



Verizon announces tender offers for 13 series of notes

March 05, 2018 16:19 ET | Source: Verizon Communications

NEW YORK, March 05, 2018 (GLOBE NEWSWIRE) -- Verizon Communications Inc. ("Verizon") (NYSE:[VZ](#)) (NASDAQ:[VZ](#)) today announced the commencement of 13 separate offers to purchase for cash (i) up to \$1.5 billion aggregate purchase price of the outstanding series of notes listed in the first table below labeled "Group 1 Offers," (collectively, the "Group 1 Notes") and (ii) up to \$1.5 billion aggregate purchase price of the outstanding series of notes listed in the second table below labeled "Group 2 Offers" (collectively, the "Group 2 Notes," and together with the Group 1 Notes, the "Notes"). We refer to each offer to purchase a series of Notes for cash as an "Offer," the offers to purchase the Group 1 Notes, collectively as the "Group 1 Offers," the offers to purchase the Group 2 Notes, collectively as the "Group 2 Offers" and all the offers to purchase Notes, collectively as the "Offers." The Offers are made on the terms and subject to the conditions set forth in the Offer to Purchase dated March 5, 2018 (the "Offer to Purchase").

The Offers will each expire at 11:59 p.m. (New York City time) on March 30, 2018, unless extended or earlier terminated by Verizon (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the "Expiration Date"). To be eligible to receive the Total Consideration (as defined below), which includes the Early Participation Payment (as defined below), holders of Notes (each, a "Holder" and collectively, "Holders") must validly tender their Notes at or prior to 5:00 p.m. (New York City time) on March 16, 2018, unless extended or earlier terminated (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the "Early Participation Date"). Holders who validly tender their Notes after the applicable Early Participation Date, but at or prior to the applicable Expiration Date, will be eligible to receive the tender consideration for any such series accepted for purchase, which is equal to the Total Consideration *minus* the Early Participation Payment (with respect to such series, the "Tender Consideration"). All Holders whose Notes are accepted in an Offer will receive a cash payment equal to accrued and unpaid interest on such Notes to, but not including, the relevant Settlement Date (as defined below) (the "Accrued Coupon Payment") in addition to their Total Consideration or Tender Consideration, as applicable.

Notes may be validly withdrawn at any time at or prior to 5:00 p.m. (New York City time) on March 16, 2018 (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the "Withdrawal Date"), but not thereafter, unless extended by Verizon.

Verizon is offering to accept for purchase validly tendered Notes using a "waterfall" methodology under which the Group 1 Notes and the Group 2 Notes will be accepted in the order of their respective Acceptance Priority Levels listed below, subject to certain caps.

The Offers are subject to the terms and conditions described in the Offer to Purchase, including (i) the Acceptance Priority Procedures (as described below), (ii) a \$1.5 billion cap on the total cash Verizon pays to purchase the Group 1 Notes validly tendered in the Group 1 Offers, excluding the applicable Accrued Coupon Payments (the "Group 1 Waterfall Cap"), and (iii) a \$1.5 billion cap on the total cash Verizon pays to purchase the Group 2 Notes validly tendered in the Group 2 Offers, excluding the applicable Accrued Coupon Payments (the "Group 2 Waterfall Cap" and, together with the Group 1 Waterfall Cap, the "Waterfall Caps").

On the terms and subject to the conditions set forth in the Offer to Purchase, Verizon is offering to purchase the following outstanding securities issued by it for the consideration described below:

