

Volcano Corp
Form SC TO-T/A
January 26, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
(RULE 14d-100)
Tender Offer Statement Pursuant to Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934
(Amendment No. 3)

VOLCANO CORPORATION
(Name of Subject Company (Issuer))
CLEARWATER MERGER SUB, INC.,
a wholly owned subsidiary of
PHILIPS HOLDING USA INC.,
a wholly owned subsidiary of
KONINKLIJKE PHILIPS N.V.
(Names of Filing Persons (Offerors))

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Common Stock, par value \$0.001

(Title of Class of Securities)

928645100

(Cusip Number of Class of Securities)

Joseph E. Innamorati

Clearwater Merger Sub, Inc.

3000 Minuteman Road

Andover, MA 01810

(978) 687-1501

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of Filing Persons)

Copies to:

Matthew G. Hurd

Rita-Anne O Neill

Sullivan & Cromwell LLP

1888 Century Park East, Suite 2100

Los Angeles, CA 90067

(310) 712-6600

CALCULATION OF FILING FEE

Transaction Valuation*

\$1,266,918,102

Amount of Filing Fee**

\$147,215.88

*

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Estimated solely for purposes of calculating the filing fee. The transaction value calculation does not take into account the effect of any cash received or deemed received by Volcano Corporation (the Company) in connection with the exercise of any outstanding equity awards. The transaction value was determined by multiplying (a) \$18.00, the tender offer price, by (b) the sum of (i) 51,610,342, the number of issued and outstanding shares of Company common stock, (ii) 2,798,233, the number of shares of Company common stock subject to issuance pursuant to options to purchase shares of Company common stock, (iii) 87,525, the number of shares of Company common stock estimated to be subject to outstanding purchase rights under the Volcano employee stock purchase plan (assuming that the closing price per share of Company common stock as reported on the purchase date for the current offering period was equal to the tender offer price), (iv) 1,033,139, the number of shares of Company common stock subject to or otherwise deliverable in connection with restricted stock units of the Company, and (v) 14,855,100, the number of shares of Company common stock subject to issuance pursuant to outstanding warrants. The foregoing share figures have been provided by the issuer to the offerors and are as of December 15, 2014.

** The filing fee was calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, and Fee Rate Advisory No. 1 for Fiscal Year 2015, issued August 29, 2014, by multiplying the transaction value by 0.0001162.

x Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$147,215.88
Form or Registration No.: Schedule TO

Filing Party: Clearwater Merger Sub, Inc.
Date Filed: December 30, 2014

.. Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- x third party tender offer subject to Rule 14d-1.
- .. issuer tender offer subject to Rule 13e-4.
- .. going private transaction subject to Rule 13e-3
- .. amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer. ..

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- .. Rule 13e-4(i) (Cross Border Issuer Tender Offer)
- .. Rule 14d-1(d) (Cross Border Third Party Tender Offer)

This Amendment No. 4 to the Tender Offer Statement on Schedule TO amends and supplements the Tender Offer Statement on Schedule TO filed with the Securities Exchange Commission on December 30, 2014 (together with any amendments and supplements thereto, the Schedule TO) by Clearwater Merger Sub, Inc., a Delaware corporation (Purchaser) and wholly owned subsidiary of Philips Holding USA Inc., a Delaware corporation (Parent) and a wholly owned subsidiary of Koninklijke Philips N.V., a corporation organized under the laws of The Netherlands (Royal Philips). The Schedule TO relates to the offer by Purchaser to purchase all of the shares of common stock, par value \$0.001 per share, of Volcano Corporation, a Delaware corporation (the Company), including any associated rights to purchase capital stock issued pursuant to the Rights Agreement, dated June 20, 2006, by and between the Company and American Stock Transfer & Trust Company (such rights, together with such shares of the Company s common stock, the Shares), that are issued and outstanding at a price of \$18.00 per Share net to the seller in cash, without interest and subject to any applicable withholding of taxes, upon the terms and subject to the conditions set forth in the offer to purchase, dated December 30, 2014 (the Offer to Purchase), and in the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the Offer).

