

Edgar Filing: OFS Capital Corp - Form 8-K

OFS Capital Corp
Form 8-K
April 15, 2019
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 15, 2019 (April 10, 2019)

OFS Capital Corporation
(Exact name of Registrant as specified in its charter)

Delaware 814-00813 46-1339639
(State or other jurisdiction (Commission (I.R.S. Employer
of incorporation) File Number) Identification No.)

10 S. Wacker Drive, Suite 2500 60606
Chicago, Illinois
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (847) 734-2000

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))

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

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. ..

Item 1.01. Entry into a Material Definitive Agreement.

Amendment to Senior Secured Revolving Credit Facility

On April 10, 2019, OFS Capital Corporation, a Delaware corporation (the “Company”), executed an amendment (the “Secured Revolver Amendment”) to its Business Loan Agreement with Pacific Western Bank, as lender (“PacWest”), pursuant to which PacWest provides the Company with a senior secured revolving credit facility (“PWB Credit Facility”) for general corporate purposes, including investment funding.

The Secured Revolver Amendment, among other things: (i) increases the maximum amount available under the PWB Credit Facility from \$50.0 million to \$100.0 million; (ii) changes the interest rate from a variable rate of Prime Rate plus a 0.75% margin to a variable rate of Prime Rate plus a 0.25% margin (with a floor of 5.25%); (iii) extends the maturity date from January 31, 2020 to February 28, 2021; (iv) increases the minimum quarterly net investment income covenant from \$2.0 million to \$3.0 million; (v) reduces the statutory asset coverage ratio test from 200% to 150%; and (vi) adds a total liabilities to Borrower's Net Asset Value (as defined in the Secured Revolver Amendment) covenant of 300%.

In connection with the Secured Revolver Amendment, the Company incurred a 1.0% upfront fee on the \$50.0 million incremental increase in the maximum amount available under the PWB Credit Facility, which equates to \$500,000.

The foregoing description of the Secured Revolver Amendment is not complete and is qualified in its entirety by the full text of: (i) such amendment; (ii) the Change in Terms Agreement by and between the Company and PacWest dated as of April 10, 2019; (iii) the Commercial Guaranty by and among the Company, OFS Capital WM, LLC and PacWest dated as of April 10, 2019; and (iv) the Commercial Guaranty by and among the Company, OFSCC-MB, Inc. and PacWest dated as of April 10, 2019, which are filed as exhibits to this Current Report on Form 8-K as Exhibit 10.1, Exhibit 10.2, Exhibit 10.3 and Exhibit 10.4, respectively, and are incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
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- | | |
|-------------|--|
| <u>10.1</u> | <u>Business Loan Agreement between OFS Capital Corporation and Pacific Western Bank dated April 10, 2019</u> |
| <u>10.2</u> | <u>Change in Terms to the Business Loan Agreement between OFS Capital Corporation and Pacific Western Bank dated April 10, 2019</u> |
| <u>10.3</u> | <u>Commercial Guaranty Agreement among OFS Capital Corporation, OFS Capital WM, LLC, and Pacific Western Bank dated April 10, 2019</u> |
| <u>10.4</u> | <u>Commercial Guaranty Agreement among OFS Capital Corporation, OFSCC-MB, Inc., and Pacific Western Bank dated April 10, 2019</u> |
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

OFS Capital Corporation

Date: April 15, 2019 By: /s/ Bilal Rashid
Chief Executive Officer

P>

288,309

10

SHARED DISPOSITIVE POWER

0

11

AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON

288,309

12

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.98%

14

TYPE OF REPORTING PERSON

IN

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This Amendment No. 1 to Statement of Beneficial Ownership on Schedule 13D (this “Amendment No. 1”) amends the Statement of Beneficial Ownership on Schedule 13D filed by the Reporting Persons on May 17, 2018 (as amended, the “Schedule 13D” or this “Statement”), with respect to the Common Stock, \$0.001 par value per share (“Common Stock”), of Marin Software Incorporated, a Delaware corporation (the “Company”). Capitalized terms used but not defined in this Amendment No. 1 shall have the meanings set forth in the Schedule 13D. Except as amended and supplemented by this Amendment No. 1, the Schedule 13D remains unchanged.

Item 5. Interest in Securities of the Issuer.

(a) The Reporting Persons ceased to be beneficial owners of 5% or more of shares of the Common Stock on August 10, 2018.

Each of the Fund and Mr. Ashton holds the number and percentage of shares of Common Stock disclosed as beneficially owned by them in the applicable table set forth on the cover page to this Statement. The Fund holds the 231,618 shares of Common Stock disclosed as beneficially owned by it through KCP II LLC, a Delaware limited liability company. Mr. Ashton has beneficial ownership of 51,891 shares of Common Stock that he holds individually and in an IRA account over which he has sole voting and dispositive power and 4,800 shares of Common Stock that have been gifted to accounts for Mr. Ashton’s children established under the Uniform Transfer to Minors Act and over which shares, as a trustee for such accounts, Mr. Ashton retains the sole voting and dispositive power. In addition, as the portfolio manager for the Fund, Mr. Ashton has the sole power to direct the voting and disposition of the shares of Common Stock beneficially owned by the Fund. Mr. Ashton expressly disclaims beneficial ownership of the Fund’s shares of Common Stock except to the extent of his pecuniary interest therein.

Each percentage ownership of shares of Common Stock set forth in this Statement is based on the 5,785,000 shares of Common Stock reported by the Company as outstanding as of July 31, 2018 in its Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 9, 2018.

(c) On August 10, 2018, the Fund sold 1,500 shares of Common Stock, at the sales price of \$4.44 per share, and Mr. Ashton sold 5,000 shares, at the sales price of \$4.33 per share. Each of these transactions was effected through the open market.

(e) The Reporting Persons ceased to be beneficial owners of 5% or more of shares of the Common Stock on August 10, 2018.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Pursuant to Rule 13d-1(k) promulgated under the Securities Exchange Act of 1934, as amended, the Reporting Persons have entered into an agreement with respect to the joint filing of this Amendment No. 1, which agreement is set forth on the signature page to this Statement.

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SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this Statement is true, complete and correct.

In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of this Statement on Schedule 13D with respect to the Common Stock of the Company.

Dated: August 13, 2018

KINETIC CATALYST PARTNERS LLC

/s/ Robert B. Ashton
Robert B. Ashton
Manager

/s/ Robert B. Ashton
Robert B. Ashton