

**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): May 13, 2022

Twilio Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-37806
(Commission
File Number)

26-2574840
(IRS Employer
Identification Number)

101 Spear Street, First Floor
San Francisco, California 94105
(Address of Principal Executive Offices) (Zip Code)

(415) 390-2337
(Registrant's telephone number, including area code)

None
(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 Instruction 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, par value \$0.001 per share	TWLO	New York Stock Exchange Long-Term Stock Exchange

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.

Item 1.01. Entry into a Material Definitive Agreement.

On May 13, 2022, Syniverse Corporation (“Syniverse”) and Twilio Inc. (“Twilio”) entered into an amendment (the “Second Amendment”) to that certain Framework Agreement filed as Exhibit 10.1 to Twilio’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 (the “Framework Agreement”) and, as amended from time to time, including by the Second Amendment, the “Amended Framework Agreement”), pursuant to which certain terms, including those relating to the quantum of new debt Syniverse incurred and the allocation of certain expenses between subsidiaries of Syniverse, of the Framework Agreement were amended.

Other than as expressly modified pursuant to the Second Amendment, the Framework Agreement remains in full force and effect. The foregoing description of the Second Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Second Amendment, a copy of which is attached hereto as Exhibit 2.1 and which is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On May 16, 2022, Syniverse and Twilio issued a joint press release announcing the consummation of the transactions described under Item 8.01. A copy of the press release is hereby furnished pursuant to Item 7.01 as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information under this Item 7.01, along with Exhibit 99.1 attached hereto, are being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall it be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing. The furnishing of Exhibit 99.1 attached hereto is not intended to constitute a determination by Twilio that the information is material or that the dissemination of the information is required by Regulation FD.

Item 8.01. Other Events.

On May 13, 2022, Syniverse and Twilio consummated the transactions contemplated by the Amended Framework Agreement, pursuant to which, among other actions, Twilio has made a minority investment of \$750.0 million in Syniverse. In addition, in connection with the consummation of the transactions contemplated by the Amended Framework Agreement, Twilio and Syniverse entered into a wholesale agreement, pursuant to which Syniverse will process, route and deliver application-to-person (A2P) messages originating and/or terminating between Twilio customers and mobile network operators. The transaction occurred concurrently with Syniverse’s consummation of additional equity and debt financing and refinancing transactions with third parties as contemplated by the Amended Framework Agreement.

The foregoing description of the Amended Framework Agreement does not purport to be complete, and is qualified in its entirety by reference to the full text of the Framework Agreement which is incorporated herein by reference and by the Second Amendment attached hereto as Exhibit 2.1.

Item 9.01. Financial Statements and Exhibits.

d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
2.1	Second Framework Agreement Letter Agreement
99.1	Press release dated May 16, 2022
104	Cover Page Interactive Data File (cover page XBRL tags are embedded within the Inline XBRL document)

Forward-Looking Statements.

This Current Report on Form 8-K may be deemed to contain forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements regarding future events are based on Twilio's current expectations and are necessarily subject to associated risks related to, among other things, negative effects relating to the consummation of the transaction on the market price of Twilio's shares and/or the business relationships of the parties with third parties, and general economic conditions. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. For information regarding other related risks, see the "Risk Factors" section of Twilio's most recent annual report on Form 10-K and quarterly reports on Form 10-Q. The forward-looking statements included herein are made only as of the date hereof, and Twilio undertakes no obligation to revise or update any forward-looking statements for any reason.

SIGNATURE

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.

TWILIO INC.

By: /s/ Khozema Z. Shipchandler

Name: Khozema Z. Shipchandler

Title: Chief Operating Officer

Date: May 16, 2022

SECOND FRAMEWORK AGREEMENT LETTER AGREEMENT

This Letter Agreement (this "Agreement") is made and entered into as of May 13, 2022, by and among Twilio Inc., a Delaware corporation ("Investor"), Carlyle Partners V Holdings, L.P., a Delaware limited partnership ("Carlyle"), and Syniverse Corporation, a Delaware corporation (the "Company"). Capitalized terms used herein and not otherwise defined herein have the respective meanings ascribed to those terms in the Framework Agreement (as defined below).

