

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

December 21, 2021

Date of Report (date of earliest event reported)

**COPART, INC.**

(Exact name of registrant as specified in its charter)

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

**000-23255**  
(Commission File Number)

**94-2867490**  
(I.R.S. Employer Identification No.)

**14185 Dallas Parkway**

**Suite 300**

**Dallas**

**Texas**

**75254**

(Address of principal executive offices, including zip code)

**(972) 391-5000**

(Registrant's telephone number, including area code)

**Not applicable**

(Registrant's 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:

- ☐ 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))

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001	CPRT	The NASDAQ Global Select Market

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

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. ☐

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## INFORMATION INCLUDED IN THIS REPORT

### Section 1 — Registrant's Business & Operations

#### *Item 1.01 Entry Into Material Definitive Agreements.*

On December 21, 2021, Copart, Inc. ("Copart") entered into a Second Amended and Restated Credit Agreement (the "Second Amended and Restated Credit Agreement") by and among Copart, certain subsidiaries of Copart party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent. The Second Amended and Restated Credit Agreement amends and restates certain terms of the First Amended and Restated Credit Agreement, dated as of July 21, 2020, by and among Copart, the lenders from time to time party thereto, and Bank of America, N.A., as administrative agent (as successor in interest to Wells Fargo Bank, National Association) (the "Existing Credit Agreement").

The changes to the Existing Credit Agreement included in the Second Amended and Restated Credit Agreement provide for, among other things, (a) an increase in the secured revolving credit commitments previously available under the Existing Credit Agreement by \$200.0 million, bringing the aggregate principal amount of the revolving credit commitments under the Second and Amended and Restated Credit Agreement to \$1,250.0 million, (b) an increase to the letter of credit sublimit from \$60.0 million to \$100.0 million, (c) addition of Copart UK Limited, CPRT GmbH and Copart Autos España, S.L.U., each a wholly-owned direct or indirect foreign subsidiary of Copart, as borrowers thereunder, (d) addition of the ability to borrow under the Second and Amended and Restated Credit Agreement in certain foreign currencies including Pounds Sterling, Euro and Canadian Dollars, (e) extension of the maturity date of the revolving credit facility under the Existing Credit Agreement from July 21, 2023 to December 21, 2026, (f) replacing the LIBOR interest rate applicable to U.S. Dollar denominated borrowings with a SOFR-based interest rate and (g) changing the pricing levels with respect to the revolving loans as further described below.

The Second and Amended and Restated Credit Agreement provides for a \$1,250.0 million revolving credit facility maturing on December 21, 2026 (including up to \$550.0 million equivalent of borrowings in Pounds Sterling, Euro and Canadian Dollars) with a \$150.0 million equivalent sub-facility available to CPRT GmbH, a \$150.0 million equivalent sub-facility available to Copart Autos España, S.L.U. and a \$250.0 million equivalent sub-facility available to Copart UK Limited.

Borrowings under the Second Amended and Restated Credit Agreement bear interest based on, at our option, either (1) the applicable fixed rate plus 1.00% to 1.75% or (2) the daily rate plus 0.0% to 0.75%, in each case, depending on Copart's consolidated total net leverage ratio. Additionally, the unused revolving commitments under the Second Amended and Restated Credit Agreement are subject to the payment of a customary commitment fee at a range of 0.175% to 0.275%, depending on Copart's consolidated total net leverage ratio.

The applicable fixed rates described above with respect to borrowings denominated in (1) U.S. Dollars is SOFR plus certain "spread adjustments" described in the Second Amended and Restated Credit Agreement, (2) Pounds Sterling is SONIA plus certain "spread adjustments" described in the Second Amended and Restated Credit Agreement, (3) Euro is EURIBOR and (4) Canadian Dollars is CDOR.

The principal purpose of this financing transaction was to increase the size and availability under Copart's Existing Credit Agreement and provide borrowing capacity to certain of Copart's foreign subsidiaries in foreign currencies. Copart intends to use the increased availability under the Second Amended and Restated Credit Agreement for general corporate purposes, including working capital and capital expenditures as well as potential share repurchases, acquisitions, or other investments relating to Copart's expansion strategies in domestic and international markets.

### Section 2 — Financial Information

#### *Item 2.03 Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant.*

The information set forth under Item 1.01 of this Current Report is incorporated herein by reference.

### Section 9 — Financial Statements and Exhibits

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

(d) Exhibits

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Exhibit Number	Description
10.1	<a href="#"><u>Second Amended and Restated Credit Agreement, dated as of December 21, 2021, by and among Copart, Inc., the subsidiaries of Copart, Inc. party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent.</u></a>

#### Forward Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the use of proceeds of the disclosed financing. Forward-looking statements involve substantial risks and uncertainties that may cause actual events or results to differ materially from currently anticipated events or results such as Copart's ability to generate sufficient cash flow to timely service its indebtedness; Copart's ability to adhere to the negative covenants and restrictions contained in the financing documents; working capital requirements; and the timing and size of any future acquisitions or share repurchases, if any. In addition, Copart's business is subject to numerous risks and uncertainties, including, among others, risks relating to vehicle supplier and customer acquisition and maintenance; risks associated with international operations; and risks associated with online operations, including cyber-attacks and credit card fraud. Information on these and additional risks, uncertainties, and other information affecting our business and operating results are contained in Copart's filings with the Securities and Exchange Commission, including risks and uncertainties identified in our Quarterly Report on Form 10-Q for the quarter ended October 31, 2021. You should review these risk factors carefully. All forward-looking statements are expressly qualified in their entirety by this cautionary statement. Copart does not undertake any obligation to publicly update its forward-looking statements based on events or circumstances after the date hereof, except as required by law.

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.

Dated: December 27, 2021 **COPART, INC.**

By: /s/ John North  
John North  
Senior Vice President and Chief Financial Officer

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## INDEX TO EXHIBITS

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