

Global Defense & National Security Systems, Inc.
Form 8-K
October 23, 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): October 23, 2015

GLOBAL DEFENSE & NATIONAL SECURITY SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

| | | |
|---|--------------------------|---|
| Delaware | 001-36149 | 46-3134302 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

**11921 Freedom Drive, Suite 550
Two Fountain Square**

Item 1.01 Entry into a Material Definitive Agreement.

Following the meeting of stockholders described in Item 5.07 below, on October 23, 2015, Global Defense & National Security Systems, Inc. (the “Company”) entered into the agreements and the amendments to the pre-existing agreements listed below.

Amendment of Investment Management Trust Agreement

On October 23, 2015, the Company and American Stock Transfer & Trust Company, LLC entered into a Second Amended and Restated Investment Management Trust Agreement (the “Amended Trust Agreement”) to amend the terms of the Amended and Restated Investment Management Trust Agreement, dated July 21, 2015, by and between the aforementioned parties. The Amended Trust Agreement, among other things, provides for: (i) the redemption of Public Shares (as defined below) by Public Stockholders (as defined below) in connection with the stockholder vote described in Item 5.07 below, (ii) the replacement of any references to October 24, 2015 with November 24, 2015 and (iii) the replacement of references to twenty-four months with twenty-five months. A copy of the Amended Trust Agreement is attached as Exhibit 10.1 hereto and is incorporated herein by reference.

Amendment of Existing Promissory Notes

In May 2014, May 2015, and October 2015, the Company issued convertible promissory notes in the aggregate amount of \$3,857,053 to Global Defense and National Security Holdings LLC (the Company’s “Sponsor”) for additional working capital. These convertible promissory notes were amended on October 23, 2015, and are due upon the earlier of: (i) November 24, 2015 and (ii) the date on which the Company consummates an initial Business Combination, and were convertible, at the option of the Sponsor, into shares of the Company’s common stock at the higher of \$10.00 per share and the 30-day trailing average of the closing price per share. In addition, in July 2015, the Company issued a non-convertible promissory note to the Sponsor in the amount of \$361,436 (together with the convertible promissory notes described above, the “Notes”). On October 23, 2015, the non-convertible promissory note was amended to provide that the payment date for the note shall be the earlier of: (i) November 24, 2015 and (ii) the date on which the Company consummates its initial Business Combination. The amendments to the convertible promissory notes and the non-convertible promissory note are attached as Exhibits 10.2, 10.3, 10.4 and 10.5 hereto and incorporated herein by reference.

Amendment of Letter Agreements

On October 23, 2015, the Company and certain of the Company's officers and directors entered into the second amended and restated letter agreements (the "Amended and Restated Letter Agreements") to amend the terms of each of the amended and restated letter agreements, dated July 21, 2015, between the parties. The Amended and Restated Letter Agreements, among other things, provide that any references to October 24, 2015 will be replaced with November 24, 2015 and references to twenty-four months will be replaced with twenty-five months. The form of the Amended and Restated Letter Agreements for directors and officers is attached as Exhibit 10.6 hereto and is incorporated herein by reference.

On October 23, 2015, the Company and the Sponsor entered into a second amended and restated letter agreement (the "Sponsor's Amended and Restated Letter Agreement") to amend the terms of the amended and restated letter agreement, dated July 21, 2015, between them. The Sponsor's Amended and Restated Letter Agreement, among other things, provides that any references to October 24, 2015 will be replaced with November 24, 2015 and references to twenty-four months will be replaced with twenty-five months. A copy of the Sponsor's Amended and Restated Letter Agreement is attached as Exhibit 10.7 hereto and is incorporated herein by reference.

Amendment of Underwriting Agreement

On October 23, 2015, the Company entered into an amendment (the “Amendment”) to the Underwriting Agreement by and among Global Defense & National Security Systems, Inc. (the “Company”), Cowen & Company, LLC, Maxim Group LLC and I-Bankers Securities Inc., dated October 24, 2013, as amended on July 21, 2015 (the “Underwriting Agreement”). The Amendment replaced references to twenty-four months with twenty-five months. A copy of the Amendment is attached hereto as Exhibit 10.8 and incorporated herein by reference.

Amendment of Stock Escrow Agreement

On October 23, 2015, the Company, the Sponsor and American Stock Transfer & Trust Company entered into a Second Amended and Restated Stock Escrow Agreement (the “Amended and Restated Stock Escrow Agreement”) to amend the terms of the Amended and Restated Stock Escrow Agreement between the parties dated July 21, 2015. The Amended and Restated Escrow Agreement, among other things, provides that the Company’s failure to complete a Business Combination by November 24, 2015 (rather than October 24, 2015) will, in the circumstances set forth therein, constitute a Termination Event (as defined therein) thereunder. A copy of the Amended and Restated Escrow Agreement is attached hereto as Exhibit 10.9 and incorporated herein by reference.

Amendment of Right of First Refusal and Corporate Opportunities Agreement

On October 23, 2015, the Company and Global Integrated Security (USA) Inc. (“GIS”) entered into a Second Amended and Restated Right of First Refusal and Corporate Opportunities Agreement (the “Amended and Restated ROFR Agreement”) to amend the Amended and Restated Right of First Refusal and Corporate Opportunities Agreement, dated as of July 21, 2015, by and among the Company and GIS (the “Current ROFR Agreement”). The Amended and Restated ROFR Agreement, among other things, provides that any references to October 24, 2015 in the Current ROFR Agreement will be replaced with November 24, 2015 and extends the term of the Current ROFR Agreement from twenty-four months to twenty-five months. A Copy of the Amended and Restated ROFR Agreement is attached hereto as Exhibit 10.10 and incorporated herein by reference.