R E C I T A L S

WHEREAS, the parties to this Agreement previously entered into that certain Framework Agreement, dated February 26, 2021 (as amended or otherwise modified from time to time, the "Framework Agreement");

WHEREAS, the parties to this Agreement now desire to set forth their agreement with respect to certain matters in connection with the Framework Agreement, including modifying and amending the Framework Agreement in certain respects in accordance with the terms and conditions set forth herein and therein.

NOW, THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants and agreements contained herein, the parties, intending to be legally bound hereby, do agree as set forth herein:

ARTICLE ONE

Section 1.1 Framework Agreement. The parties agree that:

(a) The amount described in clause (b) of the definition of "Consolidated Total Debt Ratio" in the Framework Agreement ("Framework EBITDA") is deemed to be \$197 million, provided that the Parties acknowledge and agree that if the sum of the dollar amounts to be used for purposes of determining Consolidated EBITDA (as defined in the definitive documentation for the Alternative Transaction Refinancing) for the fiscal quarters ended May 31, 2021, August 31, 2021, November 30, 2021 and February 28, 2022, as set forth in the definition of "Consolidated EBITDA" in the definitive documentation for the Alternative Transaction Refinancing, is less than \$214 million (the aggregate dollar amount of such shortfall, the "EBITDA Shortfall"), then the Framework EBITDA shall be reduced by the EBITDA Shortfall.

(b) The initial allocation of expenses in the intercompany arrangements to be put in place pursuant to the Pre-Closing Steps shall be consistent with the Quality of Earnings report attached hereto as Exhibit A, and Investor hereby consents to such allocation.

(c) Notwithstanding the listing of the platform known as "IDC" in Section (v)(A)(4) of the definition of "Enterprise Transferred Assets" in Exhibit A of the Framework Agreement, the platform known as "IDC" shall be an Excluded Asset.

Section 1.2 Management Adjustments. The Company represents and warrants to Investor that the \$31 million of Pro Forma Adjustments (as defined in the First Lien Credit Facility) and the \$9 million of Management Adjustments (as defined in the Quality of Earnings report attached hereto as Exhibit A) that are included in the \$197 million Framework EBITDA are validly included in the calculation of EBITDA under the First Lien Credit Facility in accordance with the requirements of the First Lien Credit Facility.

Section 1.3 Future Allocations.

(a) The parties agree that, on an annual basis following the Closing, the Company shall commence and complete a detailed study (the “Time Use Study”) of the time spent by the employees of the Company and its Subsidiaries on North America Enterprise Business matters and Remaining Business matters, respectively, with the Time Use Study overseen by a committee of the Company’s board of directors (the “Board”) appointed in accordance with Section 2.8 of the Stockholders Agreement (the “Allocation Committee”). Following the completion of each Time Use Study (the first of which shall be completed no later than October 31, 2022 and each thereafter no later than 30 days prior to the end of each subsequent fiscal year), the Board will, to the extent warranted by the results of the Time Use Study, in the Board’s reasonable judgment, modify the allocation of costs between the North America Enterprise Business and the Remaining Business for the then-subsequent fiscal year. As part of the Time Use Study, the Allocation Committee shall consult with the Company’s auditors as to the detailed allocation of costs for the subsequent fiscal year (and any methodology utilized therefore), and shall consider any feedback provided by the auditor.

(b) Following the Closing, prior to the completion of the first Time Use Study and, solely if the Board approves modifications of the allocation of costs pursuant to Section 1.2(a) hereof in response to such Time Use Study, the implementation of such modifications, the Company shall not incur any third party term loan indebtedness for borrowed money.

