

ARRHYTHMIA RESEARCH TECHNOLOGY INC /DE/
Form 8-K
June 23, 2015

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): June 23, 2015 (June 19, 2015)

Arrhythmia Research Technology, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
Incorporation or organization)

1-9731
(Commission File Number)

72-0925679
(I.R.S. Employer Identification
Number)

25 Sawyer Passway
Fitchburg, MA 01420
(Address of principal executive offices and zip code)

(978) 345-5000
(Registrant's telephone number, including area code)

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 June 19, 2015, Arrhythmia Research Technology, Inc. and its wholly owned subsidiary, Micron Products, Inc. (collectively the “Company”) entered into a Fourth Amendment to Loan and Security Agreement (the “Loan Agreement”) and a Second Amendment to Commercial Revolving Line of Credit Promissory Note with UniBank for Savings, pursuant to which the termination dates under the Company’s multi-year credit facility originally entered into on March 29, 2013 with the bank and the related promissory note were extended to June 30, 2017.

In addition, the Company entered into a Commercial Equipment Line of Credit Promissory Note with UniBank for Savings, pursuant to which it secured a new equipment line of credit for up to \$1.0 million under the multi-year credit facility.

Advances on the equipment line shall not exceed 80% of the invoice amount of the equipment being purchased. The term of the equipment line of credit is six years, maturing on June 26, 2021, inclusive of a maximum one year draw period. Repayment shall consist of monthly interest only payments as to each advance commencing on the date of the loan through the earlier of: (i) one year from the date of the loan or (ii) the date upon which the equipment line of credit is fully advanced (the “Conversion Date”). On the Conversion Date, the equipment line shall convert to a five-year term loan with principal and interest payments due and payable monthly in an amount sufficient to pay the loan in full based upon an amortization schedule commensurate with the remaining term of the loan. During the interest only period, the interest rate shall be floating at the Wall Street Journal Prime Rate plus 0.25%. Commencing on the Conversion Date, the interest rate will be automatically adjusted to a per annum rate equal to the greater of: (i) the Federal Home Loan Bank of Boston Five Year Rate as of the Conversion Date plus 3.00% or (ii) 4.25%, which interest rate shall be fixed until maturity.

The Commercial Equipment Line of Credit Promissory Note is subject to the terms and conditions outlined in the Loan Agreement. The Loan Agreement contains covenants related to various matters including certain financial covenants, prohibitions on further borrowings and security interests, merger or consolidation, acquisitions, guarantees, sales of assets other than in the normal course of business, leasing, and payment of dividends. The bank has a security interest in all operating assets of the Company.

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 in Item 1.01 of this report is incorporated herein by reference.

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, thereunto duly authorized, in the City of Fitchburg, Commonwealth of Massachusetts, on the 23th day of June, 2015.

ARRHYTHMIA RESEARCH TECHNOLOGY, INC.

By: /s/ Derek T. Welch

Derek T. Welch

Chief Financial Officer