
**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): August 18, 2015

Synacor, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33843
(Commission
File Number)

16-1542712
(IRS Employer
Identification No.)

40 La Riviere Drive, Suite 300, Buffalo, New York
(Address of principal executive offices)

14202
(Zip Code)

Registrant's telephone number, including area code: (716) 853-1362

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))
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Item 1.01. Entry into a Material Definitive Agreement.*Agreement to Acquire Assets from Zimbra, Inc.*

On August 18, 2015, Synacor, Inc. (“Synacor”) and Sync Holdings, LLC, its wholly-owned subsidiary, entered into an Asset Purchase Agreement (the “Asset Purchase Agreement”) with Zimbra, Inc. (“Zimbra”). Under the terms of the Asset Purchase Agreement, Synacor will acquire assets (the “Acquisition”) related to Zimbra’s email collaboration products and services business (the “Purchased Business”).

In consideration for the Purchased Business, Synacor will issue to Zimbra 3,000,000 shares of its Common Stock (the “Stock Consideration”) and warrants to purchase 600,000 shares of Common Stock (the “Warrants”); provided, that 600,000 shares of Common Stock and warrants to purchase 120,000 shares of Common Stock will be initially withheld by Synacor (such withheld shares and warrants, the “Holdback Fund”) to secure Zimbra’s indemnification obligations under the Asset Purchase Agreement. The exercise price of the warrants will be \$3.00 per share. Additionally, Synacor will pay Zimbra \$17,310,000 in cash (the “Cash Consideration”) at the closing of the Acquisition, and Zimbra will be eligible to receive up to an additional \$2.0 million in cash upon the satisfaction of certain business performance milestones after the closing, as further described in the Asset Purchase Agreement (the “Earnout Consideration”). The aggregate value of the Stock Consideration, the Warrants, the Cash Consideration and the Earnout Consideration is referred to as the “Purchase Price.”

Additionally, Synacor will assume certain obligations of Zimbra, including the performance of Zimbra’s post-closing obligations under contracts assigned to Synacor.

In connection with the Acquisition, Zimbra and Patrick Brandt, the Chairman of Zimbra, will agree that, for a period of three years following the closing of the Acquisition, they shall not compete with Synacor in the email business.

The Asset Purchase Agreement contains customary representations, warranties and covenants. The consummation of the Acquisition is dependent upon the satisfaction or waiver of a number of customary closing conditions, including receipt of required third party consents. The Asset Purchase Agreement may be terminated at any time prior to the date of closing by mutual agreement of Zimbra and Synacor, or by either Zimbra or Synacor if the other party fails to satisfy the applicable closing conditions under the Asset Purchase Agreement by November 16, 2015. The Asset Purchase Agreement also contains a “standstill” agreement whereby Zimbra agrees, among other things, not to acquire additional shares of Synacor’s Common Stock and a voting agreement whereby Zimbra agrees to vote its shares of Synacor’s Common Stock in accordance with the recommendations of a majority of Synacor’s Board of Directors.

Pursuant to the terms of the Agreement, Zimbra will indemnify Synacor and its affiliated parties for breaches of its representations and warranties, breaches of covenants and certain other matters. The representations and warranties set forth in the Agreement generally survive for 18 months following the closing of the Acquisition (the “Holdback Release Date”), with longer survival periods with respect to certain fundamental representations and warranties. Any shares and warrants remaining in the Holdback Fund and not subject to pending indemnification claims

shall be issued to Zimbra promptly after the Holdback Release Date. Zimbra's indemnification obligations generally are subject to a de minimus claim threshold of \$100,000 and are capped at 15% of the Purchase Price (the "Indemnification Cap") for breaches of representations and warranties other than fundamental representations and warranties. Synacor may also offset the value of any indemnification claims against any unpaid Earnout Consideration.

In connection with the Acquisition, Zimbra will agree not to sell, transfer or otherwise dispose of any portion of the Stock Consideration until the first anniversary of the closing. Upon the first anniversary of the closing, the restrictions shall lapse with respect to 1/6th of the Stock Consideration, and upon the completion of each of the five months thereafter, the restrictions shall lapse with respect to an additional 1/6th of the Stock Consideration. Following the lapse of such restrictions, Zimbra may transfer the Stock Consideration solely to its stockholders.

