

CANCER GENETICS, INC
Form 8-K
July 05, 2018

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 30, 2018**

CANCER GENETICS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	001-35817	04-3462475
(State or Other Jurisdiction of	(Commission	(IRS
Incorporation)	File Number)	Employer
		Identification
		No.)

201 Route 17 North 2nd Floor, Rutherford, New Jersey 07070

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code **(201) 528-9200**

(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 by Rule 405 of the Securities Act of 1933 (17 §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☒ [X]

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. ☒ [X]

Item 1.01. Entry into a Material Definitive Agreement.

On June 30, 2018, Cancer Genetics, Inc. (the “Company”) and certain wholly-owned subsidiaries of the Company, as borrowers or as guarantors, as applicable, entered into the Joinder and Modification No. 2 to Loan and Security Agreement (the “Modification”), amending the Loan and Security Agreement, dated as of March 22, 2017, as amended by the Conditional Waiver and Modification No. 1 to Loan and Security Agreement (the “Waiver”) dated as of May 14, 2018, among the Company, certain of its wholly-owned subsidiaries and Partners for Growth IV, L.P. (“PFG”) (as subsequently amended from time to time, the “Amended Loan Agreement”).

The Modification, among other things, adjusts certain financial covenants in the Amended Loan Agreement, including minimum adjusted EBITDA, minimum revenue and minimum liquidity covenants, effects the joinder to the Amended Loan Agreement of vivoPharm Pty Ltd and its wholly-owned subsidiaries, acquired by the Company in August 2017, and extends the Waiver’s deadline for the Company to raise \$2,500,000 from the sale of its equity securities or the issuance of subordinated debt from June 30, 2018 to July 16, 2018. The Amended Loan Agreement is an interest-only term loan in the principal amount of \$6.0 million, bears interest at the rate of 11.5% per annum and matures on March 22, 2020.

In addition, as contemplated by the Waiver, on June 30, 2018, the Company entered into an Omnibus Warrant Amendment (the “Warrant Amendment”), amending the warrants to purchase an aggregate of 443,262 shares of the Company’s common stock issued to PFG and its designees on March 22, 2017 (the “PFG Warrants”). The Warrant Amendment reduces the exercise price of the PFG Warrants to \$0.92.

The foregoing description of the Modification, the Warrant Amendment and the Amended Loan Agreement does not purport to be complete and is subject to, and qualified in its entirety by reference to, the Amendment and the Warrant Amendment, which are attached as Exhibits 10.1 and 4.1, respectively, 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 information set forth above in Item 1.01 of this Report is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

As described above, the following exhibit is furnished as part of this report:

Exhibit 4.1 — Omnibus Warrant Amendment to Warrant Issued to Lenders, dated as of June 30, 2018.

Exhibit 10.1 — Joinder and Modification No. 2 to Loan and Security Agreement with Partners for Growth IV, L.P., dated as of June 30, 2018.

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.

CANCER GENETICS, INC.

By: */s/ John A. Roberts*

Name: John A. Roberts

Title: President and Chief Executive Officer

Date: July 5, 2018

