

INFOSONICS Corp
Form 8-K
April 01, 2014

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): April 1, 2014 (March 27, 2014)

InfoSonics Corporation
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction

of incorporation)

001-32217
(Commission

File Number)

33-0599368
(IRS Employer

Identification No.)

3636 Nobel Drive, Suite #325,

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San Diego, CA 92122

**(Address of principal executive
offices)**

Registrant's telephone number, including area code: (858) 373-1600

Not Applicable

(Former 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 (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))

Item 1.01. Entry into a Material Definitive Agreement.

On March 27, 2014, InfoSonics Corporation (the Company) entered into a Loan and Security Agreement with Silicon Valley Bank for a \$2 million revolving line of credit (the Credit Facility), together with an attendant Intellectual Property Security Agreement. Borrowings under the Credit Facility will be used to fund the Company s working capital needs and for general corporate purposes.

The Company s obligations under the Credit Facility will be secured by substantially all of the Company s assets. Availability of borrowings under the Credit Facility from time to time is subject to a borrowing base calculation based upon both domestic and foreign eligible accounts receivable multiplied by an advance rate of 80% and 70%, respectively. Borrowings under the Credit Facility will bear interest based on the face amount of the financed receivables at the prime rate plus 4.5% for domestic receivables and 3.53% for foreign receivables. The Credit Facility contains representations and warranties, affirmative, restrictive and financial covenants, and events of default which are customary for credit facilities of this type.

Copies of the Loan and Security Agreement and the Intellectual Property Security Agreement are filed as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

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

The disclosures required by this Item 2.03 are contained in Item 1.01 above, and are incorporated as if fully restated herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Loan and Security Agreement dated as of March 27, 2014 between Silicon Valley Bank and InfoSonics Corporation.
99.2	Intellectual Property Security Agreement dated as of March 27, 2014 between Silicon Valley Bank and InfoSonics Corporation

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.

InfoSonics Corporation

/s/ Vernon A. LoForti
Vernon A. LoForti
Chief Financial Officer

Date: April 1, 2014