

**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): **July 1, 2016**

ATN INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of incorporation)

001-12593
(Commission File Number)

47-0728886
(IRS Employer
Identification No.)

500 Cummings Center
Beverly, MA 01915
(Address of principal executive offices and zip code)

(978) 619-1300
(Registrant's telephone number, including area code)

(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))

Item 1.01 Entry into a Material Definitive Agreement.

The information regarding the Loan Agreement set forth under Item 2.03 of this Form 8-K is incorporated herein by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On July 1, 2016, ATN International, Inc. (the "Company"), through its wholly-owned subsidiary ATN VI Holdings, LLC, a Delaware limited liability company ("ATN VI"), completed its previously announced acquisition (the "Acquisition") of all of the membership interests of Caribbean Asset Holdings, LLC ("CAH"), a Delaware limited liability company, pursuant to the terms of the Purchase Agreement, effective as of September 30, 2015, by and among CAH, National Rural Utilities Cooperative Finance Corporation, ATN VI and the Company (as amended, the "Purchase Agreement"). CAH, through its operating subsidiaries, is in the business of marketing, selling and providing wireless and wireline telecommunications, broadband (including data transmission via undersea cable), video programming services, hosting, storage, VOIP and managed services throughout the United States Virgin Islands, British Virgin Islands and St. Maarten. The purchase price paid at the closing of the Acquisition was approximately \$145.0 million, which amount is subject to certain post-closing adjustments as set forth in the Purchase Agreement. The Company funded the purchase price with a combination of cash on hand and the proceeds of a loan made pursuant to the Loan Agreement described under Item 2.03 of this Form 8-K.

The foregoing description is qualified in its entirety by the terms of the Purchase Agreement. A copy of the Purchase Agreement was filed as Exhibit 2.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015. The Purchase Agreement was amended on July 1, 2016; such amendment will be filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016.

On July 1, 2016, the Company issued a press release announcing the completion of the Acquisition, a copy of which is filed as Exhibit 99.1 hereto and is incorporated by reference into this Item 2.01.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

In connection with the Acquisition, on July 1, 2016, ATN VI and CAH, as borrowers (the “Borrowers”), entered into a Loan Agreement (the “Loan Agreement”) with certain of CAH’s subsidiaries, as guarantors, and Rural Telephone Finance Cooperative, a District of Columbia cooperative association and an affiliate of CAH (“RTFC”), as lender.

The Loan Agreement provides for a term loan of \$60.0 million (the “Loan”), which matures on July 1, 2026, unless accelerated pursuant to an event of default, as described below. The Loan will be due and payable upon the earlier of the maturity date or the acceleration of the loans and commitments upon an event of default; the Borrowers may prepay all or any part of the Loan without penalty or premium.

The Loan bears interest at a rate equal to, at the Company’s option, either (i) a fixed rate established by RTFC or agreed to in writing by RTFC and the Borrowers pursuant to a “rate lock” or similar agreement or (ii) a variable rate established by RTFC. The Company and RTFC previously entered into a “rate lock” agreement and in connection with the drawdown of the Loan, the Company elected to fix the interest rate of the Loan at 4.0% per annum.

The Company and certain of CAH’s domestic subsidiaries are guarantors of the Borrowers’ obligations under the Loan Agreement. Further, the obligations of the Borrowers are secured by first priority liens on substantially all the property and assets of the Borrowers and the guarantor subsidiaries, including a pledge of 65% of ATN VI’s voting equity interests in CAH, a pledge of 100% of the equity interests in certain domestic subsidiaries and 65% of the voting equity interests in certain foreign subsidiaries.

The Loan Agreement contains a financial covenant (as further defined in the Loan Agreement) by the Borrowers that imposes a maximum ratio of indebtedness to EBITDA, as well as customary representations, warranties and covenants, including covenants by the Borrowers limiting additional indebtedness, liens, mergers and consolidations, substantial asset sales, investments and loans, transactions with affiliates and fundamental changes.

The Loan Agreement provides for events of default customary for credit facilities of this type, including but not limited to non-payment, defaults on other debt, misrepresentation, breach of covenants, representations and warranties, insolvency and bankruptcy. After the occurrence of an event of default and for so long as it continues, the interest rate then in effect on the Loan increases by 2.5% at the written election of RTFC. Upon the occurrence and continuation of an event of default, RTFC may accelerate payment of the Loan.

The foregoing description is only a summary of the provisions of the Loan Agreement and is qualified in its entirety by the terms of the Loan Agreement. A copy of the Loan Agreement will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2016.

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Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

Any financial statements required to be filed in connection with the Acquisition will be filed as an amendment to this Form 8-K no later than 71 calendar days after the date on which this Form 8-K was required to be filed

(b) Pro Forma Financial Information.

