
**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 the earliest event reported): November 9, 2018



K2M GROUP HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State of
Incorporation)

001-36443
(Commission
File No.)

27-2977810
(IRS Employer
Identification No.)

**600 Hope Parkway, SE
Leesburg, Virginia 20175**
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (703) 777-3155

Not Applicable
(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:

- 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 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.

Introductory Note

On November 9, 2018, K2M Group Holdings, Inc., a Delaware corporation (the “Company”), completed the transactions contemplated by the Agreement and Plan of Merger, dated as of August 29, 2018 (the “Merger Agreement”), by and among the Company, Stryker Corporation, a Michigan corporation (“Parent”), and Austin Merger Sub Corp., a Delaware corporation (“Merger Sub”). At the closing, Merger Sub merged with and into the Company (the “Merger”), with the Company surviving the Merger as the surviving corporation and as a wholly owned direct or indirect subsidiary of Parent.

Item 1.01 Entry into a Material Definitive Agreement.

Supplemental Indentures to Convertible Notes Indentures

The Company has outstanding \$75 million aggregate principal amount of its 3.00% Convertible Senior Notes due 2025 (the “2025 Notes”) and \$50 million aggregate principal amount of its 4.125% Convertible Senior Notes due 2036 (the “2036 Notes” and, together with the 2025 Notes, the “Notes”).

On November 9, 2018, the Company and the Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), entered into (i) the Supplemental Indenture (the “2025 Supplemental Indenture”) to an indenture entered into between the Company and the Trustee, dated as of June 18, 2018, which governs the 2025 Notes (the “2025 Indenture”), and (ii) the Supplemental Indenture (the “2036 Supplemental Indenture” and, together with the 2025 Supplemental Indenture, the “Supplemental Indentures”) to an indenture entered into between the Company and the Trustee, dated as of August 11, 2016, which governs the 2036 Notes (the “2036 Indenture” and, together with the 2025 Indenture, the “Indentures”). In accordance with Section 5.08 of each of the Indentures, upon the consummation of the Merger the right to convert each \$1,000 principal amount of Notes was changed to a right to convert such principal amount of Notes on the basis of the amount of Reference Property (as defined in the applicable Indenture), which is comprised of \$27.50 in cash per Reference Property Unit (as defined in the applicable Indenture), that a holder of a number of shares of the Company’s common stock equal to the Conversion Rate (as defined in the applicable Indenture) immediately prior to the Merger would have owned or been entitled to receive upon the consummation of the Merger.

The above description of the 2025 Supplemental Indenture and the 2036 Supplemental Indenture does not purport to be complete and is subject, and qualified in its entirety by reference, to the complete text of the 2025 Supplemental Indenture and the 2036 Supplemental Indenture, copies of which are attached hereto as Exhibits 4.1 and 4.2, respectively, and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit</u>	<u>Description of Exhibit</u>
4.1	<u>Supplemental Indenture, dated as of November 9, 2018, by and between K2M Group Holdings, Inc. and The Bank of New York Mellon, as trustee (2025 Notes).</u>
4.2	<u>Supplemental Indenture, dated as of November 9, 2018, by and between K2M Group Holdings, Inc. and The Bank of New York Mellon, as trustee (2036 Notes).</u>

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.

Dated: November 15, 2018

K2M GROUP HOLDINGS, INC.

By: /s/ Eric D. Major

Name: Eric D. Major

Title: President

SUPPLEMENTAL INDENTURE

This SUPPLEMENTAL INDENTURE, dated as of November 9, 2018 (the "Supplemental Indenture"), is entered into by and between K2M Group Holdings, Inc., a Delaware corporation (the "Company"), and The Bank of New York Mellon, as trustee (the "Trustee").

WHEREAS, the Company has heretofore executed and delivered to the Trustee an indenture, dated as of June 18, 2018 (the "Indenture"), between the Company and the Trustee (the "Indenture"), providing for the issuance of the 3.00% Convertible Senior Notes due 2025 (the "Notes");

WHEREAS, pursuant to the Agreement and Plan of Merger dated August 29, 2018 (the "Merger Agreement"), among the Company, Stryker Corporation, a Michigan corporation ("Stryker"), and Austin Merger Sub Corp., a Delaware corporation and a wholly owned subsidiary of Stryker ("Merger Sub"), Merger Sub shall be merged with and into the Company, with the Company continuing as the surviving corporation and as a direct or indirect wholly owned subsidiary of Stryker (the "Merger");

WHEREAS, pursuant to the Merger Agreement, at the effective time of the Merger (the "Effective Time," and the date of such Effective Time, the "Effective Date"), each share of common stock, \$0.001 par value per share, of the Company issued and outstanding immediately prior to the Effective Time (other than Canceled Shares and Dissenting Shares, each as defined in the Merger Agreement) shall be converted into the right to receive, in accordance with the terms of the Merger Agreement, \$27.50 per share in cash, without interest;