Group 1 Offers

Acceptance	CUSIP/ISIN	Title of Security	Principal	Early	Floating Rate	Reference Bloomberg	Fixed
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Priority Level	Number(s)		Amount Outstanding	Participation Payment ⁽¹⁾	Note Total Consideration ⁽²⁾	U.S. Treasury Security ⁽³⁾	Reference Page	Spread (Basis Points)
1	92343VDC4/ 92343VDM3/ USU9221AAS79	2.946% Notes due 2022	\$3,194,253,000	\$50	N/A	2.625% due 2/28/2023	FIT 1	55
2	92343VAX2	4.600% Notes due 2021	\$1,334,842,000	\$50	N/A	2.250% due 2/15/2021	FIT 1	50
3	92343VBC7	3.500% Notes due 2021	\$1,628,716,000	\$50	N/A	2.250% due 2/15/2021	FIT 1	65
4	92343VCC6	3.450% Notes due 2021	\$861,617,000	\$50	N/A	2.250% due 2/15/2021	FIT 1	50
5	92343VDW1	3.125% Notes due 2022	\$1,850,000,000	\$50	N/A	2.625% due 2/28/2023	FIT 1	55
6	92343VCN2	3.000% Notes due 2021*	\$1,226,930,000	\$50	N/A	2.250% due 2/15/2021	FIT 1	65
7	92343VBJ2	2.450% Notes due 2022*	\$1,464,954,000	\$50	N/A	2.625% due 2/28/2023	FIT 1	70
8	92343VDG6	1.750% Notes due 2021	\$873,757,000	\$50	N/A	2.250% due 2/15/2021	FIT 1	65
9	92343VDX9	Floating Rate Notes due 2022	\$1,400,000,000	\$50	\$1.021	N/A	N/A	N/A

Group 2 Offers

Acceptance Priority Level	CUSIP/ISIN Number (s)	Title of Security	Principal Amount Outstanding	Early Participation Payment ⁽¹⁾	Reference U.S. Treasury Security ⁽³⁾	Bloomberg Reference Page	Fixed Spread (Basis Points)
1	92343VCZ5	4.672% Notes due 2055	\$5,499,999,000	\$50	2.75% due 11/15/2047	FIT 1	195
2	92343VCX0	4.522% Notes due 2048	\$5,000,000,000	\$50	2.75% due 11/15/2047	FIT 1	180
3	92343VCM4	5.012% Notes due 2054	\$5,500,001,000	\$50	2.75% due 11/15/2047	FIT 1	195
4	92343VDS0/ 92343VDP6/ USU9221AAT52	5.012% Notes due 2049	\$4,072,197,000	\$50	2.75% due 11/15/2047	FIT 1	185

1. Payable, as part of the applicable Total Consideration, per each \$1,000 principal amount of the specified series of Notes validly tendered at or prior to the applicable Early Participation Date and accepted for purchase (the “Early Participation Payment”). The total consideration for each \$1,000 principal amount of each series of Floating Rate Notes and Fixed Rate Notes (each as defined below) validly tendered at or prior to the applicable Early Participation Date is referred to as the “Total Consideration” for such series. Holders who validly tender Notes of a series after the applicable Early Participation Date, but at or prior to the applicable Expiration Date, will receive the Tender Consideration).

2. Payable per each \$1,000 principal amount of floating rate Notes due 2022 (the “Floating Rate Notes”) validly tendered at or prior to the applicable Early Participation Date.

3. The Total Consideration for each series of Notes other than the Floating Rate Notes (the “Fixed Rate Notes”) (such consideration, the “Fixed Rate Note Total Consideration”) will be based on the fixed spread for the applicable series of Notes plus the yield of the specified Reference U.S. Treasury Security for that series as of 11:00 a.m. (New York City time) on the Price Determination Date (as defined below). The Total Consideration does not include the applicable Accrued Coupon Payment, which will be payable in cash in addition to the applicable Total Consideration.

* Denotes a series of Notes for which the calculation of the applicable Fixed Rate Note Total Consideration may be performed using the present value of such Notes as determined at the applicable Price Determination Date as if the principal amount of such Notes had been due on the applicable par call date. For each series of Notes that has a par call date, if the Fixed Rate Notes Total Consideration is less than \$1,000 per \$1,000 principal amount of Notes, then the Fixed Rate Notes Total Consideration will be calculated based on the scheduled maturity date and not the par call date for each such series of Notes.

