
**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): November 29, 2018

RigNet, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35003
(Commission
File Number)

76-0677208
(IRS Employer
Identification No.)

15115 Park Row Blvd, Suite 300
Houston, Texas
(Address of principal executive offices)

77084-4947
(Zip Code)

(281) 674-0100
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, 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))

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

Emerging growth company

If an emerging growth, 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 8.01. — Other Events.***Arbitration Update***

As previously disclosed by RigNet, Inc. (the “Company”) is party to arbitration proceedings stemming from a dispute with Inmarsat Global Limited (“Inmarsat”). In October 2016, Inmarsat initiated arbitration proceedings with the International Centre for Dispute Resolution (the “GX Arbitration”) concerning the Company’s January 2014 take or pay agreement with Inmarsat to purchase up to \$65.0 million, under certain conditions, of GX capacity over several years. Phase I of the arbitration concerned whether the Company’s take or pay obligation ever commenced under the agreement. Phase II of the arbitration concerns the Company’s significant counterclaims against Inmarsat which will be heard at a hearing scheduled in June 2019.

On December 3, 2018, the Company announced the arbitration panel issued a ruling on November 29, 2018 concluding Phase I of the GX Arbitration. The arbitration panel found that the Company’s minimum revenue commitment had commenced and calculated that the Company owed Inmarsat \$50.8 million, subject to any offsets from the Company’s counterclaims in Phase II of the arbitration. The arbitration panel will not enter a final enforceable order until the conclusion of Phase II, and no payment with respect to Phase I is due at this time. The Company currently expects a ruling on Phase II of the arbitration proceedings in the second half of 2019.

The full text of the press release announcing the Phase I ruling of the GX arbitration is furnished as Exhibit 99.1 to this Current Report on Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of RigNet, Inc. dated December 3, 2018

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.

RIGNET, INC.

Date: December 3, 2018

By: /s/ Brad Eastman

Name: Brad Eastman

Title: Senior Vice President & General Counsel



PRESS RELEASE

FOR IMMEDIATE RELEASE

RigNet Announces Adverse Ruling in Inmarsat Arbitration

HOUSTON – December 3, 2018 – RigNet, Inc. (NASDAQ: RNET, “RigNet” or “the Company”), a global technology company that provides customized communications services, applications, real-time machine learning, and cybersecurity solutions, today announced that the International Centre for Dispute Resolution’s arbitration tribunal (“the panel”) issued a ruling in favor of Inmarsat Global Limited (“Inmarsat”) that concluded Phase I of the multi-phase GX Arbitration, which commenced in October 2016. The panel’s Phase I ruling found that a take-or-pay obligation under a January 2014 contract had commenced and that RigNet owed Inmarsat \$50.8 million, subject to any offsets from RigNet’s counterclaims in Phase II of the arbitration. This is an interim ruling, and RigNet is not required to pay any amounts to Inmarsat until the panel rules on Phase II counterclaims. The Company currently expects a Phase II ruling in the second half of 2019.

“While we disagree with the panel’s Phase I findings and are disappointed in the result, the Company has significant counterclaims which will be heard in Phase II of the process, and we intend to pursue those counterclaims vigorously,” said Steven Pickett, Chief Executive Officer and President. “In the meantime, Inmarsat remains a key supplier, and we do not anticipate any impact to our ongoing business operations as we continue to deliver best-in-class managed communications, machine learning, and cybersecurity solutions to our global customers.”

As a result of the Phase I ruling, RigNet expects to record a litigation reserve in the fourth quarter of 2019. The value of the reserve has not yet been determined and will depend on a number of factors, including the Company’s assessment of the value of each counterclaim relative to its potential likelihood of success.

History of the Dispute and Arbitration Process

As previously disclosed, Inmarsat filed the arbitration with the International Centre for Dispute Resolution in October 2016 concerning a January 2014 take or pay agreement to purchase up to \$65.0 million, under certain conditions, of GX capacity from Inmarsat over several years. Phase I of the arbitration, now concluded, concerned only whether RigNet’s take or pay obligation ever commenced under the agreement. Phase II of the arbitration concerns RigNet’s significant counterclaims against Inmarsat which will be heard at a hearing scheduled in June 2019.

About RigNet

RigNet (NASDAQ: RNET) is a global technology company that provides customized communications services, applications, real-time machine learning, and cybersecurity solutions to enhance customer decision-making and business performance. RigNet delivers a digital transformation bundle that accelerates technology adoption and empowers customers to be always connected, always secure, and always learning. RigNet is headquartered in Houston, Texas with operations around the world.

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For more information on RigNet, please visit www.rig.net. RigNet is a registered trademark of RigNet, Inc.

Forward Looking Statements

This press release includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995 – that is, statements related to the future, not past, events. Opinions and expectations with respect to the timing of a ruling in Phase II of the arbitration and the significance and likelihood of success of RigNet’s counterclaims in Phase II are examples of forward-looking statements in this press release. Forward-looking statements are based on the current expectations and include any statement that does not directly relate to a current or historical fact. In this context, forward-looking statements often address our expected future business and financial performance, including the expected benefits of acquiring and integrating other businesses, and often contain words such as “anticipate,” “believe,” “intend,” “will,” “expect,” “plan” or other similar words. These forward-looking statements involve certain risks and uncertainties, including those risks set forth in Item 1A – Risk Factors of the Company’s most recent 10-K filing, and ultimately may not prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. For further discussion of risks and uncertainties, individuals should refer to RigNet’s SEC filings. RigNet undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after this press release. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.

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