

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

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**FORM 8-K**

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**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**Date of Report:  
(Date of earliest event reported)  
October 4, 2016**

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**RENT-A-CENTER, INC.**

**(Exact name of registrant as specified in charter)**

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**Delaware**

**(State or other jurisdiction of  
incorporation or organization)**

**0-25370**

**(Commission  
File Number)**

**45-0491516**

**(IRS Employer  
Identification No.)**

**5501 Headquarters Drive**

**Plano, Texas 75024**

**(Address of principal executive offices and zip code)**

**(972) 801-1100**

**(Registrant's telephone number, including area code)**

**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 (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.**

On October 4, 2016, Rent-A-Center, Inc. (the "Company") entered into a Second Amendment (the "Second Amendment"), effective as of September 30, 2016, with JPMorgan Chase Bank, N.A., as administrative agent, the other agents party thereto and the lenders party thereto, to the Credit Agreement, dated as of March 19, 2014 (as previously amended on February 1, 2016, the "Credit Agreement"), between the Company, the several lenders from time to time parties to the Credit Agreement, Bank of America, N.A., BBVA Compass Bank, Wells Fargo Bank, National Association and SunTrust Bank, as syndication agents, and JPMorgan Chase Bank, N.A., as administrative agent. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Credit Agreement.

The Second Amendment (i) reduces the maximum Consolidated Senior Secured Leverage Ratio from 2.75 to 1.00 to 2.50 to 1.00, beginning with the quarter ended December 31, 2016, and (ii) reduces the minimum Consolidated Fixed Charge Coverage Ratio covenant level from 1.75 to 1.00 to 1.50 to 1.00, beginning with the quarter ended September 30, 2016. The Company may elect to increase the minimum Consolidated Fixed Charge Coverage Ratio to 1.75 to 1.00.

The Second Amendment also effects the following changes to the Company's ability to make certain Restricted Payments:

When the Consolidated Fixed Charge Coverage Ratio covenant level is 1.5 to 1.00, only regularly scheduled dividends are payable up to annual maximums as follows:

- When the Consolidated Senior Leverage Ratio is less than or equal to 2.5 to 1.00, a maximum of \$25 million annually
- When the Consolidated Senior Leverage Ratio is between 2.5 to 1.00 and 3.75 to 1.00, a maximum of \$20 million annually (including Notes Payments)
- When the Consolidated Senior Leverage Ratio is over 3.75 to 1.00, a maximum of \$15 million annually (including Notes Payments)

Share repurchases are not permitted when the Consolidated Fixed Charge Coverage Ratio covenant level is 1.5 to 1.00.

When the Consolidated Fixed Charge Coverage Ratio covenant level is 1.75 to 1.00, Stock Payments (dividend & share repurchase) are permitted up to annual maximums as follows:

- When the Consolidated Senior Leverage Ratio is less than or equal to 2.5 to 1.00:  
AND available revolving commitments are greater than or equal to \$400 million, then a maximum of \$50 million annually  
AND available revolving commitments are less than \$400 million, then a maximum of \$40 million annually
- When the Consolidated Senior Leverage Ratio is between 2.5 to 1.00 and 3.75 to 1.00, then a maximum of \$20 million annually (including Notes Payments)
- When the Consolidated Senior Leverage Ratio is over 3.75 to 1.00, then a maximum of \$15 million annually (including Notes Payments)

The Company retains the ability to repurchase senior notes when the Consolidated Senior Leverage Ratio is less than or equal to 2.50 to 1.00.

In connection with the Second Amendment, the Company paid customary amendment fees to the Agent and the lenders that provided their consent to the Amendment.

The description of the Second Amendment set forth above does not purport to be complete and is qualified in its entirety by reference to the full text of the Second Amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K.

### **Item 2.02 Results of Operations and Financial Condition.**

On October 11, 2016, the Company issued a press release announcing preliminary third quarter 2016 financial results. A copy of the press release is attached hereto as Exhibit 99.1. Pursuant to General Instruction B.2. of Form 8-K, all of the information contained in this Item 2.02 and the accompanying Exhibit 99.1 shall be deemed to be "furnished" and not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and, therefore, shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended.

### **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit 10.1 Second Amendment to the Credit Agreement, dated effective as of September 30, 2016, between the Company, JPMorgan Chase Bank, N.A., as administrative agent, the other agents party thereto and the lenders party thereto.