Subject to the satisfaction or waiver of the conditions of the Offers, the “Acceptance Priority Procedures” will operate concurrently, but separately, for the (i) Group 1 Offers and (ii) Group 2 Offers, in each case, as follows:

- *first*, if the aggregate cash purchase price (excluding the applicable Accrued Coupon Payments) of all Group 1 Notes or Group 2 Notes, as applicable, validly tendered at or prior to the applicable Early Participation Date by Holders does not exceed the applicable Waterfall Cap, then Verizon will accept all such Notes. However, if the aggregate cash purchase price (excluding the applicable Accrued Coupon Payments) of all Group 1 Notes or Group 2 Notes, as applicable, validly tendered at or prior to the applicable Early Participation Date by Holders exceeds the applicable Waterfall Cap, then

Verizon will (i) accept such Notes for purchase for cash, starting at the highest Acceptance Priority Level (level 1) and moving sequentially to each lower Acceptance Priority Level (the lowest of which is level 9 in the case of the Group 1 Offers and level 4 in the case of the Group 2 Offers), until the aggregate cash purchase price (excluding the applicable Accrued Coupon Payments) of such Notes equals the applicable Waterfall Cap, (ii) prorate the series of such Notes with the lowest Acceptance Priority Level accepted for purchase for cash and (iii) not accept for purchase for cash (x) any such Notes of a series with an Acceptance Priority Level below the prorated series or (y) any Group 1 Notes or Group 2 Notes, as applicable, validly tendered after the applicable Early Participation Date; and

- *second*, if the applicable Waterfall Cap is not exceeded at the applicable Early Participation Date, Verizon will repeat the steps described in the prior bullet with respect to all Group 1 Notes or Group 2 Notes, as applicable, validly tendered after the applicable Early Participation Date, but at or prior to the applicable Expiration Date, in order to determine the aggregate principal amount of such Notes that Verizon will accept for purchase in the Group 1 Offers or the Group 2 Offers, as applicable. All Group 1 Notes, regardless of Acceptance Priority Level, that are validly tendered at or prior to the applicable Early Participation Date will have priority over Group 1 Notes validly tendered after the applicable Early Participation Date and at or prior to the applicable Expiration Date, and all Group 2 Notes, regardless of Acceptance Priority Level, that are validly tendered at or prior to the applicable Early Participation Date will have priority over Group 2 Notes validly tendered after the applicable Early Participation Date and at or prior to the applicable Expiration Date.

Provided that all conditions to the Group 1 Offers and/or the Group 2 Offers have been satisfied or waived by Verizon by the applicable Early Participation Date, Verizon may, but is not obligated to, elect to exercise its right (the "Early Settlement Right"), with respect to the Offers for which the conditions have been satisfied or waived, to settle on the second business day after the applicable Early Participation Date (the "Early Settlement Date") all Notes validly tendered at or prior to the applicable Early Participation Date and accepted for purchase in such Offers. If Verizon elects to exercise its Early Settlement Right with respect to any Group 1 Notes validly tendered at or prior to the applicable Early Participation Date and accepted for purchase, Verizon will settle all such Group 1 Notes on the applicable Early Settlement Date, and if Verizon elects to exercise its Early Settlement Right with respect to any Group 2 Notes validly tendered at or prior to the applicable Early Participation Date and accepted for purchase, Verizon will settle all such Group 2 Notes on the applicable Early Settlement Date. If Verizon elects to exercise its Early Settlement Right with respect to the Group 1 Offers and/or the Group 2 Offers, Verizon will announce in a press release promptly after the applicable Early Participation Date that it is exercising its Early Settlement Right with respect to such Offers. On the applicable Early Settlement Date, all Notes validly tendered at or prior to the applicable Early Participation Date and accepted for purchase in the Offers for which Verizon has elected to exercise its Early Settlement Right will receive the applicable Total Consideration and Accrued Coupon Payment. The "Final Settlement Date," if any, is the date on which Verizon will settle all Notes validly tendered and accepted for purchase and not previously settled on the Early Settlement Date. The Final Settlement Date is expected to be the second business day following the applicable Expiration Date, unless extended with respect to any Offer. Each of the Early Settlement Date and the Final Settlement Date is referred to as a "Settlement Date."

The Total Consideration or Tender Consideration, as applicable, payable by Verizon for each \$1,000 principal amount of each series of Floating Rate Notes and Fixed Rate Notes validly tendered and accepted by Verizon will be paid in cash on the relevant Settlement Date.

