

**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): **June 14, 2017**

ACCURAY INCORPORATED

(Exact name of registrant as specified in charter)

Delaware

(State or other jurisdiction of incorporation)

001-33301

(Commission File Number)

20-8370041

(IRS Employer Identification No.)

**1310 Chesapeake Terrace
Sunnyvale, California 94089**

(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: **(408) 716-4600**

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

On June 14, 2017, Accuray Incorporated (the "Company") entered into a credit and security agreement (the "Credit Agreement") by and among the Company, as borrower, TomoTherapy Incorporated, a direct, wholly-owned subsidiary of the Company, as borrower ("TomoTherapy," and together with the Company, the "Borrowers"), any additional borrower that may be added thereto, MidCap Financial Trust ("MidCap"), individually as a lender and as agent ("Agent"), and the other lenders from time to time parties thereto (together with MidCap as a lender, the "Lenders"). The Credit Agreement provides for a revolving credit facility in the initial amount of \$52 million, which the Company may request be increased by up to \$33 million to a new total of \$85 million through additional tranches, each with a \$1 million minimum (the "Facility"). Neither Agent nor the Lenders have any obligation to consent to activation of an additional tranche. Availability for borrowings under the Facility is subject to a borrowing base that is calculated as a function of the value of the Borrowers' eligible accounts receivable and eligible inventory, and the Borrowers are required to maintain a minimum drawn balance of at least 30% of such availability.

The Facility's stated maturity date is June 14, 2021, but the Facility may mature earlier than the stated maturity date if certain conditions set forth in the Credit Agreement are not met, including conditions related to the Company's two series of convertible notes maturing February 1, 2018.

The Borrowers' obligations under the Credit Agreement are secured by first-priority liens on substantially all the assets of the Borrowers, subject to certain exceptions.

Interest on the borrowings under the Facility is payable monthly in arrears at an annual interest rate of reserve-adjusted, 90-day LIBOR (subject to a 1.00% floor) plus 4.50%. The Credit Agreement requires the Borrowers to pay Agent a collateral management fee of 0.10% per month on the outstanding balance of



Accuray Enters into New Revolving Loan Agreement

New Loan Expected to Reduce Interest Costs by Approximately \$2.0 Million Annually

SUNNYVALE, Calif., June 15, 2017 — Accuray Incorporated (NASDAQ: ARAY) announced today it has closed a new \$52 million senior secured revolving loan facility with MidCap Financial Trust. The net proceeds of the facility, in addition to cash on hand were used to retire all debt held by Cerberus Business Finance, LLC.

The new facility bears interest at 90-day LIBOR (subject to a 1.00% floor) plus 450 basis points with a final maturity date of June 2021. This spread is up to 300 basis points lower than the debt being retired and as a result Accuray expects interest costs to be reduced by approximately \$2.0 million annually beginning in fiscal 2018. The Company can draw upon a further \$33.0 million of additional revolving facility, subject to the terms of the agreement.

“The new agreement lowers our annual interest costs and reduces total debt outstanding by over \$10.0 million,” said Kevin Waters, Chief Financial Officer. “In regard to our remaining outstanding convertible debt, our objective remains to evaluate all financing sources that would allow us to either refinance our existing convertible debt or provide the cash necessary to settle the debt with cash at maturity and our new loan facility with MidCap Financial Trust gives us the flexibility to achieve that objective.”

The Company had \$98.4 million of cash, cash equivalents, restricted cash and investments at March 31, 2017.

About Accuray

Accuray Incorporated (NASDAQ: ARAY) is a radiation oncology company that develops, manufactures, and sells precise, innovative tumor treatment solutions that set the standard of care with the aim of helping patients live longer, better lives. The company’s leading-edge technologies deliver the full range of radiation therapy and radiosurgery treatments. For more information, please visit www accuray.com.

Safe Harbor Statement

Statements made in this press release that are not statements of historical fact are forward-looking statements and are subject to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this press release relate, but are not limited, to Accuray’s company trajectory, Accuray’s ability to achieve its strategic objectives with respect to its remaining convertible debt, and Accuray’s leadership position in radiation oncology innovation. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from expectations, including but not limited to the risks detailed from time to time under the heading “Risk Factors” in the company’s report on Form 10-K, filed on August 24, 2016, the company’s reports on Form 10-Q, filed on November 1, 2016, February 3, 2017, and May 5, 2017, and as updated periodically with the company’s other filings with the SEC.

Forward-looking statements speak only as of the date the statements are made and are based on information available to Accuray at the time those statements are made and/or management’s good faith belief as of that time with respect to future events. The company assumes no obligation to update forward-looking statements to reflect actual performance or results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. Accordingly, investors should not put undue reliance on any forward-looking statements.

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