
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
December 15, 2006**

Date of Report
(Date of earliest event reported)

HARMONIC INC.
(Exact name of Registrant as specified in its charter)

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

0-25826
Commission File Number

77-0201147
**(I.R.S. Employer
Identification Number)**

549 Baltic Way
Sunnyvale, CA 94089
(408) 542-2500

**(Address, including zip code, and telephone number, including area code,
of Registrant's principal executive offices)**

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 (see General Instruction A.2. below):

- 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.

On December 15, 2006, Harmonic Inc., a Delaware corporation (the “Company”), and Silicon Valley Bank (the “Lender”), entered into Amendment No. 2 (the “Amendment”) to the Second Amended and Restated Loan and Security Agreement (the “Credit Facility”), dated December 14, 2004, between the Company and the Lender. Pursuant to the terms of the Amendment, the Company and the Lender amended the terms of the Credit Facility to, among other things:

- extend the date until which the Lender will make advances to the Company under the committed equipment line of credit from December 15, 2006 to March 15, 2007; and
- extend the maturity date of the Credit Facility from December 15, 2006 to March 15, 2007.

The foregoing description of the Amendment and portions of the Credit Facility does not purport to be complete and is qualified in its entirety by reference to the full text of the Amendment, Amendment No. 1 to the Credit Facility, dated December 15, 2005 (“Amendment No. 1”), and the Credit Facility. A copy of the Amendment is filed with this Current Report on Form 8-K as Exhibit 10.1. A copy of Amendment No. 1 was previously filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”) on December 22, 2005, and a copy of the Credit Facility was previously filed as Exhibit 10.25 to the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2004, filed with the SEC on March 16, 2005.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Amendment No. 2 to the Second Amended and Restated Loan and Security Agreement, dated as of December 15, 2006, by and between Harmonic Inc. and Silicon Valley Bank.

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<u>Exhibit Number</u>	<u>Description</u>
10.1	Amendment No. 2 to the Second Amended and Restated Loan and Security Agreement, dated as of December 15, 2006, by and between Harmonic Inc. and Silicon Valley Bank.

**AMENDMENT NO. 2
TO
SECOND AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT**

THIS **AMENDMENT NO. 2** to Second Amended and Restated Loan and Security Agreement (this "Amendment") is entered into this 15th day of December, 2006, by and between Silicon Valley Bank ("Bank") and Harmonic, Inc. a Delaware corporation ("Borrower") whose address is 549 Baltic Way, Sunnyvale, California 94089.

Recitals

A. Bank and Borrower have entered into that certain Second Amended and Restated Loan and Security Agreement dated as of December 17, 2004 (as amended by that certain First Amendment dated December 16, 2005, and as the same may from time to time be further amended, modified, supplemented or restated, the "Loan Agreement").

B. Bank has extended credit to Borrower for the purposes permitted in the Loan Agreement.

C. Borrower has requested that Bank amend the Loan Agreement to extend the maturity date, and make certain other revisions to the Loan Agreement as more fully set forth herein.

D. Bank has agreed to so amend certain provisions of the Loan Agreement, but only to the extent, in accordance with the terms, subject to the conditions and in reliance upon the representations and warranties set forth below.

Agreement

Now, Therefore, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Definitions. Capitalized terms used but not defined in this Amendment shall have the meanings given to them in the Loan Agreement.

2. Amendments to Loan Agreement.

2.1 Section 2.2 (Equipment Advances) is amended and restated in its entirety and replaced with the following:

(a) Through March 15, 2007 (the "**Equipment Availability End Date**"), Bank will make advances (each, an "**Equipment Advance**" and, collectively, "**Equipment Advances**") not exceeding the Committed Equipment Line. The Equipment Advances may only be used to purchase or refinance Equipment within 90 days of the invoice date, or, in the case of the initial advance, purchased on or after September 1, 2004.

2.2 Section 13 (Definitions). The following term and its definition set forth in **Section 13.1** is amended in its entirety and replaced with the following:

“*Maturity Date*” is March 15, 2007.

3. Limitation of Amendments.

3.1 The amendments set forth in **Section 2**, above, are effective for the purposes set forth herein and shall be limited precisely as written and shall not be deemed to (a) be a consent to any amendment, waiver or modification of any other term or condition of any Loan Document, or (b) otherwise prejudice any right or remedy which Bank may now have or may have in the future under or in connection with any Loan Document.

3.2 This Amendment shall be construed in connection with and as part of the Loan Documents and all terms, conditions, representations, warranties, covenants and agreements set forth in the Loan Documents, except as herein amended, are hereby ratified and confirmed and shall remain in full force and effect.

4. Representations and Warranties. To induce Bank to enter into this Amendment, Borrower hereby represents and warrants to Bank as follows:

4.1 Immediately after giving effect to this Amendment (a) the representations and warranties contained in the Loan Documents are true, accurate and complete in all material respects as of the date hereof (except to the extent such representations and warranties relate to an earlier date, in which case they are true and correct as of such date), and (b) no Event of Default has occurred and is continuing;

4.2 Borrower has the power and authority to execute and deliver this Amendment and to perform its obligations under the Loan Agreement, as amended by this Amendment;

4.3 The organizational documents of Borrower delivered to Bank on the December 17, 2004 remain true, accurate and complete and have not been amended, supplemented or restated and are and continue to be in full force and effect;

4.4 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, have been duly authorized;

4.5 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan

Agreement, as amended by this Amendment, do not and will not contravene (a) any law or regulation binding on or affecting Borrower, (b) any contractual restriction with a Person binding on Borrower, (c) any order, judgment or decree of any court or other governmental or public body or authority, or subdivision thereof, binding on Borrower, or (d) the organizational documents of Borrower;

4.6 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, do not require any order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption by any governmental or public body or authority, or subdivision thereof, binding on either Borrower, except as already has been obtained or made; and

4.7 This Amendment has been duly executed and delivered by Borrower and is the binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws of general application and equitable principles relating to or affecting creditors' rights.

5. Counterparts. This Amendment may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

6. Effectiveness. This Amendment shall be deemed effective upon (a) the due execution and delivery to Bank of this Amendment by each party hereto, and (b) Borrower's payment of a loan fee in respect of the Committed Revolving Line in the amount of \$5,000, and in respect of the Committed Equipment Line in the amount of \$835.80.

[Signature page follows.]

In Witness Whereof, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first written above.

BANK

Silicon Valley Bank

By: /s/ Nick Tsiagkas
Name: Nick Tsiagkas
Title: Relationship Manager

BORROWER

Harmonic, Inc.

By: /s/ Robin N. Dickson
Name: Robin N. Dickson
Title: C.F.O.