

**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): February 16, 2017

LEIDOS HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other Jurisdiction of
Incorporation)

001-33072

(Commission
File Numbers)

20-3562868

(IRS Employer
Identification Nos.)

11951 Freedom Drive, Reston, Virginia

(Address of Principal Executive Offices)

20190

(Zip Code)

Registrants' telephone number, including area code: **(571) 526-6000**

N/A

(Former names or former addresses 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 a Material Definitive Agreement.

On February 16, 2017, Leidos Innovations Corporation, as borrower, and Leidos Holdings, Inc. entered into the First Amendment (the “Amendment”) to the Credit Agreement, dated August 16, 2016, with Citibank, N.A., as administrative agent and the other lending institutions named in the Amendment. The primary purpose of the Amendment was to reduce the Applicable Margin for the B Term Loans outstanding immediately prior to the Amendment by 50 basis points.

Item 9.01 Financial Statements and Exhibits

Leidos hereby files the following exhibit:

Exhibit Number	Description
10.1	First Amendment, dated February 16, 2017, to the Credit Agreement dated as of August 16, 2016, by and among Leidos Innovations (f/k/a Abacus Innovations Corporation), as borrower, Leidos Holdings, Inc., Citibank, N.A., as administrative agent and the other lending institutions party to the amendment.

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.

LEIDOS HOLDINGS, INC.

By: /s/ Raymond L. Veldman
Name: Raymond L. Veldman
Title: Senior Vice President and Deputy General Counsel

Dated: February 21, 2017

FIRST AMENDMENT

This FIRST AMENDMENT, dated as of February 16, 2017 (this “Agreement”), to the CREDIT AGREEMENT dated as of August 16, 2016 (as supplemented by the Holdings Joinder, the “Existing Credit Agreement”), is entered into by and among LEIDOS INNOVATIONS CORPORATION (f/k/a Abacus Innovations Corporation), a Delaware corporation (the “Borrower”), LEIDOS HOLDINGS, INC., a Delaware corporation (“Holdings”), the LENDERS party hereto and CITIBANK, N.A., as Administrative Agent, Secured Parties Collateral Agent and Non-Notes Secured Parties Collateral Agent (the “Administrative Agent”; capitalized terms used but not defined herein have the meaning provided in the Existing Credit Agreement). Citibank, N.A., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Goldman Sachs Bank USA, The Bank of Nova Scotia, Wells Fargo Securities, LLC, PNC Capital Markets LLC, SunTrust Robinson Humphrey, Inc. and U.S. Bank National Association have been appointed to act as joint lead arrangers and joint bookrunners in connection with this Agreement (in such capacities, the “Arrangers”).

WITNESSETH

WHEREAS, pursuant to the Existing Credit Agreement, the Existing B Term Loan Lenders (as defined below) have made B Term Loans to the Borrower on the terms and subject to the conditions set forth therein;

WHEREAS, the Borrower has requested that the Existing Credit Agreement be amended (as so amended, the “Amended Credit Agreement”) to provide for:

- (a) the reduction of the Applicable Margin for the B Term Loans (including the B Term Loans outstanding immediately prior to the First Amendment Effective Date (as defined below) (the “Existing B Term Loans”)); and
- (b) the modification of certain other provisions in the Existing Credit Agreement, as reflected herein; and

WHEREAS, each lender holding Existing B Term Loans (each, an “Existing B Term Loan Lender”) that executes and delivers a signature page to this Agreement as a “Continuing B Term Loan Lender” (each, a “Continuing B Term Loan Lender”) at or prior to 5:00 p.m., New York City time, on January 17, 2017 (the “TLB Signing Date and Time”) will, in each case, have agreed to the terms of this Agreement upon the effectiveness of this Agreement on the First Amendment Effective Date. Each Existing B Term Loan Lender that does not execute and deliver a signature page to this Agreement at or prior to the TLB Signing Date and Time (each, a “Departing B Term Loan Lender”), will be deemed not to have agreed to this Agreement, and will be subject to the mandatory assignment provisions of Section 2.18(b) of the Amended Credit Agreement upon the effectiveness of this Agreement on the First Amendment Effective Date (it being understood that the interests, rights and obligations of the Departing B Term Loan Lenders under the Loan Documents will be assumed by Citibank, N.A. (in such capacity, the “New B Term Loan Lender”), in each case in accordance with Section 2.18(b) of the Amended Credit Agreement and Section 2 hereof).