The Warrants, when issued, will have a term of three years following the closing and will not be exercisable until the first anniversary of the closing. Upon the first anniversary of the closing, the Warrants will become exercisable with respect to 1/6th of the shares underlying the Warrants, and upon the completion of each of the five months thereafter, the Warrants will become exercisable with respect to an additional 1/6th of the shares underlying the Warrants.

The description of the Asset Purchase Agreement contained herein does not purport to be complete and is qualified in its entirety by reference to the Asset Purchase Agreement that will be filed as an exhibit to Synacor's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015.

Amendment to Rights Agreement

Item 3.03 is incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

Item 1.01 is incorporated herein by reference. The Stock Consideration and the Warrants are expected to be issued through a private placement to an accredited investor in a transaction exempt from registration pursuant to Rule 506 promulgated under the Securities Act of 1933, as amended.

Item 3.03. Material Modification to Rights of Security Holders.

On August 18, 2015, Synacor entered into the First Amendment to the Rights Agreement (the "Rights Agreement Amendment") with American Stock Transfer & Trust Company, LLC (the "Rights Agent"). The Rights Agreement Amendment amends, effective as of August 18, 2015, that certain Rights Agreement (the "Rights Agreement") dated as of July 14, 2014 between Synacor and the Rights Agent to provide that (i) issuances of securities under plans, contracts or arrangements approved by Synacor's Board of Directors (the "Board") or its compensation committee as compensation for service as a director, employee or consultant of Synacor or any of its subsidiaries will not trigger the exercisability of rights or other provisions of the Rights Agreement and (ii) issuances of securities in consideration for the acquisition of assets or a business in a transaction approved by the Board will not trigger the exercisability of rights or other provisions of the Rights Agreement.

The Rights Agreement Amendment is attached hereto as Exhibit 4.1 and is incorporated herein by reference. The description of the Rights Agreement Amendment contained herein does not purport to be complete and is qualified in its entirety by reference to such exhibit.

Item 7.01. Regulation FD Disclosure.

On August 18, 2015, Synacor issued a press release relating to the Acquisition and the amendment of the Rights Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference. This information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
4.1	First Amendment to the Rights Agreement dated August 18, 2015 by and between Synacor, Inc. and American Stock Transfer & Trust Company, LLC as rights agent.
99.1	Press Release of Synacor, Inc. dated August 18, 2015.

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.

SYNACOR, INC.

Date: August 18, 2015

By: /s/ WILLIAM J. S TUART

William J. Stuart
Chief Financial Officer and Secretary

SYNACOR, INC.

and

AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC**FIRST AMENDMENT TO THE
RIGHTS AGREEMENT**

THIS FIRST AMENDMENT TO THE RIGHTS AGREEMENT (the "Amendment") is made as of August 18, 2015 by and between Synacor, Inc., a Delaware corporation (the "Company"), and American Stock Transfer & Trust Company, LLC as rights agent (the "Rights Agent"). Unless otherwise indicated herein, words and terms which are defined in the Rights Agreement, dated as of July 14, 2014, between the Company and the Rights Agent (the "Rights Agreement") shall have the same meaning where used herein.

RECITALS

WHEREAS, the Company and the Rights Agent are parties to the Rights Agreement;

WHEREAS, Section 27 of the Rights Agreement provides that the Company may, and the Rights Agent shall, if directed by the Company, from time to time amend this Agreement without the approval of any holders of Right Certificates in order to cure any ambiguity, to correct or supplement any provision contained in the Rights Agreement which may be defective or inconsistent with any other provisions herein, or to make any other provisions with respect to the Rights which the Company may deem necessary or desirable, any such supplement or amendment to be evidenced by a writing signed by the Company and the Rights Agent; provided, however, that, from and after such time as any Person becomes an Acquiring Person, the Rights Agreement shall not be amended in any manner which would adversely affect the interests of the holders of Rights;