WHEREAS, pursuant to Section 5.08 of the Indenture, as a condition precedent to the Merger, the Company is required to execute and deliver to the Trustee a supplemental indenture (x) providing for subsequent conversions of Notes in the manner set forth in Section 5.08 of the Indenture, (y) providing for subsequent adjustments to the Conversion Rate pursuant to Section 5.07(A) of the Indenture consistent with Section 5.08 of the Indenture and (z) containing such other provisions as the Company reasonably determines are appropriate to preserve the economic interests of the Holders and to give effect to the provisions of Section 5.08(A) of the Indenture;

WHEREAS, the Merger has been consummated on the date hereof in accordance with the Merger Agreement, substantially concurrently with the execution and delivery of this Supplemental Indenture;

WHEREAS, the Merger constitutes a Make-Whole Fundamental Change;

WHEREAS, Section 8.01(F) of the Indenture provides that the Company and the Trustee may amend or supplement the Indenture or the Notes without the consent of any Holder by entering into supplemental indentures pursuant to, and in accordance with, Section 5.08 of the Indenture in connection with a Common Stock Change Event; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to this Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

ARTICLE I
EFFECT OF MERGER

SECTION 1.01. Conversion Right. Pursuant to Section 5.08 of the Indenture, as a result of the Merger:

(1) at the Effective Time, the Conversion Consideration due upon the conversion of any Note, and the conditions to any such conversion, will be determined in the same manner as if each reference to any number of shares of Common Stock in Article 5 of the Indenture (or in any related definitions) were instead a reference to the same number of Reference Property Units, with each such Reference Property Unit consisting of \$27.50 in cash;

(2) the consideration due upon conversion of each \$1,000 principal amount of Notes with a Conversion Date that occurs on or after the Effective Time will be solely cash in an amount equal to the Conversion Rate in effect on the applicable Conversion Date (as may, for the avoidance of doubt, be increased pursuant to Section 1.02 of the this Supplemental Indenture), multiplied by \$27.50, and settlement for such conversion will occur on the second Business Day immediately following such Conversion Date (and, for the avoidance of doubt, the Company will be deemed to have elected Cash Settlement with respect to such conversion); and

(3) the Daily VWAP and Last Reported Sale Price of any Reference Property Unit or portion thereof will be \$27.50.

SECTION 1.02. Temporary Adjustment to the Conversion Rate in Connection with a Make-Whole Fundamental Change. The Conversion Rate for Notes surrendered for conversion from, and including, the Effective Date to, and including, January 3, 2019 shall be increased by 7.8805 additional Reference Property Units, as determined by the Company by reference to the table in Section 5.07(A) of the Indenture.

ARTICLE II
ACCEPTANCE OF SUPPLEMENTAL INDENTURE

SECTION 2.01. Trustee's Acceptance. The Trustee hereby accepts this Supplemental Indenture and agrees to perform the same under the terms and conditions set forth in the Indenture.

ARTICLE III
MISCELLANEOUS PROVISIONS

SECTION 3.01. Defined Terms. All capitalized terms used but not defined in this Supplemental Indenture shall have the meanings ascribed to such terms in the Indenture.

SECTION 3.02. Effectiveness of Supplemental Indenture. This Supplemental Indenture shall become effective as of the Effective Time on the Effective Date.

SECTION 3.03. Effect of Supplemental Indenture. Upon the execution and delivery of this Supplemental Indenture by the Company and the Trustee, the Indenture shall be supplemented and amended in accordance herewith, and this Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder heretofore or hereafter authenticated and delivered under the Indenture shall be bound thereby. All the provisions of this Supplemental Indenture shall thereby be deemed to be incorporated in, and a part of, the Indenture; and the Indenture, as supplemented and amended by this Supplemental Indenture, shall be read, taken and construed as one and the same instrument.

SECTION 3.04. Indenture Remains in Full Force and Effect. This Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Notes, to the extent not inconsistent with the terms and provisions of this Supplemental Indenture, shall remain in full force and effect and is in all respects confirmed and preserved.

SECTION 3.05. Headings. The headings of the Articles and Sections of this Supplemental Indenture are inserted for convenience of reference and shall not be deemed a part thereof.

SECTION 3.06. Counterparts. This Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 3.07. Governing Law. THIS SUPPLEMENTAL INDENTURE, AND ANY CLAIM CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THERETO, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the day and year first written above.

K2M GROUP HOLDINGS, INC.

By: /s/ Eric D. Major

Name: Eric D. Major

Title: President

[Signature Page to Supplemental Indenture (2025 Notes)]

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Laurence J. O'Brien

Name: Laurence J. O'Brien

Title: Vice President

[Signature Page to Supplemental Indenture (2025 Notes)]

SUPPLEMENTAL INDENTURE

This SUPPLEMENTAL INDENTURE, dated as of November 9, 2018 (the "Supplemental Indenture"), is entered into by and between K2M Group Holdings, Inc., a Delaware corporation (the "Company"), and The Bank of New York Mellon, as trustee (the "Trustee").