Exhibit 99.1 Press Release issued on October 11, 2016, by Rent-A-Center, Inc.



## EXHIBIT INDEX

Exhibit No.	Description
10.1	Second Amendment to the Credit Agreement, dated effective as of September 30, 2016, between the Company, JPMorgan Chase Bank, N.A., as administrative agent, the other agents party thereto and the lenders party thereto
99.1	Press Release issued on October 11, 2016, by Rent-A-Center, Inc.

## SECOND AMENDMENT

SECOND AMENDMENT, effective as of September 30, 2016 (this "Amendment"), to the Credit Agreement, dated as of March 19, 2014, among RENT-A-CENTER, INC., a Delaware corporation (the "Borrower"), the lenders party thereto (the "Lenders"), JPMORGAN CHASE BANK, N.A., as administrative agent (in such capacity, the "Administrative Agent"), and the other agents party thereto (as amended by the First Amendment dated as of February 1, 2016, and as may be further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"). Terms defined in the Credit Agreement shall be used in this Amendment with their defined meanings unless otherwise defined herein.

W I T N E S S E T H :

WHEREAS, the Borrower, the Lenders and the Administrative Agent are parties to the Credit Agreement; and

WHEREAS, subject to the terms and conditions of this Amendment, the parties hereto wish to amend the Credit Agreement as herein provided;

NOW, THEREFORE, the parties hereto hereby agree as follows:

Section 1. Amendments to Section 7.1 (Financial Condition Covenants).

(a) Section 7.1(b) of the Credit Agreement is hereby deleted in its entirety and replaced by the following:

“(b) Consolidated Senior Secured Leverage Ratio. (i) Prior to December 31, 2016, permit, as of the last day of any Reference Quarter, the Consolidated Senior Secured Leverage Ratio as of the last day of the period of four consecutive fiscal quarters of the Borrower ending on such Reference Quarter to exceed 2.75 to 1.00, and (ii) commencing on December 31, 2016 and thereafter, permit, as of the last day of any Reference Quarter, the Consolidated Senior Secured Leverage Ratio as of the last day of the period of four consecutive fiscal quarters of the Borrower ending on such Reference Quarter to exceed 2.50 to 1.00.”

(b) The grid set forth in Section 7.1(c) of the Credit agreement is hereby amended by deleting the Reference Quarter of “December 31, 2015 and thereafter” and the corresponding Consolidated Fixed Charge Coverage Ratio of “1.75 to 1.00” and substituting in lieu thereof the following:

<u>Reference Quarter</u>	<u>Consolidated Fixed Charge Coverage Ratio</u>
December 31, 2015	1.75 to 1.00
March 31, 2016	1.75 to 1.00
June 30, 2016	1.75 to 1.00
September 30, 2016 and thereafter	1.50 to 1.00

; provided that, at any time during a Reference Quarter, the Borrower may, at its election, upon written notice to the Administrative Agent (which the

Administrative Agent shall promptly provide to each Lender), irrevocably raise the Consolidated Fixed Charge Coverage Ratio covenant level to 1.75 to 1.00, effective as of the last day of such Reference Quarter and each Reference Quarter thereafter.”

SECTION 2. Amendments to Section 7.6 (Restricted Payments).

(a) Section 7.6(b) of the Credit Agreement is hereby deleted in its entirety and replaced by the following:

“(b) so long as no Default or Event of Default shall have occurred and be continuing or would immediately result therefrom,

(i) if the Consolidated Fixed Charge Coverage Ratio covenant level then in effect under Section 7.1(c) is 1.50 to 1.00, then the Borrower may declare and make regularly scheduled dividends (“dividends”) with respect to its Capital Stock as follows: if, after giving pro forma effect to such dividends, the Consolidated Senior Leverage Ratio as of the last day of the most recent fiscal quarter for which the relevant financial information available is:

(A) less than or equal to 2.50 to 1.00, then such dividends shall not exceed \$25,000,000 in the aggregate in any fiscal year of the Borrower;

(B) less than or equal to 3.75 to 1.00 and is greater than 2.50 to 1.00, then such dividends shall not exceed \$20,000,000 in the aggregate in any fiscal year of the Borrower, when taken together with the Notes Payments made pursuant to Section 7.9(a)(2) in such fiscal year; and

(C) greater than 3.75 to 1.00, then such dividends shall not exceed \$15,000,000 in any fiscal year of the Borrower, when taken together with (1) the Notes Payments made pursuant to Section 7.9(a)(1)(ii), (2) the Notes Payments made pursuant to Section 7.9(a)(2), and (3) the dividends made pursuant to Section 7.6(b)(i) (B);