WHEREAS, Section 27 of the Rights Agreement also provides that upon the delivery of a certificate from an appropriate officer of the Company that states that the proposed amendment is in compliance with the terms of Section 27 of the Rights Agreement, the Rights Agent shall execute such amendment;

WHEREAS, the Company desires to amend the Rights Agreement to provide that the issuance of Common Shares, or securities convertible into, or exercisable or exchangeable for, Common Shares, to a Person in consideration for the acquisition of assets or a business from such Person by the Company in a transaction approved by the Board of Directors shall not trigger the exercise of rights or other provisions of the Rights Agreement; and

WHEREAS, as of the date of this Amendment, no Person has become an Acquiring Person.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Amendment to Section 1(a) of the Rights Agreement. The definition of “Acquiring Person” contained in Section 1(a) of the Rights Agreement is hereby amended in its entirety to read as follows (with new text shown with double underline):

“(a) “Acquiring Person” shall mean any Person who or which, together with all Affiliates and Associates of such Person, shall be the Beneficial Owner of 10% or more of the Common Shares of the Company then outstanding, but shall not include the Company, any Subsidiary of the Company, any employee benefit plan of the Company or any Subsidiary of the Company, or any entity holding Common Shares for or pursuant to the terms of any such plan. Notwithstanding the foregoing and subject to the last sentence of this paragraph, (i) no Person who Beneficially Owns, each as of the time of the first public announcement of the declaration of the Rights dividend, 10% or more of the Common Shares of the Company then outstanding shall become an Acquiring Person unless such Person shall, after the time of the public announcement of the declaration of the Rights dividend, increase its Beneficial Ownership of the then-outstanding Common Shares (other than as a result of an acquisition of Common Shares by the Company) to an amount equal to or greater than the greater of (x) 10% or (y) the sum of (i) the lowest Beneficial Ownership of such Person as a percentage of the outstanding Common Shares as of any time from and after the time of the public announcement of the declaration of the Rights dividend plus (ii) 0.001%. Notwithstanding the foregoing, no Person shall become an “Acquiring Person” as the result of an acquisition of Common Shares by the Company which, by reducing the number of Common Shares of the Company outstanding, increases the proportionate number of Common Shares of the Company Beneficially Owned by such Person to 10% or more of the Common Shares of the Company then outstanding; provided, however, that, if a Person shall become the Beneficial Owner of 10% or more of the Common Shares of the Company then outstanding by reason of share purchases by the Company and shall, after the public announcement of such share purchases by the Company, become the Beneficial Owner of any additional Common Shares of the Company, then such Person shall be deemed to be an “Acquiring Person.” Notwithstanding the foregoing, if the Board of Directors of the Company determines in good faith that a Person who would otherwise be an “Acquiring Person,” as defined pursuant to the foregoing provisions of this paragraph (a), has become such inadvertently, and such Person divests as promptly as practicable a sufficient number of Common Shares so that such Person would no longer be an “Acquiring Person,” as defined pursuant to the foregoing provisions of this paragraph (a), then such Person shall not be deemed to be an “Acquiring Person” for any purposes of this Agreement. Notwithstanding the foregoing, if a bona fide swaps dealer who would otherwise be an “Acquiring Person” has become so as a result of its actions in the ordinary course of its business that the Board of Directors of the Company determines, in its sole discretion, were taken without the intent or effect of evading or assisting any other Person to evade the purposes and intent of this Agreement, or otherwise seeking to control or influence the management or policies of the Company, then, and unless and until the Board of Directors shall otherwise determine, such Person shall not be deemed to be an “Acquiring Person” for any purposes of this Agreement. Notwithstanding the foregoing, no Person shall become an “Acquiring Person” as the result of an issuance of Common Shares, or securities convertible into, or exercisable or exchangeable for, Common Shares, or any combination of the foregoing, to such Person either (x) under plans, contracts or arrangements approved by the Board of Directors or its compensation committee as compensation for such Person’s service as a director, employee or consultant of the Company or any of its Subsidiaries

or (y) in consideration for the acquisition of assets or a business from such Person by the Company or one of its Subsidiaries in a transaction approved by the Board of Directors; provided, however, that if such Person is the Beneficial Owner of 10% or more of the Common Shares of the Company then outstanding following such transaction and shall thereafter become the Beneficial Owner of any additional Common Shares of the Company, other than upon the exercise of the securities convertible into, or exercisable or exchangeable for, Common Shares issued in such transaction and other than Common Shares issued as a result of stock dividends or stock splits applicable to all holders of Common Shares, then such Person shall be deemed to be an "Acquiring Person."