Any pro forma financial information required to be filed in connection with the Acquisition will be filed as an amendment to this Form 8-K no later than 71 calendar days after the date on which this Form 8-K was required to be filed.

(d) Exhibits.

99.1 Press Release of the Company, dated July 1, 2016.

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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.

ATN INTERNATIONAL, INC.

By: /s/ Justin D. Benincasa
Name: Justin D. Benincasa
Title: Chief Financial Officer

Dated: July 1, 2016

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EXHIBIT INDEX

Exhibit Number	Description of Exhibit
99.1	Press Release of the Company, dated July 1, 2016.



NEWS RELEASE

FOR IMMEDIATE RELEASE

July 1, 2016

CONTACT:**ATN International, Inc.**

Michael T. Prior
Chief Executive Officer
978-619-1300

Justin D. Benincasa
Chief Financial Officer
978-619-1300

ATN Closes Acquisition of Innovative Group of Companies

Combination adds Wireline, Video, Broadband, and Voice Services to ATN's existing Mobile Service in the U.S. Virgin Islands

BEVERLY, MA, July 1, 2016 — ATN (Nasdaq:ATNI) announced today that it has closed its acquisition of Caribbean Asset Holdings LLC, the holding company for the Innovative group of companies operating cable TV, Internet and landline services primarily in the U.S. Virgin Islands ("Innovative") from the National Rural Utilities Cooperative Finance Corporation ("CFC").

ATN acquired the Innovative operations for a purchase price of approximately \$145 million, subject to certain purchase price adjustments, with \$85 million payable in cash and the remaining \$60 million of the purchase price financed with a loan from the Rural Telephone Finance Cooperative, an affiliate of CFC. As part of the transaction, ATN also acquired Innovative's smaller cable TV operations in the British Virgin Islands and St. Maarten.

Announced in October 2015, the purchase of Innovative allows ATN to deliver a full range of telecommunications and media services to residential and business subscribers. The Company intends to combine the Innovative operations with its current wireless operations in the U.S. Virgin Islands. Based on current visibility, ATN expects the combined company to have aggregate annual revenues of approximately \$100-110 million, and initial EBITDA margins of approximately 20% for the first full year of operations, excluding one-time integration and transactional expenses.

"Over the past 16 years of operations in the U.S. Virgin Islands, we have gotten to know the market well, and we see the potential to create long term value by bringing Innovative, a well-established local company with significant network investments, into our broader operations," said ATN Chief Executive Officer, Michael Prior. "We will now have the scale to really make a difference for both business and residential customers. Doing so requires careful attention to

quality of service and a sustained program of investment in technology and people. We will offer comprehensive and enhanced communications and media services to business and residential customers in the Virgin Islands, while continuing to deliver the customer friendly experience for which Choice is known. With a great local team, significant investment capability and decades of operational telecommunications experience in this region, we are confident in our ability to successfully integrate the companies and bring value to customers and the community as a whole."

Q Advisors, LLC served as financial advisor to ATN, and Mintz Levin Cohn Ferris Glovsky and Popeo, PC and Wilkinson Barker Knauer, LLP acted as legal counsel.

About ATN

ATN (Nasdaq: ATNI), headquartered in Beverly, Massachusetts, provides telecommunications services to rural, niche and other under-served markets and geographies in the United States, Bermuda and the Caribbean and owns and operates solar power systems in select locations in the United States. Through our operating subsidiaries, we (i) provide both wireless and wireline connectivity to residential and business customers, including a range of mobile wireless solutions, local exchange services and broadband internet services, (ii) provide distributed solar electric power to corporate, utility and municipal customers and (iii) are the owner and operator of terrestrial and submarine fiber optic transport systems in the United States and the Caribbean, respectively. For more information, please visit www.atni.com

Cautionary Language Concerning Forward Looking Statements

This press release contains forward-looking statements relating to, among other matters, our future financial performance and results of operations; the competitive environment in our key markets, demand for our services and industry trends; the outcome of regulatory matters; the pace of our network expansion and improvement, including our level of estimated future capital expenditures and our realization of the benefits of these investments; and management's plans and strategy for the future. These forward-looking statements are based on estimates, projections, beliefs, and assumptions and are not guarantees of future events or results. Actual future events and results could differ materially from the events and results indicated in these statements as a result of many factors, including, among others, (i) the performance of the acquired business; (ii) our ability to operate in a new industry; (iii) our ability to integrate the new business into our current operations; (iv) increased competition; (v) changes in laws and government regulations affecting the acquired business; and the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2015, filed with the SEC on February 29, 2016 and the other reports we file from time to time with the SEC. The information set forth in this news release speaks only as of the date hereof, and ATN disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this news release.

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