Section 1.4 Revolver Usage. The parties agree that, notwithstanding anything to the contrary in any Transaction Agreement or in the definitive documentation for the Alternative Transaction Refinancing (including the definition of “Consolidated Funded Indebtedness” therein), the “Consolidated Total Indebtedness” as utilized in the Stockholders Agreement shall include the amounts drawn under any revolving credit facility of Buccaneer Holdings, LLC (“Steel Sub”), Syniverse Holdings, Inc. (to be converted into a Delaware limited liability company prior to Closing) and/or their respective Subsidiaries (as defined in the Stockholders Agreement), or of which Steel Sub and/or its Subsidiaries (including Syniverse Holdings, Inc.) are an obligor or guarantor, that would be reflected on a balance sheet of Steel Sub prepared as of any applicable date of determination on a consolidated basis in accordance with GAAP.

ARTICLE TWO

Section 2.1 Effect. Except as expressly provided in this Agreement, all of the terms and provisions of the Framework Agreement are and will remain in full force and effect. Nothing in this Agreement shall be construed to modify any provision of the Framework Agreement other than as specifically set forth herein.

Section 2.2 Miscellaneous. The provisions of Section 9.2 and Article 10 of the Framework Agreement are hereby incorporated into this Agreement, *mutatis mutandis*.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SYNIVERSE CORPORATION

By: /s/ Andrew Davies

Name: Chief Executive Officer

Title: Andrew Davies

[Signature Page to Second Framework Agreement Letter Agreement]

CARLYLE PARTNERS V HOLDINGS, L.P.

By: TC Group V, L.P. its general partner

By: TC Group V, L.L.C., its general partner

By: /s/ Patrick R. McCarter

Name: Patrick R. McCarter

Title: Authorized Person

[Signature Page to Second Framework Agreement Letter Agreement]

TWILIO INC.

By: /s/ Khozema Shipchandler

Name: Khozema Shipchandler

Title: Chief Operating Officer

[Signature Page to Second Framework Agreement Letter Agreement]

News Release

FOR IMMEDIATE RELEASE

Syniverse and Twilio Close on Strategic Partnership to Unlock the Power of Communications Technology

- *Twilio has invested \$750 million in Syniverse for a minority ownership stake*
- *Partnership will fuel continued innovation and accelerate seamless connectivity and engagement across the world of communications*

TAMPA and SAN FRANCISCO, May 16, 2022 – Syniverse®, the “world’s most connected company®” and a communications technology provider to leading carriers and enterprises, and Twilio (NYSE: TWLO) (LTSE: TWLO), the customer engagement platform that drives real-time, personalized experiences for today’s leading brands, today announced that the companies have closed on their previously announced strategic partnership. Twilio has invested \$750 million for common equity in Syniverse, and the two companies have expanded their strategic and commercial partnership. Twilio is now a significant minority owner of Syniverse with Carlyle maintaining its majority stake.

Under the terms of the transaction, Twilio has invested \$750 million in Syniverse, with Syniverse concurrently having raised \$1.025 billion in new Term Loan debt and \$340 million in new preferred equity, the proceeds of which were primarily used to reduce leverage.

Syniverse’s Chief Executive Officer Andrew Davies commented, “This transaction provides Syniverse with the enhanced liquidity and financial flexibility that will enable us to accelerate investment in innovation, product quality, and breadth to benefit our enterprise and carrier customers around the world. Our partnership with Twilio, combined with our enhanced balance sheet following this new infusion of capital, leaves us well positioned to more effectively monetize the 5G and CPaaS revolutions, deepen our engagement with our customers across key industry verticals and create long-term value and opportunity for all our stakeholders.”

Through this partnership, Syniverse will benefit from Twilio’s breadth of experience serving enterprise customers to capitalize on the next wave of growth in digital communications. Syniverse will also be even better positioned to serve its carrier customers and support continued innovation, customer service and lasting growth.