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. Amendment of the Existing Credit Agreement. Effective as of the First Amendment Effective Date, the Existing Credit Agreement is hereby amended as follows:

(a) The following definitions are added in the appropriate alphabetical order to Section 1.01 of the Existing Credit Agreement:

“First Amendment” shall mean that certain First Amendment to this Agreement, dated as of the First Amendment Effective Date, among the Borrower, Holdings, the Lenders party thereto, the Administrative Agent, the Secured Parties Collateral Agent and the Non-Notes Secured Parties Collateral Agent.

“First Amendment Effective Date” means February 16, 2017.

(b) Clause (1) of the first paragraph of the definition of “Applicable Margin” is hereby amended and restated in its entirety to read as follows:

“(1) with respect to any B Term Loan (x) in the case of Eurocurrency Rate Loans, 2.75% *per annum* (for any day prior to the First Amendment Effective Date) and 2.25% *per annum* (for any day on or after the First Amendment Effective Date) and (y) in the case of Base Rate Loans, 1.75% *per annum* (for any day prior to the First Amendment Effective Date) and 1.25% *per annum* (for any day on or after the First Amendment Effective Date)”

(c) The second sentence of the definition of “Interest Period” is hereby amended by amending and restating the first parenthetical phrase set forth therein to read in its entirety as follows:

“(or, (x) with respect to the Interest Period commencing on the Closing Date, the period from the Closing Date to August 31, 2016 and, (y) with respect to the Interest Period for the B Term Loan commencing on the First Amendment Effective Date, the period from the First Amendment Effective Date to February 28, 2017)”

(d) Section 2.02(a) is hereby amended to add the following sentence after the last sentence of such section:

“Notwithstanding any other provision contained herein to the contrary, the last day of each Interest Period in effect with respect to each B Term Loan outstanding immediately prior to the First Amendment Effective Date shall be deemed to be the First Amendment Effective Date, and on the First Amendment Effective Date, the Borrower shall pay interest on the unpaid principal amount of each B Term Loan that is accrued and unpaid through but excluding the First Amendment Effective Date at the rate *per annum* applicable to such Interest Period under Section 2.07(a)(i) or 2.07(a)(ii), as applicable. Each B Term Loan outstanding as of the First Amendment Effective Date will be deemed continued on the First Amendment

Effective Date as a B Term Loan with an initial Interest Period as set forth on the notice of continuation attached as Exhibit A to the First Amendment.”

(e) Section 2.10(a)(ii) is hereby amended by replacing the phrase “prior to the date that is six months after the Closing Date” with the following: “(A) prior to the date that is six months after the Closing Date or (B) after the First Amendment Effective Date and prior to the date that is six months after the First Amendment Effective Date”.

(f) Section 2.18 is hereby amended (i) to, immediately following the phrase “from the assignee” in Section 2.18(b) (ii), add the phrase “(and/or, with the prior consent of the Borrower and with respect to accrued interest and/or fees only, from the Borrower)” and (ii) to add the following new clause (d) in the appropriate numerical order:

“(d) Each party hereto agrees that an assignment and delegation required pursuant to clause (b) above with respect to a B Term Loan may, at the Administrative Agent’s request and notwithstanding anything in Section 9.07 or elsewhere herein to the contrary, be effected pursuant to an assignment and assumption agreement (or any other written instrument), in each case, in a form acceptable to the Administrative Agent, executed by the Borrower, the Administrative Agent and the assignee, and that the Lender required to make such assignment and delegation need not be a party thereto, and in such case shall be deemed to have executed and delivered such assignment and assumption agreement.”

SECTION 2. Transactions on the First Amendment Effective Date. (a) Effect on the B Term Loan Lenders and Existing B Term Loans. (i). Subject to the terms and conditions set forth herein and in the Amended Credit Agreement, on the First Amendment Effective Date, (A) the New B Term Loan Lender shall become, and each Continuing B Term Loan Lender shall continue to be, a “B Term Loan Lender” and a “Lender” under the Amended Credit Agreement and (B) the New B Term Loan Lender shall have, and each Continuing B Term Loan Lender shall continue to have, all the rights and obligations of a “B Term Loan Lender” and a “Lender” holding a B Term Loan under the Amended Credit Agreement.