(ii) if the Consolidated Fixed Charge Coverage Ratio covenant level then in effect under Section 7.1(c) is 1.75 to 1.00, then the Borrower may declare and make Restricted Payments with respect to its Capital Stock or repurchase the Borrower’s Capital Stock or the Insurance Subsidiary may repurchase the Borrower’s Capital Stock (collectively, and for the avoidance of doubt, together with any dividends made pursuant to Section 7.6(b)(i) in such fiscal year, “Stock Payments”) as follows: if, after giving pro forma effect to such Stock Payments, the Consolidated Senior Leverage Ratio as of the last day of the most recent fiscal quarter for which the relevant financial information available is:

(A) less than or equal to 2.50 to 1.00, and if, after giving pro forma effect to such Stock Payments, the aggregate Available Revolving Commitments are (1) greater than or equal to \$400,000,000, then such Stock Payments shall not exceed \$50,000,000 in any fiscal year of the Borrower; and (2) less than \$400,000,000, then such Stock Payments shall not exceed \$40,000,000 in any fiscal year of the Borrower;

(B) less than or equal to 3.75 to 1.00 and is greater than 2.50 to 1.00, then such Stock Payments shall not exceed \$20,000,000 in any fiscal year of the Borrower, when taken together with the Notes Payments made pursuant to Section 7.9(a)(2) in such fiscal year; and

(C) greater than 3.75 to 1.00, then such Stock Payments shall not exceed \$15,000,000 in any fiscal year of the Borrower, when taken together with (1) the Notes Payments made pursuant to Section 7.9(a)(1)(ii), (2) the Notes Payments made pursuant to Section 7.9(a)(2), (3) the dividends made pursuant to Section 7.6(b)(i)(B) and (4) the Stock Payments made pursuant to Section 7.6(b)(ii)(B), in each case, in such fiscal year;

(b) Section 7.6(e) of the Credit Agreement is hereby amended by deleting the reference to “; and” and substituting in lieu thereof “.”

(c) Section 7.6(f) of the Credit Agreement is hereby deleted in its entirety.

SECTION 3. Amendments to Section 7.9 (Payments and Modifications of Certain Debt Instruments and Qualified Preferred Stock).

(a) Section 7.9(a)(1)(ii)(1) of the Credit Agreement is hereby amended by deleting the reference to “(1) the Stock Payments made pursuant to clause (ii) of the proviso of Section 7.6(b), (2) the Stock Payments made pursuant to Section 7.6(f)” and substituting in lieu thereof “(1) the dividends made pursuant to Sections 7.6(b)(i)(B) and 7.6(b)(i)(C), (2) the Stock Payments made pursuant to Sections 7.6(b)(ii)(B) and 7.6(b)(ii)(C)”.

(b) Section 7.9(a)(2) is hereby amended by deleting the reference to “the Stock Payments made pursuant to Section 7.6(f) in such fiscal year” and substituting in lieu thereof “the dividends made pursuant to Section 7.6(b)(i)(B) and the Stock Payments made pursuant to Section 7.6(b)(ii)(B), in each case, in such fiscal year.”

SECTION 4. Conditions to Effectiveness. This Amendment shall become effective on and as of September 30, 2016 upon the Administrative Agent having received (a) this Amendment, executed and delivered by a duly authorized officer of the Borrower and the Required Lenders; and (b) for the account of each Lender that has delivered an executed counterpart hereof (including by facsimile transmission) to the Administrative Agent or its counsel by no later than 5:00 p.m., New York City time, on October 4, 2016, an amendment fee in an amount equal to 0.10% of each such Lender’s Revolving Commitments.

SECTION 5. Representations and Warranties. The Borrower hereby represents and warrants to the Administrative Agent and each Lender that (immediately before and after giving effect to this Amendment) the representations and warranties set forth in Section 4 of the Credit Agreement are true and correct in all material respects on and as of the Second Amendment Effective Date with the same effect as though made on and as of the Second Amendment Effective Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties were true and correct in all material respects on and as of such earlier date).

SECTION 6. **GOVERNING LAW; WAIVER OF JURY TRIAL; MISCELLANEOUS:**

(a) **No Change.** Except as expressly provided herein, no term or provision of the Credit Agreement shall be amended, modified or supplemented, and each term and provision of the Credit Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects, in each case as amended by this Amendment. This Amendment shall constitute a Loan Document.

