months ended March 31, 2018, the fair value of such debt increased

by \$2.4 billion due to the following: (a) an increase of approximately \$1.6 billion due to assumed debt in connection with the Songa acquisition, (b) an increase of approximately \$984 million due to the issuance of exchangeable bonds, partially offset by (c) a decrease of approximately \$175 million resulting from the change in market prices for our outstanding U.S. dollar denominated debt and (d) a decrease of approximately \$53 million resulting from the scheduled maturities of debt.

#### Item 4. Controls and Procedures

**Disclosure controls and procedures**—We carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as defined in the Exchange Act, Rules 13a-15 and 15d-15, as of the end of the period covered by this report. Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is (1) accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, to allow timely decisions regarding required disclosure and (2) recorded, processed, summarized and reported within the time periods specified in the United States (“U.S.”) Securities and Exchange Commission’s rules and forms. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2018.

**Internal control over financial reporting**—There were no changes to our internal control over financial reporting during the quarter ended March 31, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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## PART II. OTHER INFORMATION

## Item 1. Legal Proceedings

Transocean Ltd. (together with its subsidiaries and predecessors, unless the context requires otherwise, “Transocean,” “we,” “us,” or “our”) has certain actions, claims and other matters pending as discussed and reported in “Part II. Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note 10—Commitments and Contingencies” and “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Other Matters—Macondo well incident” in our annual report on Form 10 K for the year ended December 31, 2017. We are also involved in various tax matters as described in “Part II. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note 6—Income Taxes” and in “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Other Matters—Tax matters” in our annual report on Form 10 K for the year ended December 31, 2017. All such actions, claims, tax and other matters are incorporated herein by reference.

As of March 31, 2018, we were also involved in a number of other lawsuits, claims and disputes, which have arisen in the ordinary course of our business and for which we do not expect the liability, if any, to have a material adverse effect on our current consolidated statement of financial position, results of operations or cash flows. We cannot predict with certainty the outcome or effect of any of the matters referred to above or of any such other pending or threatened litigation or legal proceedings. There can be no assurance that our beliefs or expectations as to the outcome or effect of any lawsuit or claim or dispute will prove correct and the eventual outcome of these matters could materially differ from management’s current estimates.

In addition to the legal proceedings described above, we may from time to time identify other matters that we monitor through our compliance program and in response to events arising generally within our industry and in the markets where we do business. We previously disclosed that we completed an internal investigation into statements made by a former employee of Petroleo Brasileiro S.A. (“Petrobras”) related to the award to us of a drilling services contract in Brazil, and that our investigation did not identify any wrongdoing by any of our employees or agents in connection with our business. We further disclosed that we had voluntarily met with governmental authorities in the U.S. to discuss the statements made by the former Petrobras employee, our internal investigation, as well as our findings. On March 5, 2018, we received a letter from the U.S. Securities and Exchange Commission (“SEC”) Division of Enforcement stating that the SEC’s investigation had been concluded and that the SEC did not intend to recommend any enforcement action against Transocean by the SEC. On April 4, 2018, we received a letter from the U.S. Department of Justice (“DOJ”) stating that the DOJ had closed its inquiry into the matter. Based upon our findings and the statements from the SEC and DOJ, we do not expect further inquiries from U.S. governmental authorities regarding this matter.

## Item 1A. Risk Factors

There have been no material changes to the risk factors as previously disclosed in “Item 1A. Risk Factors” in our annual report on Form 10 K for the year ended December 31, 2017.

## Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

## Issuer Purchases of Equity Securities

Total Number of Shares	Maximum Number (or Approximate Dollar Value)
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Period	Total Number of Shares Purchased (a)	Average Price Paid Per Share	Purchased as Part of Publicly Announced Plans or Programs (a)	of Shares that May Yet Be Purchased Under the Plans or Programs (in millions) (b)
January 2018	—	\$ —	—	\$ 3,391
February 2018	18,157	9.18	—	3,391
March 2018	—	—	—	3,391
Total	18,157	\$ 9.18	—	\$ 3,391

(a) Total number of shares purchased in the three months ended March 31, 2018 were withheld by us through a broker arrangement and limited to statutory tax amounts due upon vesting of restricted share units awarded to our employees under our long term incentive plan.

(b) In May 2009, at our annual general meeting, our shareholders approved and authorized our board of directors, at its discretion, to repurchase for cancellation any amount of our shares for an aggregate purchase price of up to CHF 3.5 billion. At March 31, 2018, the authorization remaining under the share repurchase program was for the repurchase of our outstanding shares for an aggregate cost of up to CHF 3.2 billion, equivalent to \$3.4 billion. The share repurchase program could be suspended or discontinued by our board of directors or company management, as applicable, at any time. See “Part I. Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Sources and uses of liquidity.” Item 4.Mine Safety Disclosures

Not applicable.

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## Item 6 Exhibits

## (a) Exhibits

The following exhibits are filed in connection with this Report:

Number	Description	Location
3.1	Articles of Association of Transocean Ltd.	<u>Filed herewith.</u>
3.2	Organizational Regulations of Transocean Ltd., adopted November 18, 2016.	<u>Exhibit 3.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000 53533) filed on November 23, 2016.</u>
4.1	Indenture, dated as of January 30, 2018, among Transocean Inc., Transocean Ltd., as guarantor, and Computershare Trust Company, N.A. and Computershare Trust Company of Canada, as co-trustees.	<u>Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000 38373) filed on January 30, 2018.</u>
4.2	Form of 0.50% Exchangeable Senior Bonds due 2023.	<u>Exhibit A of Exhibit 4.1 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000 38373) filed on January 30, 2018.</u>
4.3	Registration Rights Agreement, dated as of January 30, 2018, among Transocean Ltd., Transocean Inc. and the security holders named therein.	<u>Exhibit 4.3 to Transocean Ltd.'s Current Report on Form 8-K (Commission File No. 000 38373) filed on January 30, 2018.</u>
4.4	First Supplemental Indenture, dated as of March 28, 2018, among Transocean Inc., Transocean Ltd., as guarantor, and Computershare Trust Company, N.A. and Computershare Trust Company of Canada, as co-trustees, supplementing indenture, dated as of January 30, 2018.	<u>Filed herewith.</u>
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 and Section 302 of the Sarbanes-Oxley Act of 2002.	<u>Filed herewith.</u>
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 and Section 302 of the Sarbanes-Oxley Act of 2002.	<u>Filed herewith.</u>
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	<u>Furnished herewith.</u>
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	<u>Furnished herewith.</u>
101	Interactive data files.	Filed herewith.

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\* Compensatory plan or arrangement

Certain instruments relating to our long-term debt and our subsidiaries have not been filed as exhibits as permitted by paragraph (b)(4)(iii)(A) of Item 601 of Regulation S-K since the total amount of securities authorized under any such instrument does not exceed 10 percent of our total assets and our subsidiaries on a consolidated basis. We agree to furnish a copy of each such instrument to the SEC upon request.



SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned; thereunto duly authorized, on May 1, 2018.

TRANSOCEAN LTD.

By: /s/ Mark L. Mey  
Mark L. Mey  
Executive Vice  
President, Chief  
Financial Officer  
(Principal Financial  
Officer)

By: /s/ David Tonnel  
David Tonnel  
Senior Vice  
President and  
Corporate Controller  
(Principal  
Accounting Officer)