

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): April 4, 2014

Tandem Diabetes Care, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

001-36189

(Commission File Number)

20-4327508

(I.R.S. Employer Identification No.)

11045 Roselle Street, San Diego, CA

(Address of principal executive offices)

92121

(Zip Code)

Registrant's telephone number, including area code: **(858) 366-6900**

N/A

(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))

Item 1.01 Entry Into Material Definitive Agreement.

On April 4, 2014, Tandem Diabetes Care, Inc. (the “Company”) entered into an Amended and Restated Term Loan Agreement (the “Amended and Restated Term Loan Agreement”) with Capital Royalty Partners II L.P. (“Capital Royalty Partners”), Capital Royalty Partners II—Parallel Fund “A” L.P. (“CRPPF”) and Capital Royalty Partners II (Cayman) L.P. (“CRPC” and, together with CRPPF and Capital Royalty Partners, the “Lenders”) under which the Company may borrow up to \$30.0 million. The Amended and Restated Term Loan Agreement amends and restates the Term Loan Agreement entered into between the Company and the Lenders in December 2012 (the “Original Term Loan Agreement”).

Pursuant to the Original Term Loan Agreement, the Company was provided access to up to \$45.0 million in borrowings, of which \$30.0 million was drawn as of the date of execution of the Amended and Restated Term Loan Agreement. Borrowings under the Amended and Restated Term Loan Agreement were used to refinance amounts outstanding under the Original Term Loan Agreement. Aggregate borrowings outstanding under the Amended and Restated Term Loan Agreement are \$30.0 million.

The Amended and Restated Term Loan Agreement primarily amends the terms of the Original Term Loan Agreement to reduce the borrowing limit to \$30.0 million, to reduce the applicable interest rate from 14.0 percent to 11.5 percent, and to extend the interest only payment period from December 31, 2015 to March 31, 2018. Interest is payable, at the Company’s option, (i) in cash at a rate of 11.5 percent per annum or (ii) 9.50 percent of the 11.5 percent per annum in cash and 2.0 percent of the 11.5 percent per annum as compounded interest. Interest-only payments are due quarterly on March 31, June 30, September 30 and December 31 of each year of the interest-only payment period. Thereafter, in addition to interest accrued during the period, the quarterly payments shall include an amount equal to the outstanding principal at March 31, 2018 divided by the remaining number of quarters prior to the end of the term of the loan. The Amended and Restated Term Loan Agreement provides for prepayment fees of 3% of the outstanding balance of the loan if the loan is repaid prior to March 31, 2015. The prepayment fee is reduced by 1% per year for each subsequent year until maturity.

Certain affirmative and negative covenants were also amended to provide the Company with additional flexibility. The principal financial covenants require that the Company attain minimum annual revenues of \$30 million in 2014, \$50 million in 2015, \$65 million in 2016, \$80 million in 2017 and \$95 million thereafter.

On the same date, the Company entered into a new Term Loan Agreement (the “New Tranche Term Loan Agreement” and, together with the Amended and Restated Term Loan Agreement, the “Term Loan Agreements”) with Capital Royalty Partners, CRPPF, CRPC and Parallel Investment Opportunities Partners II L.P. under which the Company may borrow up to an additional \$30.0 million on or before March 31, 2015, at the same interest rate and on the same key terms as the Amended and Restated Term Loan Agreement. The effectiveness of the Term Loan Agreements was subject to the execution of certain customary ancillary agreements and other customary closing conditions.

The foregoing description of the Term Loan Agreements does not purport to be complete and is qualified in its entirety by the terms and conditions of the Amended and Restated Term Loan Agreement and the New Tranche Term Loan Agreement, copies of which will be filed as exhibits to the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2014.

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

The disclosure set forth above under Item 1.01 is incorporated by reference into this Item 2.03.

Item 7.01 Regulation FD Disclosure.

On April 9, 2014, the Company issued a press release regarding the Term Loan Agreements. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information disclosed under this Item 7.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are attached to this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, dated April 9, 2014.

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.

Tandem Diabetes Care, Inc.

Date: April 9, 2014

/s/ David B. Berger

David B. Berger
General Counsel

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, dated April 9, 2014.