2. Officer's Compliance Certificate. Attached hereto is a compliance certificate from the Chief Executive Officer of the Company, stating that this Amendment is in compliance with the terms of Section 27 of the Rights Agreement.

3. Continued Validity of Rights Agreement. Except as specifically amended hereby, the Rights Agreement shall continue in full force and effect as originally constituted and is ratified and affirmed by the parties hereto.

4. Successors and Assigns. Except as otherwise provided herein, the terms and conditions of this Amendment shall inure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

5. Governing Law. This Amendment shall be deemed to be a contract made under the laws of the State of Delaware and for all purposes shall be governed by and construed in accordance with the laws of such state applicable to contracts to be made and performed entirely within such state.

6. Counterparts. This Amendment may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument. A signature to this Amendment transmitted electronically shall have the same authority, effect, and enforceability as an original signature.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the undersigned parties have executed this Amendment as of the date first written above.

COMPANY:

SYNACOR, INC.

By /s/ Himesh Bhise
Himesh Bhise
Chief Executive Officer

RIGHTS AGENT:

AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC

By /s/ Carlos Pinto
Name: Carlos Pinto
Title: Senior Vice President

SYNACOR, INC.

OFFICER'S COMPLIANCE CERTIFICATE

Dated August 18, 2015

Reference is made to that certain Rights Agreement, dated as of July 14, 2014, between the Company and American Stock Transfer & Trust Company, LLC as rights agent (the "Rights Agent"). Unless otherwise indicated herein, words and terms which are defined in the Rights Agreement shall have the same meaning where used herein.

The undersigned, Himesh Bhise, does hereby certify to the Rights Agent that he has been duly elected and qualified as, and on this date is, the Chief Executive Officer of Synacor, Inc. (the "Company"), and that the First Amendment to the Rights Agreement dated as of the date hereof is in compliance with the terms of Section 27 of the Rights Agreement.

SYNACOR, INC.

By /s/ Himesh Bhise

Himesh Bhise

Chief Executive Officer

**Synacor Agrees to Acquire Zimbra, a Leading Provider of Open Source
Based Email and Messaging Software**

- *Will become the market leader for ISP email solutions in the US*
- *Zimbra's established distribution platform to expand Synacor in international and enterprise markets*
- *Synacor again raises full year revenue and adjusted EBITDA guidance reflecting contribution of Zimbra*

BUFFALO, NY and DALLAS, TX – August 18, 2015 – Synacor, Inc. (Nasdaq: SYNC), the trusted multiscreen technology and monetization partner for video, internet and communications providers, device manufacturers, and enterprises, today announced it has entered into a definitive agreement to acquire certain assets from Zimbra, Inc., a global leader in open source email, calendaring, and collaboration software. The acquisition of Zimbra talent, technology and patents will extend Synacor's leadership in ISP solutions, will accelerate the company's expansion in enterprise and international markets, and will strengthen Synacor's financial profile and competitiveness.

"Email has been and continues to be important to our internet service provider customers, and has been a double-digit growth business for Synacor this year, driving portal traffic and monetization," said Synacor CEO Himesh Bhise. "We now have an even more compelling value proposition offering Zimbra's on-premise technology as well as Synacor's managed service solutions and advertising products."

The Zimbra acquisition will make Synacor the largest provider of ISP email solutions in the US. Combined, the company will serve 120+ ISP and CSP customers around the world and will accelerate Synacor's stated strategy to expand in international and enterprise markets. Zimbra brings hundreds of millions of free and paying users in 135+ countries, adds new customers to Synacor's roster including 2500+ small business customers and 900+ government customers, and adds a valuable network of 1000+ value added resellers and 500+ hosting partners. Synacor plans to continue the open source version of Zimbra and plans on providing technical support for Zimbra's Open Source Edition (OSE) through its VAR partners around the world.

