

Emrise CORP
Form 8-K
June 07, 2010

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 1, 2010

EMRISE CORPORATION

(Exact name of registrant as specified in its charter)

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Delaware
(State or other jurisdiction of
incorporation)

001-10346
(Commission File Number)

77-0226211
(IRS Employer Identification
No.)

611 Industrial Way, Eatontown, NJ
(Address of principal executive offices)

07224
(Zip Code)

(732) 389-0355

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report.)

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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 November 30, 2007, EMRISE Corporation (the *Company*) and certain of its subsidiaries (collectively with the *Company* 's subsidiaries that later became party to the agreement pursuant to that certain Amendment Number 1 to Loan Documents dated August 20, 2008, the *Borrowers*) entered into a Credit Agreement with GVEC Resource IV Inc. (the *Lender*), an affiliate of Private Equity Management Group LLC, which Credit Agreement has been amended from time to time (as amended, the *Credit Agreement*).

The *Borrowers* and the *Lender* entered into Amendment Number 12 to Loan Documents (*Amendment 12*), which amends the *Credit Agreement* as of June 1, 2010. Among other things, *Amendment 12* modifies the schedule for certain milestone events related to the process for the sale of certain assets of the *Borrowers* and provides for the *Lender* 's consent to the sale of such assets. Except for these amendments, the *Credit Agreement* remains in full force and effect.

With the exception of historical information, certain matters discussed in this current report, including EMRISE 's ability to sell certain of its assets and satisfy the debt owed to the *Lender*, may be interpreted as forward looking statements. The actual future results of EMRISE could differ from those statements. Factors that could cause or contribute to such differences include, but are not limited to, the current absence of any binding obligations by any third party to purchase any assets of the *Company*, the early stage of marketing these assets, terms offered by potential buyers may not be acceptable or may be unfavorable to the *Company*, even if the *Company* secures one or more letters of intent to purchase the assets and/or executes purchase agreements, there will be conditions to be met before closing, such as satisfactory due diligence, corporate and other approvals and third party consents, the timeliness and satisfaction of which may not be within the control of the *Company* and may not be achieved, and thus the sales may not be consummated, the milestones may not be met, the net proceeds for the assets may not meet the expectations of the *Company*, and thus may not be sufficient to pay the obligation to the *Lender* in full. The *Company* refers you to those factors contained in the *Risk Factors* Section of EMRISE 's Form 10-K for the year ended December 31, 2009 and other EMRISE filings with the U.S. Securities and Exchange Commission.

SIGNATURE

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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.

Date: June 7, 2010

EMRISE CORPORATION

By:

/s/ D. John Donovan
D. John Donovan
Chief Financial Officer