Simon Khalaf, Twilio’s Senior Vice President and GM of Communications Platform, said, “We are pleased to have closed this partnership and investment to accelerate the next wave of innovation in mobile communications and drive long-term growth.”

James Attwood, Senior Advisor at Carlyle and Chairman of Syniverse, said, “Today marks a new day for Syniverse and for Carlyle’s investment in the business. We look forward to continuing to partner with Syniverse and Twilio to accelerate the next wave of innovation in intelligent connectivity and communications.”

Advisors

Moelis & Company LLC served as financial advisor to Syniverse and Carlyle. Barclays Bank, Goldman Sachs Bank, BNP Paribas Securities, Societe Generale, BofA Securities, Credit Suisse Loan Funding, Deutsche Bank Securities and Mizuho Bank, Ltd., served as joint bookrunners on the new Term Loan financings. Affiliates of Oak Hill Advisors (OHA), Brigade Capital Management L.P., and other parties provided the preferred equity financing. Debevoise & Plimpton LLP served as legal counsel for Syniverse and Carlyle.

Centerview Partners LLC served as financial advisor to Twilio, and Kirkland & Ellis LLP and DLA Piper LLP acted as Twilio's legal counsel.

About Syniverse

Syniverse is the world's most connected company. We seamlessly connect the world's networks, devices, and people, so the world can unlock the full power of communications.

Our secure, global technology powers the world's leading carriers, top Forbes Global 2000 companies, and billions of people, devices, and transactions every day. Our engagement platform delivers better, smarter experiences that strengthen relationships between businesses, customers, and employees.

For over 30 years, we have accelerated important advances in communications technology. Today we are an essential driver of the world's adoption of intelligent connectivity, from 5G and CPaaS to IoT and beyond.

About Twilio Inc.

Today's leading companies trust Twilio's Customer Engagement Platform (CEP) to build direct, personalized relationships with their customers everywhere in the world. Twilio's leading communications APIs enable companies to engage with their customers across voice, conversations, messaging, video and email. Twilio Segment, the leading Customer Data Platform, allows companies to create highly personalized interactions and automated customer profiles based on first-party data from multiple channels. Twilio enables companies to use communications and data to add intelligence to every step of the customer journey, from sales to marketing to growth, customer service and many more engagement use cases in a flexible, programmatic way. Across 180 countries, millions of developers and hundreds of thousands of businesses use Twilio to create magical experiences for their customers.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. The words "believe," "expect," "anticipate," "project" and similar expressions, among others, generally identify forward-looking statements. Forward-looking statements contained in this press release include, but are not limited to, statements regarding the anticipated benefits of the transaction.

These statements are subject to risks, uncertainties, and assumptions. Should any of these risks or uncertainties materialize, or should any assumptions prove to be incorrect, actual results could differ materially from these statements. Important factors that could cause actual results to differ materially include, but are not limited to, failure to realize the expected benefits of the transaction, negative effects relating to the announcement of the transaction or any

further announcements relating to the consummation of the transaction on the market price of Twilio's shares and/or the business relationships of either of the parties with third parties, general economic and business conditions that affect the benefits Twilio may receive from the transaction and changes in global, political, economic, business, competitive, market and regulatory forces.

Additional factors that could cause actual results to differ materially from these forward-looking statements are detailed from time to time in the reports Twilio files with the Securities and Exchange Commission (SEC), including in Twilio's most recent Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. Copies of reports filed with the SEC are posted on Twilio's website and are available from Twilio without charge. Moreover, Twilio operates in a very competitive and rapidly changing environment, and new risks and uncertainties may emerge that could have an impact on the forward-looking statements contained in this press release.

Forward-looking statements represent beliefs and assumptions only as of the date such statements are made. Twilio undertakes no obligation to update any forward-looking statements made in this press release to reflect events or circumstances after the date of this press release or to reflect new information or the occurrence of unanticipated events, except as required by law.

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