"We are delighted to welcome the global Zimbra team of 140 people to the Synacor family," said Synacor CEO Himesh Bhise. "Together, we will deliver great experiences to hundreds of millions of email users across 135+ countries. We will invest in Zimbra's worldwide distribution platform of 1000+ value-added resellers and 500+ hosting providers to explore international growth for Synacor's portal, video and advertising products."

The addition of Zimbra will strengthen Synacor's financial profile, with the combined company positioned to grow profitably, expanding revenues across customer verticals and geographies, and monetizing diversified advertising, software licensing and managed service business models.

The Zimbra acquisition is expected to close within 45 days. The transaction is valued at approximately \$24.5 million, with Synacor paying \$17.3M in cash, issuing 3M shares, 0.6M warrants priced at \$3.00 per share, and paying up to \$2M in earn-outs over the next 18 months.

Synacor is raising full-year financial guidance to reflect the contribution of Zimbra, assuming the transaction closes before the fourth quarter.

Fiscal 2015 Guidance:

- Revenue for the full year 2015 is projected to be in the range of \$102M—\$108M, versus the previous guidance of \$97M—\$102M
- For the full year 2015, the company expects to report adjusted EBITDA of \$4M—\$6M, versus the recently increased guidance of \$3.5M—\$5M

Related to the acquisition, Synacor has also amended its shareholder rights agreement, outlined on Form 8-K filed August 18, 2015. For more information on Synacor and its email and communications products, please visit synacor.com or email tellmemore@synacor.com.

About Synacor:

Synacor (NASDAQ: SYNC) is the trusted technology development, multiplatform services and revenue partner for video, internet and communications providers, device manufacturers, and enterprises. We deliver modern, multiscreen experiences and advertising to their consumers that require scale, actionable data and sophisticated implementation. www.synacor.com

The Synacor logo is available at

<http://www.globenewswire.com/newsroom/prs/?pkgid=11609>

About Zimbra:

Zimbra connects people and information with unified collaboration software that includes email, calendaring, file sharing, activity streams, social networks and more. With technology designed for social, mobile and the cloud, Zimbra gives individuals the flexibility to work from virtually anywhere, through nearly every computer, tablet and mobile device.

Zimbra's software is trusted globally by service providers, governments and companies, with over 200,000 accessing Zimbra in the cloud managed by our worldwide network of service providers. With customers including NTT Communications, Comcast, Dell, Rackspace, Red Hat, Mozilla, H&R Block and Vodafone, a vibrant open source community and worldwide partner network, Zimbra is the third-largest collaboration provider in the world. Zimbra's headquarters are in Frisco, Texas, with offices in London; Tokyo; Singapore and Pune, India.

Safe Harbor Statement

“Safe Harbor” statement under the Private Securities Litigation Reform Act of 1995: This press release contains forward-looking statements concerning Synacor’s expected financial performance (including, without limitation, statements and information in the Fiscal 2015 Guidance section and the quotations from management), as well as Synacor’s strategic and operational plans. The achievement or success of the matters covered by such forward-looking statements involves risks, uncertainties and assumptions. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, the company’s results could differ materially from the results expressed or implied by the forward-looking statements the company makes.

The risks and uncertainties referred to above include—but are not limited to—risks associated with: successful completion of the Zimbra acquisition and integration with Synacor’s business; the retention of Zimbra customers, distributors, resellers and other business partners; the retention of Zimbra employees; our ability to sell additional products to Zimbra customers; our ability to leverage the Zimbra acquisition into new international markets for Synacor’s products; potential third party intellectual property infringement claims; and the price volatility of our common stock.

Further information on these and other factors that could affect the company’s financial results is included in filings it makes with the Securities and Exchange Commission from time to time, including the section entitled “Risk Factors” in the company’s most recent Form 10-Q, filed with the SEC on August 14, 2015. These documents are available on the SEC Filings section of the Investor Information section of the company’s website at <http://investor.synacor.com/>. All information provided in this release and in the attachments is available as of August 18, 2015, and Synacor undertakes no duty to update this information.

Contacts

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Meredith Roth, VP, Corporate Communications

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