(i) On the First Amendment Effective Date, pursuant to Section 2.18(b) of the Amended Credit Agreement, each Departing B Term Loan Lender shall be deemed to have assigned and delegated its Existing B Term Loans, together with all of its interests, rights (other than its existing rights to payments pursuant to Section 2.11 or 2.14 of the Existing Credit Agreement) and obligations under the Loan Documents in respect thereof, to the New B Term Loan Lender at a purchase price equal to the par principal amount of such Loans (the “TLB Purchase Price”); it being understood and agreed that the aggregate principal amount of all such Existing B Term Loans so assigned and delegated is \$30,500,000. Upon payment to a Departing B Term Loan Lender of (I) the TLB Purchase Price with respect to its Existing B Term Loans from the New B Term Loan Lender and (II) accrued and unpaid interest and fees (if any) in respect of its Existing B Term Loans through but excluding the First Amendment Effective Date and all other amounts payable to it as of the First Amendment Effective Date under the Loan Documents in respect of its Existing B Term Loans and other interests assigned by it under this Section 2(a)(ii) (including any amounts due under Section 9.04(f) of the Existing Credit Agreement that are payable as of the First Amendment Effective Date)

from the Borrower (and without the requirement of any further action on the part of such Departing B Term Loan Lender), such Departing B Term Loan Lender shall cease to be a party to the Existing Credit Agreement with respect to the Existing B Term Loans (and its interests, rights and obligations in respect thereof) deemed assigned by it under this Section 2(a)(ii).

(b) The Borrower shall be deemed to have given notice to the Administrative Agent and each Departing B Term Loan Lender as required by Section 2.18(b) of the Existing Credit Agreement.

(c) The New B Term Loan Lender, by delivering its signature page to this Agreement and assuming Existing B Term Loans hereunder, shall be deemed to have acknowledged receipt of, and consented to and approved, (i) the amendment of the Existing Credit Agreement provided for herein and (ii) each Loan Document and each other document required to be approved by any Agent, the Required Lenders or any other Lenders, as applicable, on the First Amendment Effective Date (and after giving effect to the amendment of the Existing Credit Agreement provided for in this Agreement).

(d) The Administrative Agent, by delivering its signature page to this Agreement, consents to this Agreement and confirms that the New B Term Loan Lender is acceptable to it.

(e) For purposes of clarity, all Existing B Term Loans shall continue to be outstanding as B Term Loans under the Amended Credit Agreement on and after the First Amendment Effective Date, subject to the terms of the Amended Credit Agreement.

SECTION 3. Conditions to Effectiveness of Agreement. The amendment of the Existing Credit Agreement and associated provisions set forth herein shall become effective as of the first date on which the following occur or have been waived in accordance with Section 9.01 of the Existing Credit Agreement (the "First Amendment Effective Date"):

(a) The Administrative Agent shall have received duly executed counterparts of this Agreement from (A) the Borrower, (B) Holdings, (C) Lenders constituting the Required Lenders, (D) the New B Term Loan Lender, and (E) the Administrative Agent.

(b) The Administrative Agent shall have received a certificate of the Secretary or Assistant Secretary of the Borrower dated the First Amendment Effective Date and certifying (A) that attached thereto is a true and complete copy of the by-laws (or comparable organizational document) of the Borrower as in effect on the First Amendment Effective Date and, if earlier, at all times since the date of the resolutions described in clause (B) below, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors (or comparable governing body) of the Borrower authorizing the execution, delivery and performance of this Agreement and the other documents delivered in connection herewith to which the Borrower is a party and that such resolutions have not been modified, rescinded or amended and are in full force and effect, (C) that the certificate or articles of incorporation (or comparable organizational document) of the Borrower have not been amended since the date of the last amendment thereto shown on the certificate of good standing furnished pursuant to clause (c) below and (D) as to the

incumbency and specimen signature of each Responsible Officer executing any document delivered in connection herewith on behalf of the Borrower.

(c) The Administrative Agent shall have received certified copies of the certificate or articles of incorporation (or comparable organizational document), including all amendments thereto, of the Borrower as in effect on the First Amendment Effective Date, certified as of a recent date by the Secretary of State (or comparable entity) of the jurisdiction of its organization, and a certificate as to the good standing of the Borrower as of a recent date, from such Secretary of State (or comparable authority).

(d) The Administrative Agent shall have received a favorable opinion of Skadden, Arps, Slate, Meagher & Flom LLP, counsel for the Borrower, dated as of the First Amendment Effective Date, addressed to the Administrative Agent, each Collateral Agent and each Lender in form and substance reasonably satisfactory to the Administrative Agent, and the Borrower hereby requests such counsel to deliver such opinion.

(e) The representations and warranties made or deemed to be made in this Agreement shall be true and correct in all material respects.

(f) The Administrative Agent shall have received a certificate, dated the First Amendment Effective Date and signed by an officer of the Borrower, certifying to the matters set forth in clause (e) of this Section 3.

