

MICRON SOLUTIONS INC /DE/
Form 8-K
June 21, 2017

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 21, 2017 (June 16, 2017)

Micron Solutions, Inc.

(Exact name of registrant as specified in its charter)

Delaware

1-9731

72-0925679

(State or other jurisdiction of Incorporation or
organization)

(Commission File
Number)

(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

On June 16, 2017, Micron Solutions, Inc. and its wholly-owned subsidiary, Micron Products, Inc. (collectively, the “Company”) entered into the Sixth Amendment to the Loan and Security Agreement (the “Sixth Amendment”) and the Third Amendment to Commercial Revolving Line of Credit Promissory Note (the “Note”) with its Massachusetts based bank. The terms and conditions outlined herein are merely summaries and subject to the full text of the Sixth Amendment and the Note.

Pursuant to the Sixth Amendment, the Company’s revolving line of credit (the “revolver”) with its Massachusetts based bank was extended for ninety days. The revolver provides for borrowings up to 80% of eligible accounts receivable and 50% of eligible raw materials inventory. The interest rate on the revolver is calculated at the bank’s prime rate plus 0.25% (4.50% at June 16, 2017). Amounts available to borrow under the revolver are \$613,839 at June 16, 2017. As amended, the revolver has a maturity date of September 30, 2017. The Company expects to engage in discussions with its bank regarding a further extension upon the filing of the Company’s Form 10-Q for the quarter ended June 30, 2017. There can be no assurance the Company will be successful in further extending the revolver.

The remaining terms of the revolver remain unchanged including financial and non-financial covenants. The financial covenants include maintaining certain debt coverage and leverage ratios. The non-financial covenants relate to various matters including notice prior to executing further borrowings and security interests, mergers or consolidations, acquisitions, guarantees, sales of assets other than in the normal course of business, leasing, changes in ownership and payment of dividends. The Company was in compliance with all covenants as of June 16, 2017. The bank has a security interest in substantially all assets of the Company except real estate.

Forward-Looking Statements

Except for the historical information contained herein, the matters disclosed herein include forward-looking statements which are the Company’s current views with respect to future events and financial performance. These forward-looking statements are subject to many assumptions, risks and uncertainties that could cause actual results to differ significantly from historical results or those anticipated by the Company. The most significant of these risks are detailed from time to time in the Company’s filings and reports with the Securities and Exchange Commission including the Company’s annual report on Form 10-K for the year ended December 31, 2016 and the Company’s quarterly report on Form 10-Q for the three months ended March 31, 2017. If one or more of these risks or uncertainties materializes, or if underlying assumptions prove incorrect, the Company’s actual results may vary materially from those expected, estimated or projected. Actual events or results may differ materially. It is advisable not to place undue reliance on any forward-looking statements. The Company undertakes no obligation to, and does not, publicly update or revise any forward-looking statements, except as required by federal securities laws, whether as a result of new information, future events or otherwise.

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, hereunto duly authorized.

Dated: June 21, 2017

MICRON SOLUTIONS, INC.

By: /s/ Derek T. Welch

Derek T. Welch

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Chief Financial Officer