Issuance of Promissory Note

On October 23, 2015, the Company issued a promissory note in the amount of \$53,995.18 to the Sponsor. The note was issued pursuant to a Commitment Letter from the Sponsor, dated October 20, 2015, pursuant to which the Sponsor agreed to make a loan to the Company in the amount of \$0.02 per Public Share not redeemed in connection

with the stockholder vote described in Item 5.07. The funds were deposited into the Trust Account (as defined in the Company's Amended and Restated Certificate of Incorporation) to fund the incentive payment previously announced by the Company. The note is due on the earlier of (1) November 24, 2015, and (2) immediately following the consummation of the initial Business Combination (as defined in the Company's Amended and Restated Certificate of Incorporation). A copy of the note is filed as Exhibit 10.11 and incorporated herein by reference.

The foregoing is intended only to be a summary of the Amendments, does not purport to be complete and is qualified in its entirety by the terms of the agreements described above, as amended, copies of which are attached as exhibits 10.1 through 10.10 to this Current Report on Form 8-K and incorporated herein by reference.

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 with respect to the issuance of the promissory note of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

As a result of the meeting of stockholders described in Item 5.07 below, on October 23, 2015, the Company filed with the Secretary of State of the State of Delaware the Company's Amended and Restated Certificate of Incorporation, which incorporates the Article Fifth Amendment and Article Sixth Amendment (both as defined below), each as approved by the stockholders. A copy of the Amended and Restated Certificate of Incorporation is attached as Exhibit 3.1 hereto and is incorporated by reference herein.

Item 5.07 Submission of Matters to a Vote of Security Holders.

On October 23, 2015, the Company held a special meeting of stockholders (the "Meeting"). At the Meeting, the stockholders approved the following items: (i) an amendment to Article Fifth of the Company's amended and restated certificate of incorporation (the "Charter") extending the date by which the Company must consummate its initial business combination from October 24, 2015 (the "Current Termination Date") to November 24, 2015 (the "Extended Termination Date" and such amendment, the "Article Fifth Amendment") and (ii) an amendment to Article Sixth of the Charter extending the duration of the right of the holders of shares of the Company's common stock sold in the Company's initial public offering (the "Public Shares", and such holders, the "Public Stockholders") to redeem, convert or tender their Public Shares in the event of any further amendment of the Company's Amended and Restated Certificate that affects the substance or timing of the Company's obligation to redeem, convert or tender 100% of the Public Shares if the Company has not consummated a business combination from twenty-one months following the Company's initial public offering to twenty-four months following the Company's initial public offering (the "Article Sixth Amendment"). The affirmative vote of holders of the majority of the issued and outstanding shares of the Company was required to approve the Article Fifth Amendment; and the affirmative vote of holders of at least sixty-five percent of the issued and outstanding shares of the Company was required to approve the Article Sixth Amendment. The number of shares of common stock presented for redemption was 3,324,169.

Set forth below are the final voting results for each of the proposals:

Article Fifth Amendment

The Article Fifth Amendment was approved. The voting results were as follows:

| Votes For | Votes Against | Abstentions |
|-----------|---------------|-------------|
| 7,426,488 | 674,505 | 600,001 |

Article Sixth Amendment

The Article Sixth Amendment was approved. The voting results were as follows:

| Votes For | Votes Against | Abstentions |
|-----------|---------------|-------------|
| 7,426,487 | 674,506 | 600,001 |

Adjournment Proposal

The proposal to adjourn the special meeting to a later date, if necessary, was approved, but an adjournment was not necessary in light of the approval of the Article Fifth Amendment and Article Sixth Amendment. The voting results were as follows:

| Votes For | Votes Against | Abstentions |
|-----------|---------------|-------------|
| 7,425,138 | 675,855 | 600,001 |

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- 3.1 Amended and Restated Certificate of Incorporation, dated October 23, 2015.
- 10.1 Amended and Restated Investment Management Trust Agreement, dated October 23, 2015, by and between Global Defense & National Security Systems, Inc. and American Stock Transfer & Trust Company, LLC
- 10.2 Second Amendment to Convertible Promissory Note, dated May 15, 2014, dated as of October 23, 2015
- 10.3 Second Amendment to Convertible Promissory Note, dated May 12, 2015, dated as of October 23, 2015
- 10.4 Amendment to Promissory Note, dated July 21, 2015, dated as of October 23, 2015
- 10.5 Amendment to Convertible Promissory Note, dated October 8, 2015, dated as of October 23, 2015
- 10.6 Form of Amended and Restated Letter Agreement for Directors and Officers, dated as of October 23, 2015
- 10.7 Amended and Restated Letter Agreement, dated October 23, 2015, between the Company and Global Defense & National Security Holdings LLC
- 10.8 Amendment to Underwriting Agreement, dated October 23, 2015, by and among Global Defense & National Security Systems, Inc. (the "Company"), Cowen & Company, LLC, Maxim Group LLC and I-Bankers Securities Inc.
- 10.9 Amended and Restated Escrow Agreement, dated October 23, 2015, by and among the Company, Global Defense & National Security Holdings LLC and American Stock Transfer & Trust Company.
- 10.10 Amended and Restated Right of First Refusal and Corporate Opportunities Agreement, dated October 23, 2015, by and among the Company and Global Integrated Security (USA) Inc.
- 10.11 Promissory Note, dated October 23, 2015, issued by Global Defense & National Security Systems, Inc. to Global Defense & National Security Holdings LLC.

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.

GLOBAL DEFENSE & NATIONAL SECURITY SYSTEMS, INC.

Date: October 23, 2015 /s/ Frederic Cassis
Frederic Cassis
Secretary

EXHIBIT INDEX

| Exhibit No. | Description of Exhibits |
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