(g) The Borrower shall have paid all fees and other amounts due and payable on or prior to the First Amendment Effective Date pursuant to this Agreement or as separately agreed by the Borrower and any of the Arrangers or Lenders and all invoiced expenses of the Administrative Agent and the Arrangers relating hereto (including those of counsel to the Administrative Agent and the Arrangers).

(h) The Borrower shall have paid to the Administrative Agent immediately available funds in an aggregate amount equal to the aggregate payments required to be made by the Borrower to the assignors pursuant to Section 2(a)(ii) hereof.

(i) The Administrative Agent shall have received a notice of continuation, substantially in the form attached as Exhibit A to this Agreement, from the Borrower with respect to the Existing B Term Loans.

The Administrative Agent shall notify the Borrower, the Existing B Term Loan Lenders and the New B Term Loan Lender of the First Amendment Effective Date, and such notice shall be conclusive and binding absent manifest error.

For purposes of determining compliance with the conditions specified above, each Lender party to this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to such Persons unless the Administrative Agent shall have received

written notice from such Person prior to the First Amendment Effective Date specifying its objection thereto.

SECTION 4. Representations and Warranties. The Borrower hereby represents and warrants to the Administrative Agent and each Lender on the First Amendment Effective Date that:

(a) This Agreement has been duly authorized, executed and delivered by each of Holdings and the Borrower and constitutes a legal, valid and binding obligation of each of Holdings and the Borrower, enforceable against each of Holdings and the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) The representations and warranties of each Loan Party set forth in the Loan Documents are true and correct (i) in the case of the representations and warranties qualified or modified as to materiality in the text thereof, in all respects and (ii) otherwise, in all material respects, in each case on and as of the First Amendment Effective Date, except in the case of any such representation and warranty that expressly relates to an earlier date, in which case such representation and warranty shall be so true and correct, or true and correct in all material respects, as applicable, on and as of such earlier date, and except that the representations and warranties contained in Section 4.06(a) of the Existing Credit Agreement will be deemed to refer to the most recent financial statements that have been delivered pursuant to Section 5.08 of the Existing Credit Agreement.

(c) No Default or Event of Default has occurred and is continuing or would result from the transactions provided for in this Agreement.

SECTION 5. Effects on Loan Documents; No Novation. (a) Except as expressly set forth herein, this Agreement shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, the Amended Credit Agreement or any other Loan Document, all of which shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(b) Except as expressly set forth herein, the execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of the Loan Documents or in any way limit, impair or otherwise affect the rights and remedies of the Administrative Agent or the Lenders under the Loan Documents. Nothing herein shall be deemed to entitle the Borrower or any other Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Amended Credit Agreement or any other Loan Document in similar or different circumstances.

(c) On and after the First Amendment Effective Date, each reference in the Amended Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import, and each reference to the "Credit Agreement", "thereunder", "thereof", "therein" or words of like import in any other Loan Document, shall be deemed a reference to the Amended Credit Agreement. The Borrower and the other parties hereto acknowledge and agree that this Agreement

shall constitute a Loan Document for all purposes of the Existing Credit Agreement, the Amended Credit Agreement and the other Loan Documents.

(d) Neither this Agreement nor the effectiveness of the Amended Credit Agreement shall extinguish the obligations for the payment of money outstanding under the Existing Credit Agreement or discharge or release the Lien or priority of any Security and Guarantee Document or any other security therefor or any guarantee thereof. Nothing herein contained shall be construed as a substitution or novation of the Obligations outstanding under the Existing Credit Agreement or the Security and Guarantee Documents or instruments guaranteeing or securing the same, which shall remain in full force and effect, except as modified hereby or by instruments executed concurrently herewith. Nothing expressed or implied in this Agreement, the Amended Credit Agreement or any other document contemplated hereby or thereby shall be construed as a release or other discharge of any Loan Party under any Loan Document from any of its obligations and liabilities thereunder.

SECTION 6. Acknowledgment. Each party hereto hereby acknowledges and agrees that this Agreement constitutes a written instrument of assignment and delegation as required by Section 2.18(d) of the Amended Credit Agreement.

SECTION 7. Waiver. The Agent hereby waives the processing and recordation fee provided for in Section 9.07(b) (iv) of the Existing Credit Agreement in connection with any assignment of B Term Loans by a Departing B Term Loan Lender to the New B Term Loan Lender.