(b) **Counterparts.** This Amendment may be executed by the parties hereto in any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile transmission, by electronic mail in “portable document format” (“.pdf”) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall be effective as delivery of a manually executed counterpart hereof.

(c) **Payment of Fees and Expenses.** The Borrower agrees to pay or reimburse the Administrative Agent for all reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable fees, disbursements and other charges of counsel for the Administrative Agent.

(d) **GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

(e) **WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AMENDMENT AND FOR ANY COUNTERCLAIM THEREIN.**

*[Signature Pages Follow]*



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

RENT-A-CENTER, INC.

By: /s/ Robert D. Davis  
Robert D. Davis  
Chief Executive Officer

JPMORGAN CHASE BANK, N.A.,  
as Administrative Agent and a Lender

By: /s/ Maria Riaz  
Maria Riaz  
Vice President  
BANK OF AMERICA, N.A., as a Lender

By: /s/ Scott Blackman  
Scott Blackman

Senior Vice President  
Compass Bank, as a Lender

By: /s/ Khoa Duong  
Khoa Duong

Vice President  
Wells Fargo Bank, NA, as a Lender

By: /s/ Ron Harrison  
Ron Harrison

Senior Vice President  
SUNTRUST BANK, as a Lender

By: /s/ Justin Lien  
Justin Lien

Director  
FIFTH THIRD BANK, as a Lender

By: /s/ Brian Anderson  
Brian Anderson

Vice President  
Comerica Bank, as a Lender

By: /s/ Chris Reed  
Chris Reed

TRUST COMPANY, as a Lender

Vice President  
BRANCH BANKING AND

By: /s/ Janet L. Wheeler  
Janet Wheeler

Vice President  
Regions Bank, as a Lender

By: /s/ Mohamed Saadalla  
Mohamed Saadalla

Vice President  
Royal Bank of Canada, as a Lender

By: /s/ Andrew McLaughlin  
Andrew McLaughlin

Vice President  
Citibank, N.A., as a Lender

By: /s/ Chris Dowler  
Chris Dowler

Senior Vice President  
Citizens Bank, N.A., as a Lender

By: /s/ Elizabeth Aigler  
Elizabeth Aigler

Office  
INTRUST Bank, N.A., as a Lender

By: /s/ Marlon E. King  
Marlon E. King

Sr. Commercial Relationship Mgr.

SECOND AMENDMENT SIGNATURE PAGE

For Immediate Release:

**RENT-A-CENTER, INC. ANNOUNCES SELECTED  
PRELIMINARY THIRD QUARTER 2016 FINANCIAL INFORMATION**

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**Plano, Texas, October 11, 2016** - Rent-A-Center, Inc. (the "Company") (NASDAQ/NGS: RCII), one of the largest rent-to-own operators in North America, today pre-released selected preliminary unaudited financial information for the quarter ended September 30, 2016. The Company will release its full third quarter 2016 financial results on October 26, 2016.

As of the date of this release, the Company has not completed its financial statement reporting process for the quarter. During the course of that process, the Company may identify items that would require it to make adjustments, which may be material, to the information presented below. As a result, the preliminary unaudited financial information included in this release is forward-looking information and is subject to risks and uncertainties, including possible adjustments to the preliminary financial information.

**Preliminary Unaudited Financial Information for Third Quarter 2016**

The Company estimates Core U.S. same store sales for the three months ended September 30, 2016 to be down approximately 12%, and Acceptance Now same store sales to be essentially flat. Core U.S. gross profit, as a percent of total revenue, is estimated to be flat compared to the third quarter of last year as ongoing benefits from the changes made to the Company's sourcing model were offset by a third-quarter clearance event focused on previously-rented product. Diluted earnings per share for the third quarter 2016 on both a GAAP basis and excluding special items are expected to be between \$0.05 and \$0.15.

"Following the implementation of our new point-of-sale system, we experienced system performance issues and outages that resulted in a larger than expected negative impact on Core sales," said Robert D. Davis, Chief Executive Officer of Rent-A-Center, Inc. "While we expect it to take several quarters to fully recover from the impact to the Core portfolio, system performance has improved dramatically and we have started to see early indicators of collections improvement."