WHEREAS, the Company has heretofore executed and delivered to the Trustee an indenture, dated as of August 11, 2016 (the "Indenture"), between the Company and the Trustee (the "Indenture"), providing for the issuance of the 4.125% Convertible Senior Notes due 2036 (the "Notes");

WHEREAS, pursuant to the Agreement and Plan of Merger dated August 29, 2018 (the "Merger Agreement"), among the Company, Stryker Corporation, a Michigan corporation ("Stryker"), and Austin Merger Sub Corp., a Delaware corporation and a wholly owned subsidiary of Stryker ("Merger Sub"), Merger Sub shall be merged with and into the Company, with the Company continuing as the surviving corporation and as a direct or indirect wholly owned subsidiary of Stryker (the "Merger");

WHEREAS, pursuant to the Merger Agreement, at the effective time of the Merger (the "Effective Time," and the date of such Effective Time, the "Effective Date"), each share of common stock, \$0.001 par value per share, of the Company issued and outstanding immediately prior to the Effective Time (other than Canceled Shares and Dissenting Shares, each as defined in the Merger Agreement) shall be converted into the right to receive, in accordance with the terms of the Merger Agreement, \$27.50 per share in cash, without interest;

WHEREAS, pursuant to Section 5.08 of the Indenture, as a condition precedent to the Merger, the Company is required to execute and deliver to the Trustee a supplemental indenture (x) providing for subsequent conversions of Notes in the manner set forth in Section 5.08 of the Indenture, (y) providing for subsequent adjustments to the Conversion Rate pursuant to Section 5.07(A) of the Indenture consistent with Section 5.08 of the Indenture and (z) containing such other provisions as the Company reasonably determines are appropriate to preserve the economic interests of the Holders and to give effect to the provisions of Section 5.08(A) of the Indenture;

WHEREAS, the Merger has been consummated on the date hereof in accordance with the Merger Agreement, substantially concurrently with the execution and delivery of this Supplemental Indenture;

WHEREAS, the Merger constitutes a Make-Whole Fundamental Change;

WHEREAS, Section 8.01(F) of the Indenture provides that the Company and the Trustee may amend or supplement the Indenture or the Notes without the consent of any Holder by entering into supplemental indentures pursuant to, and in accordance with, Section 5.08 of the Indenture in connection with a Common Stock Change Event; and

WHEREAS, the Company has complied with all conditions precedent provided for in the Indenture relating to this Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

ARTICLE I
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SECTION 1.01. Conversion Right. Pursuant to Section 5.08 of the Indenture, as a result of the Merger:

(1) at the Effective Time, the Conversion Consideration due upon the conversion of any Note, and the conditions to any such conversion, will be determined in the same manner as if each reference to any number of shares of Common Stock in Article 5 of the Indenture (or in any related definitions) were instead a reference to the same number of Reference Property Units, with each such Reference Property Unit consisting of \$27.50 in cash;

(2) the consideration due upon conversion of each \$1,000 principal amount of Notes with a Conversion Date that occurs on or after the Effective Time will be solely cash in an amount equal to the Conversion Rate in effect on the applicable Conversion Date (as may, for the avoidance of doubt, be increased pursuant to Section 1.02 of the this Supplemental Indenture), multiplied by \$27.50, and settlement for such conversion will occur on the third Business Day immediately following such Conversion Date (and, for the avoidance of doubt, the Company will be deemed to have elected Cash Settlement with respect to such conversion); and

(3) the Daily VWAP and Last Reported Sale Price of any Reference Property Unit or portion thereof will be \$27.50.

SECTION 1.02. Temporary Adjustment to the Conversion Rate in Connection with a Make-Whole Fundamental Change. The Conversion Rate for Notes surrendered for conversion from, and including, the Effective Date to, but not including, December 13, 2018 shall be increased by 4.3068 additional Reference Property Units, as determined by the Company by reference to the table in Section 5.07(A) of the Indenture.

ARTICLE II
ACCEPTANCE OF SUPPLEMENTAL INDENTURE

SECTION 2.01. Trustee's Acceptance. The Trustee hereby accepts this Supplemental Indenture and agrees to perform the same under the terms and conditions set forth in the Indenture.

ARTICLE III
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SECTION 3.04. Indenture Remains in Full Force and Effect. This Supplemental Indenture shall form a part of the Indenture for all purposes and, except as supplemented or amended hereby, all other provisions in the Indenture and the Notes, to the extent not inconsistent with the terms and provisions of this Supplemental Indenture, shall remain in full force and effect and is in all respects confirmed and preserved.

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IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the day and year first written above.

K2M GROUP HOLDINGS, INC.

By: /s/ Eric D. Major

Name: Eric D. Major

Title: President

[Signature Page to Supplemental Indenture (2036 Notes)]

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Laurence J. O'Brien

Name: Laurence J. O'Brien

Title: Vice President

[Signature Page to Supplemental Indenture (2036 Notes)]