Promptly after 11:00 a.m. (New York City time) on March 19, 2018, unless extended with respect to any Offer (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the "Price Determination Date"), Verizon will issue a press release specifying, among other things, the Fixed Rate Note Total Consideration for each series of Fixed Rate Notes and the aggregate principal amount of Notes validly tendered at or prior to the applicable Early Participation Date and accepted in each Offer.

Verizon has retained Citigroup Global Markets Inc., Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC to act as lead dealer managers for the Offers, and Credit Suisse Securities (USA) LLC, Loop Capital Markets LLC, Mizuho Securities USA LLC, CastleOak Securities, L.P., Samuel A. Ramirez & Company, Inc., Siebert Cisneros Shank & Co., L.L.C. and The Williams Capital Group, L.P. to act as co-dealer managers for the Offers. Questions regarding terms and conditions of the Offers should be directed to Citigroup at (800) 558-3745 (toll-free) or (212) 723-6106 (collect), Goldman Sachs & Co. LLC at (800) 828-3182 (toll-free) or (212) 357-1452 (collect) or J.P. Morgan at (866) 834-4666 (toll-free) or (212) 834-4811 (collect).

Global Bondholder Services Corporation will act as the Information Agent and the Information Agent for the Offers. Questions or requests for assistance related to the Offers or for additional copies of the Offer to Purchase may be directed to Global Bondholder Services Corporation at (866) 470-3800 (toll free) or (212) 430-3774 (collect). You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offers.

If Verizon terminates any Offer with respect to one or more series of Notes, it will give prompt notice to the Tender Agent or Information Agent, as applicable, and all Notes tendered pursuant to such terminated Offer will be returned promptly to the tendering Holders thereof. With effect from such termination, any Notes blocked in DTC will be released.

Holders are advised to check with any bank, securities broker or other intermediary through which they hold Notes as to when such intermediary would need to receive instructions from a beneficial owner in order for that holder to be able to participate in, or withdraw their instruction to participate, in the Offers before the deadlines specified herein and in the Offer to Purchase. The deadlines set by any such intermediary and DTC for the submission and withdrawal of tender instructions will also be earlier than the relevant deadlines specified herein and in the Offer to Purchase.

This announcement is for informational purposes only. This announcement is not an offer to purchase or a solicitation of an offer to purchase any Notes. The Offers are being made solely pursuant to the Offer to Purchase. The Offers are not being made to Holders of Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction in which the securities laws or blue sky laws require the Offers to be made by a licensed broker or dealer, the Offers will be deemed to be made on behalf of Verizon by the dealer managers or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

This communication has not been approved by an authorized person for the purposes of Section 21 of the Financial Services and Markets Act 2000, as amended (the "FSMA"). Accordingly, this communication is not being distributed to, and must not be passed on to, persons within the United Kingdom save in circumstances where section 21(1) of the FSMA does not apply.

In particular, this communication is only addressed to and directed at: (A) in any Member State of the European Economic Area that has implemented the Prospectus Directive, qualified investors in that Member State within the meaning of the Prospectus Directive and (B) (i) persons that are outside the United Kingdom or (ii) persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order")) or within Article 43 of the Financial Promotion Order, or to other persons to whom it may otherwise lawfully be communicated by virtue of an exemption to Section 21(1) of the FSMA or otherwise in circumstance where it does not apply (such persons together being "relevant persons").

Cautionary Statement Regarding Forward-Looking Statements

In this communication Verizon has made forward-looking statements. These forward-looking statements are not historical facts, but only predictions and generally can be identified by use of statements that include phrases such as "will," "may," "should," "continue," "anticipate," "believe," "expect," "plan," "appear," "project," "estimate," "intend," or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals also are forward-looking statements. These forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated. Factors that could materially affect these forward-looking statements can be found in our periodic reports filed with the SEC. Holders are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements included in this press release are made only as of the date of this press release, and Verizon undertakes no obligation to update publicly these forward-looking statements to reflect new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events might or might not occur. Verizon cannot assure you that projected results or events will be achieved.

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