**Credit Agreement Amendment**

The Company recently obtained an amendment to its credit agreement which reduces the minimum Consolidated Fixed Charge Coverage Ratio from 1.75 to 1.00 to 1.50 to 1.00, beginning with the quarter ended September 30, 2016. See the Current Report on Form 8-K filed today by the Company for additional details regarding the amendment.

**Third Quarter 2016 Earnings Release and Conference Call Details**

The Company expects to release its full third quarter 2016 financial results on Wednesday, October 26, 2016, after the market closes. At 8:30am ET on Thursday, October 27, 2016, RCII will host a conference call to discuss the results. A live audio of the conference call will be available on the company's investor relations website at <http://investor.rentacenter.com>.

**About Rent-A-Center, Inc.**

A rent-to-own industry leader, Plano, Texas-based, Rent-A-Center, Inc., is focused on improving the quality of life for its customers by providing them the opportunity to obtain ownership of high-quality, durable products such as consumer electronics, appliances, computers, furniture and accessories, under flexible rental purchase agreements with no long-term obligation. The Company owns and operates approximately 2,600 stores in the United States, Mexico, Canada and Puerto Rico, and approximately 1,915 Acceptance Now kiosk locations in the United States and Puerto Rico. Rent-A-Center Franchising International, Inc., a wholly owned subsidiary of the Company, is a national franchiser of

approximately 225 rent-to-own stores operating under the trade names of "Rent-A-Center," "ColorTyme," and "RimTyme."

### **Forward-Looking Statements**

*This press release and the guidance above contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "could," "estimate," "should," "anticipate," or "believe," or the negative thereof or variations thereon or similar terminology. The Company believes that the expectations reflected in such forward-looking statements are accurate. However, there can be no assurance that such expectations will occur. The Company's actual future performance could differ materially from such statements. Factors that could cause or contribute to such differences include, but are not limited to: the general strength of the economy and other economic conditions affecting consumer preferences and spending; factors affecting the disposable income available to the Company's current and potential customers; changes in the unemployment rate; difficulties encountered in improving the financial and operational performance of the Company's business segments; failure to manage the Company's store labor (including overtime pay) and other store expenses; the Company's ability to develop and successfully execute strategic initiatives; the Company's ability to successfully implement its new store information management system and a new finance/HR enterprise system; the Company's ability to successfully market smartphones and related services to its customers; the Company's ability to develop and successfully implement virtual or e-commerce capabilities; failure to achieve the anticipated profitability enhancements from the changes to the 90 day option pricing program and the development of dedicated commercial sales capabilities; disruptions in the Company's supply chain; limitations of, or disruptions in, the Company's distribution network; rapid inflation or deflation in the prices of the Company's products; the Company's ability to execute and the effectiveness of a store consolidation, including the Company's ability to retain the revenue from customer accounts merged into another store location as a result of a store consolidation; the Company's available cash flow; the Company's ability to identify and successfully market products and services that appeal to its customer demographic; consumer preferences and perceptions of the Company's brand; uncertainties regarding the ability to open new locations; the Company's ability to acquire additional stores or customer accounts on favorable terms; the Company's ability to control costs and increase profitability; the Company's ability to retain the revenue associated with acquired customer accounts and enhance the performance of acquired stores; the Company's ability to enter into new and collect on its rental or lease purchase agreements; the passage of legislation adversely affecting the rent-to-own industry; the Company's compliance with applicable statutes or regulations governing its transactions; changes in interest rates; adverse changes in the economic conditions of the industries, countries or markets that the Company serves; information technology and data security costs; the impact of any breaches in data security or other disturbances to the Company's information technology and other networks and the Company's ability to protect the integrity and security of individually identifiable data of its customers and employees; changes in the Company's stock price, the number of shares of common stock that it may or may not repurchase, and future dividends, if any; changes in estimates relating to self-insurance liabilities and income tax and litigation reserves; changes in the Company's effective tax rate; fluctuations in foreign currency exchange rates; the Company's ability to maintain an effective system of internal controls; the resolution of the Company's litigation; and the other risks detailed from time to time in the Company's SEC reports, including but not limited to, its Annual Report on Form 10-K for the year ended December 31, 2015, and its Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, and June 30, 2016. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except as required by law, the Company is not obligated to publicly release any revisions to these forward-looking statements to reflect the events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.*

### **Contact for Rent-A-Center, Inc.:**

Maureen Short  
Senior Vice President - Finance, Investor Relations and Treasury  
(972) 801-1899  
[maureen.short@rentacenter.com](mailto:maureen.short@rentacenter.com)