All capitalized terms used in this Amendment No. 4 and not otherwise defined have the respective meanings ascribed to them in the Schedule TO.

Item 7. Source and Amount of Funds or Other Consideration.

Item 7 of the Schedule TO is hereby amended and supplemented as follows:

The information set forth in Section 9 Source and Amount of Funds of the Offer to Purchase is hereby amended by adding the following after the first paragraph thereof:

On January 26, 2015, Royal Philips entered into a US\$1.3 billion twelve-month unsecured term loan facility with Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., acting through its London Branch as Facility Agent, and Bank of America Merrill Lynch International Limited, BNP Paribas Fortis SA/NV, Citibank, N.A., London Branch, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Deutsche Bank Luxembourg S.A., HSBC Bank plc, ING Bank N.V., Mizuho Bank Nederland N.V., Société Générale, London Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. and The Royal Bank of Scotland plc, as the lenders thereunder (the Facility). Subject to the satisfaction of the conditions precedent under the Facility, the Facility is available to be drawn until June 23, 2015. The Facility matures on January 26, 2016. Royal Philips intends to refinance amounts drawn under the Facility from cash on hand, cash-flow generated by Royal Philips prior to the maturity date of the Facility and/or, if necessary, proceeds from the incurrence of long-term indebtedness.

Royal Philips will pay a ticking fee from the date of the Facility to the date the Facility is drawn equal to 20% of then applicable Applicable Margin. Additionally, if the Facility is drawn, Royal Philips will pay an upfront fee to the lenders thereunder, which will be funded out of amounts drawn under the Facility or with cash on hand. The Facility will bear interest at rate of LIBOR (one-, two-, three- or six-month LIBOR, at Royal Philips election) plus the Applicable Margin, provided that LIBOR shall never be less than zero. The Applicable Margin is 20 bps until 6 months after the execution date of the Facility, and 30 bps thereafter.

The Facility includes representations, warranties, mandatory prepayment provisions, affirmative and negative covenants and events of default that are consistent with the terms of Royal Philips existing revolving credit facility. The conditions precedent to drawing the facility are limited to customary certain funds conditions in the European term loan market, including that no major default (limited to non-payment default, breach of a material representation, breach of certain material covenants, cessation of business, repudiation and certain insolvency events) is continuing or would result from the proposed utilization, and that all the major representations (to be customarily defined) are true in all material respects and will be true in all material respects immediately after the relevant utilization is made.

Royal Philips has satisfied all conditions precedent to drawing the Facility other than those conditions required to be satisfied at the consummation of the Offer and that, consequently, it will have sufficient funds to purchase all outstanding Shares pursuant to the Offer and to pay related fees and expenses.

Item 12. Exhibits.

Item 12 of the Schedule TO is hereby amended and supplemented by adding the following exhibits:

Index No.

- (a)(5)(xi) Agreement, dated January 26, 2015, between Koninklijke Philips N.V., as Borrower, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., acting through its London Branch as Facility Agent, and Bank of America Merrill Lynch International Limited, BNP Paribas Fortis SA/NV, Citibank, N.A., London Branch, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Deutsche Bank Luxembourg S.A., HSBC Bank plc, ING Bank N.V., Mizuho Bank Nederland N.V., Société Générale, London Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. and The Royal Bank of Scotland plc, as the lenders thereunder.
- 99.1 Power of Attorney dated as of January 12, 2015.*

* As previously filed.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 26, 2015

CLEARWATER MERGER SUB, INC.

By: /s Joseph E. Innamorati
Name: Joseph E. Innamorati
Title: Vice President and Secretary

PHILIPS HOLDING USA INC.

By: /s Joseph E. Innamorati
Name: Joseph E. Innamorati
Title: Senior Vice President and Secretary

KONINKLIJKE PHILIPS N.V.

By: /s Joseph E. Innamorati
Name: Joseph E. Innamorati
Title: Attorney in Fact

EXHIBIT INDEX

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