



## Item 1.01 Entry into a Material Definitive Agreement.

On October 24, 2019, Tapestry, Inc. (the “Company”) announced that it has entered into a definitive agreement to refinance and replace the Company’s unsecured revolving facility dated May 30, 2017 (the “Existing Credit Facility”) with a new revolving credit facility (the “New Revolving Credit Facility”) among the Company, as borrower, Bank of America, N.A., as administrative agent (the “Administrative Agent”), and a syndicate of banks and financial institutions (collectively, the “Lenders”).

Under the New Revolving Credit Facility, the Lenders have made available to the Company a \$900 million unsecured revolving credit facility, including sub facilities for letters of credit, with a maturity date of October 24, 2024. The New Revolving Credit Facility may be used to finance the working capital needs, capital expenditures, permitted investments, share purchases, dividends and other general corporate purposes of the Company and its subsidiaries (which may include commercial paper back-up). Letters of credit and swing line loans (the “Swing Line Loans”) may be issued under the New Revolving Credit Facility as described below. Certain terms and conditions of the New Revolving Credit Facility are as follows:

Structure. Initially, only the Company will be a borrower under the New Revolving Credit Facility, but foreign subsidiaries may become borrowers under the New Revolving Credit Facility (collectively with the Company, the “Borrowers”) subject to approval by the Administrative Agent and the Lenders. In addition, the New Revolving Credit Facility provides that the revolving commitments under the New Revolving Credit Facility may be increased by an amount not to exceed \$300 million, subject to certain terms and conditions. Loans may be made under the New Revolving Credit Facility, at the Borrowers’ election, in Euros, Pounds Sterling, Japanese Yen or U.S. Dollars.

Letters of Credit. The New Revolving Credit Facility will be available for the issuance of letters of credit by the Administrative Agent or one or more other Lenders. Standby letters of credit may be issued in respect of obligations of the Company or any of its subsidiaries incurred pursuant to contracts made or performances undertaken, or to be undertaken, or like matters relating to contracts to which the Company or any of its subsidiaries is, or proposes to become, a party in the ordinary course of business, including, but not limited to, for insurance purposes and in connection with lease transactions. Commercial letters of credit may be issued to finance purchases of goods by the Company and its subsidiaries in the ordinary course of business. The aggregate amount outstanding at any time with respect to standby letters of credit may not exceed \$125 million and the New Revolving Credit Facility shall be available in its entirety for the issuance of commercial letters of credit.

Swing Line Loans. The New Revolving Credit Facility will be available for the issuance of Swing Line Loans by the Administrative Agent in an aggregate amount outstanding at any time not to exceed \$20 million.

Interest Rates and Fees. Borrowings under the New Revolving Credit Facility bear interest at a rate per annum equal to, at the Borrowers’ option, either (a) an alternate base rate or (b) a rate based on the rates applicable for deposits in the interbank market for U.S. Dollars or the applicable currency in which the loans are made (the “Adjusted LIBO Rate”) plus, in each case, an applicable margin. The applicable margin will be adjusted by reference to a grid (the “Pricing Grid”) based on the ratio of (a) consolidated debt to (b) consolidated EBITDAR (“Leverage Ratio”). Additionally, the Company will pay facility fees, calculated at a rate per annum determined in accordance with the Pricing Grid, on the full amount of the New Revolving Credit Facility, payable quarterly in arrears, and certain fees with respect to letters of credit that are issued.

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Optional Prepayments and Commitment Reductions. Loans under the New Revolving Credit Facility may be prepaid and commitments may be terminated or reduced by the Borrowers without premium or penalty (other than customary breakage costs).

Restrictive Covenants and Other Matters. The New Revolving Credit Facility contains negative covenants that, subject to significant exceptions, limit the ability of the Company and its subsidiaries to, among other things, incur debt, engage in new lines of business, incur liens, engage in mergers, consolidations, liquidations and dissolutions, dispose of substantially all of the assets of the Company and its subsidiaries, make investments, loans, advances, guarantees and acquisitions, make restricted payments and enter into transactions with affiliates. The Company and its subsidiaries must also comply on a quarterly basis with a maximum Leverage Ratio of 4.0 to 1.0.

Events of Default. The New Revolving Credit Facility includes events of default that are customary for a facility of this nature, including (subject in certain cases to grace periods and thresholds) nonpayment of principal, nonpayment of interest, fees or other amounts, material inaccuracy of representations and warranties, violation of covenants, cross-default to other material indebtedness, bankruptcy or insolvency events, certain events arising under the Employee Income Retirement Security Act of 1974, as amended, material judgments and a change of control as specified by the terms of the New Revolving Credit Facility. If an event of default occurs, the commitments of the Lenders to lend under the New Revolving Credit Facility may be terminated and the maturity of the amounts owed may be accelerated.

In the ordinary course of their business, the Lenders and certain of their affiliates have in the past or may in the future engage in investment and commercial banking or other transactions of a financial nature with the Company or its affiliates, including the provision of certain advisory services and the making of loans to the Company and its affiliates. In particular, certain affiliates of the Lenders are agents and/or lenders under the Existing Credit Facility and New Revolving Credit Facility.

This summary does not purport to be complete and is qualified in its entirety by reference to the New Revolving Credit Facility, which will be filed as an exhibit to the Company's next quarterly report on Form 10-Q.

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

The information contained in Item 1.01 above regarding the New Revolving Credit Facility is hereby incorporated by reference into this Item 2.03.

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**SIGNATURE**

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.

Dated: October 24, 2019

TAPESTRY, INC.

By: /s/ Todd Kahn

Todd Kahn

President, Chief Administrative Officer, Chief  
Legal Officer and Secretary