SECTION 8. Further Assurances. Each of the Borrower and Holdings agrees to take any further action that is reasonably requested by Administrative Agent to effect the purposes of this Agreement and the transactions contemplated hereby.

SECTION 9. APPLICABLE LAW, JURISDICTION, WAIVER OF JURY TRIAL. THE PROVISIONS OF SECTIONS 9.09, 9.12 AND 9.16 OF THE EXISTING CREDIT AGREEMENT ARE HEREBY INCORPORATED BY REFERENCE HEREIN, MUTATIS MUTANDIS.

SECTION 10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by telecopier or email shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 11. Notices. All notices, requests and demands to or upon the respective parties hereto shall be given in the manner, and become effective, as set forth in Section 9.02 of the Amended Credit Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

LEIDOS INNOVATIONS CORPORATION

By: /s/ Marc H. Crown
Name: Marc H. Crown
Title: Treasurer

LEIDOS HOLDINGS, INC.

By: /s/ Marc H. Crown
Name: Marc H. Crown
Title: Senior Vice President and
Treasurer

SIGNATURE PAGE TO FIRST AMENDMENT

CITIBANK, N.A., as the Administrative Agent, the Secured Parties Collateral Agent, the Non-Notes Secured Parties Collateral Agent and a Lender

By: _____
Name:
Title:

SIGNATURE PAGE TO FIRST AMENDMENT

SIGNATURE PAGE TO
THE FIRST AMENDMENT OF THE
LEIDOS INNOVATIONS CORPORATION CREDIT AGREEMENT
(CONTINUING B TERM LOAN LENDER)

The undersigned, by executing this signature page as a Continuing B Term Loan Lender agrees (a) to the terms of this Agreement and the transactions contemplated hereby and consents to the amendment of the Existing Credit Agreement effected hereby and (b) on the terms and subject to the conditions set forth in this Agreement and the Amended Credit Agreement, to continue all of the B Term Loans held by such Lender under the Existing Credit Agreement that are outstanding immediately prior to the First Amendment Effective Date as B Term Loans under the Amended Credit Agreement.

Name of Lender: _____

For any Lender requiring a second signature line:

Name of Lender: _____

SIGNATURE PAGE TO FIRST AMENDMENT

SIGNATURE PAGE TO
THE FIRST AMENDMENT OF THE
LEIDOS INNOVATIONS CORPORATION CREDIT AGREEMENT
(A3 TERM LOAN LENDER AND/OR A5 TERM LOAN LENDER)

The undersigned, by executing this signature page as an A3 Term Loan Lender and/or an A5 Term Loan Lender agrees to the terms of this Agreement and the transactions contemplated hereby and consents to the amendment of the Existing Credit Agreement effected hereby.

Name of Lender: _____

For any Lender requiring a second signature line:

Name of Lender: _____

SIGNATURE PAGE TO FIRST AMENDMENT

EXHIBIT A

Notice of Continuation

Citibank, N.A., as Agent
for the Lenders party
to the Credit Agreement
referred to below
1615 Brett Road, Building #3
New Castle, Delaware 19720
Attention: Bank Loan Syndications

February 16, 2017

Re: Notice of Continuation

Ladies and Gentlemen:

The undersigned, LEIDOS INNOVATIONS CORPORATION (f/k/a Abacus Innovations Corporation), refers to the Credit Agreement, dated as of August 16, 2016 (as amended or modified from time to time, including as supplemented by the Holdings Joinder, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among the undersigned, Holdings, certain Lenders party thereto and Citibank, N.A., as Agent for said Lenders, and hereby gives you notice pursuant to the Credit Agreement and subject to the effectiveness of that certain First Amendment to the Credit Agreement, that the undersigned hereby requests to continue the \$1,131,450,000 aggregate principal amount of B Term Loans outstanding as of the effective date of the First Amendment referred to above as Eurocurrency Rate Loans under the B Term Loan Facility with a new Interest Period (the "Proposed Continuation"):

(i) The Business Day of the Proposed Continuation is February 16, 2017.

(ii) The Loans to be continued are the \$1,131,450,000 aggregate principal amount of B Term Loans outstanding as of the effective date of the First Amendment referred to above.

(iii) The initial Interest Period for the Eurocurrency Rate Loans made as part of the Proposed Continuation is one month, beginning on the effective date of the First Amendment referred to above and ending on February 28, 2017.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Notice of Continuation to be duly executed and delivered as of the day and year first above written.

LEIDOS INNOVATIONS CORPORATION

By:

Name:

Title:

SIGNATURE PAGE TO TLB NOTICE OF CONTINUATION