**FOR IMMEDIATE RELEASE****Tandem Diabetes Care and Capital Royalty Amend and Restate Term Loan Facility**

SAN DIEGO, April 9, 2014 – Tandem Diabetes Care®, Inc. (NASDAQ: TNDM) and Capital Royalty Partners II, L.P. and its affiliate funds (“Capital Royalty”) today announced that they have amended and restated the term loan facility under which the Company borrowed \$30 million in January 2013. This amendment extends the maturity date under the Company’s term loan facility from December 31, 2017 to March 31, 2020. Under the terms of the restated agreement, the interest rate was reduced from 14.0 percent to 11.5 percent, and the interest only payment period was extended through March 31, 2018. In addition, the Company has entered into a second loan agreement with Capital Royalty and Parallel Investment Opportunities Partners II L.P. that provides the Company with the option to access up to an additional \$30 million on or before March 31, 2015 at the same interest rate and on the same key terms.

“We are committed to seeking cash flow management opportunities that will allow us to direct more funds towards scaling the business and improving operational efficiencies,” said Kim Blickenstaff, Tandem’s President and Chief Executive Officer. “Capital Royalty is a valued strategic financing partner and we are pleased with their ability to provide flexible solutions to support the needs of our rapidly growing business.”

“Tandem is an example of our focus on investing in innovation within healthcare,” said Charles Tate, Chairman and Founder of Capital Royalty L.P. “Tandem is building on the success of its first full year of commercialization and Capital Royalty is helping the Company continue this momentum.”

About Tandem Diabetes Care, Inc.

Tandem Diabetes Care, Inc. (www.tandemdiabetes.com) is a medical device company with an innovative, user-centric and integrated approach to the design, development and commercialization of products for people with insulin-dependent diabetes. The Company manufactures and sells the t:slim® Insulin Pump, the slimmest and smallest durable insulin pump currently on the market, and the first and only insulin pump with a high resolution, color touch screen. Tandem is based in San Diego, California.

About Capital Royalty L.P.

Capital Royalty L.P. is a market pioneer and innovator in healthcare investing focused on intellectual property investments in approved products through structures including royalty bonds, secured debt, revenue interests and traditional royalty monetizations. Capital Royalty works directly with leading healthcare companies, research institutions and inventors to provide customized solutions to meet their unique financing needs. The value of each investment is based on the future revenue of commercialized biopharmaceutical products and medical technologies. Capital Royalty is actively making investments through Capital Royalty Partners II, L.P., which has \$805 million of committed capital.

The firm is headquartered in Houston, Texas with offices in Boulder, Colorado and New York City. For additional information, please visit www.capitalroyalty.com.

t:slim and Tandem Diabetes Care are registered trademarks of Tandem Diabetes Care, Inc.

Follow Tandem Diabetes Care on Twitter @tandemdiabetes, use #tslim, #tconnect and \$TNDM.
Follow Tandem Diabetes Care on Facebook at www.facebook.com/TandemDiabetes.

Forward Looking Statement

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that concern matters that involve risks and uncertainties that could cause actual results to differ materially from those anticipated or projected in the forward-looking statements. These forward-looking statements relate to the Company’s growth rate and future financing needs, whether the Company will draw some or all of the additional \$30 million available under the loan agreements with Capital Royalty and the use of any such additional funds. The Company’s actual results may differ materially from those indicated in these forward-looking statements due to numerous risks and uncertainties. For instance, additional funds may not be available under the loan agreement if the Company does not meet certain specified minimum revenue requirements or if the Company is not in compliance with other covenants under the terms of the applicable loan agreement, and the successful commercialization of the Company’s products may be negatively impacted by lack of market acceptance by physicians and people with diabetes. Other risks and uncertainties include the Company’s inability to manufacture products in commercial quantities at an acceptable cost and in accordance with quality requirements; the Company’s inability to contract with additional third-party payors for reimbursement of the Company’s products; possible delays in the Company’s product development programs; possible future actions of the U.S. Food and Drug Administration or any other regulatory body or governmental authority and other risks identified in the Company’s Annual Report on Form 10-K as well as other documents that the Company files with the Securities and Exchange Commission. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Tandem undertakes no obligation to update or review any forward-looking statement in this press release because of new information, future events or other factors.

###

Tandem Diabetes Care Contact:

Susan Morrison
Chief Administrative Officer
858-366-6880
smorrison@tandemdiabetes.com

Capital Royalty L.P. Media Contact:

Luke Duster
Managing Director
713-209-7350
lduster@capitalroyalty.com