

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): November 10, 2015 (November 6, 2015)

**FlexShopper, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

0-52589

(Commission File Number)

20-5456087

(IRS Employer Identification No.)

2700 North Military Trail, Ste. 200 Boca Raton, FL

(Address of Principal Executive Offices)

33431

(Zip Code)

(561) 419-2923

(Registrant's Telephone number, including area code)

N/A

(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.

- 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.

### Previously reported – Credit Agreement

Pursuant to a Form 8-K dated March 6, 2015, FlexShopper, Inc. (“FlexShopper”) reported that through a wholly-owned subsidiary (the “Borrower”), entered into a credit agreement (the “Credit Agreement”) with WE 2014-1, LLC, an affiliate of Waterfall Asset Management, LLC (“Waterfall”), and certain other lenders thereunder from time to time (collectively, the “Lender”). The Borrower is permitted to borrow funds under the Credit Agreement based on the Borrower’s cash on hand and the Amortized Order Value of the Borrower’s Eligible Leases (as such terms are defined in the Credit Agreement) less certain deductions described in the Credit Agreement. Under the terms of the Credit Agreement, subject to the satisfaction of certain conditions, the Borrower may borrow up to \$25,000,000 from the Lender for a term of two years. The borrowing term may be extended for an additional twelve months in the sole discretion of the Lender. The Credit Agreement contemplates that the Lender may provide additional debt financing to the Borrower, up to \$100 million in total, under two uncommitted accordions following satisfaction of certain covenants and other terms and conditions. The Lender will receive security interests in certain leases as collateral under the Credit Agreement. For the term of the Credit Agreement, FlexShopper and its subsidiaries may not incur additional indebtedness (other than certain indebtedness expressly permitted under the Credit Agreement) without the permission of the Lender. Waterfall and its affiliates will have a right of first refusal on certain subsequent FlexShopper transactions involving leases or other financial products during the term of the Credit Agreement and up to three months following the termination thereof.

Pursuant to the Credit Agreement, amounts borrowed by the Borrower will bear interest at the rate of LIBOR plus a mid-teen percent per annum, and a small non-usage fee will be assessed on any undrawn amount if the facility is less than 80% drawn on average in any given measurement period commencing three months after the closing of the facility.

The Credit Agreement includes customary events of default, including, among others, failures to make payment of principal and interest, breaches or defaults under the terms of the Credit Agreement and related agreements entered into with the Lender, breaches of representations, warranties or certifications made by or on behalf of the Borrower in the Credit Agreement and related documents (including certain financial and expense covenants), deficiencies in the borrowing base, certain judgments against the Borrower and bankruptcy events. If an event of default occurs and is continuing, the Lender may, among other things, terminate any remaining commitments available to the Borrower, declare all outstanding principal and interest immediately due and payable and enforce any and all liens created in connection with the Credit Agreement. In connection with the closing under the Credit Agreement, the Company will pay placement agent fees totaling \$850,000.

### Amendment to Credit Agreement

On November 6, 2015, FlexShopper entered into amendments to the Credit Agreement providing FlexShopper more availability and flexibility in borrowing funds pursuant to the Credit Agreement during and subsequent to the upcoming holiday season at a cost of \$150,000 in fees paid to the Borrower. A copy of Amendment no. 1 and Amendment no. 2 to the Credit Agreement are filed with this report as Exhibits 10.1 and 10.2, respectively, and are hereby incorporated by reference herein. The foregoing descriptions of the Credit Agreement and amendments thereto do not purport to be complete and are qualified in their entirety by reference to the full text of such documents.

## Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are filed herewith.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 1 to Credit Agreement, dated as of March 6, 2015, among FlexShopper 2, LLC, Wells Fargo Bank, N.A., various Lenders from time to time party thereto and WE 2014-1, LLC.
10.2	Amendment No. 2 to Credit Agreement, dated as of March 6, 2015, among FlexShopper 2, LLC, Wells Fargo Bank, N.A., various Lenders from time to time party thereto and WE 2014-1, LLC.

**SIGNATURES**

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.

Date: November 10, 2015

**FLEXSHOPPER, INC.**

By: /s/ Brad Bernstein

Name: Brad Bernstein

Title: President and Chief Financial Officer

## AMENDMENT NO. 1 TO THE FEE LETTER

This **AMENDMENT NO.1 TO THE FEE LETTER** (this "Amendment") is made and entered into as of November 6, 2015 among FLEXSHOPPER 2, LLC, ("the Company") and WE 2014-1, LLC (the "Administrative Agent" and "Lender").

## BACKGROUND

**WHEREAS**, the Company and the Administrative Agent are party to that certain fee letter, dated March 6, 2015 (as amended, supplemented and otherwise modified as of the date hereof, the "Fee Letter");

**WHEREAS**, the parties to the Fee Letter desire to amend the Fee Letter.

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

SECTION 1. Amendments to the Fee Letter.

(a) Clause 2 of the Fee Letter is hereby amended and restated in its entirety as follows:

2. the "Applicable Advance Rate" set forth in the Credit Agreement shall be:

- (a) For any date in which an Advance Rate Step Down Event is not in effect, (i) for Performing Leases, the Performing Lease Advance Rate, (ii) for Late-Eligible Leases, 50%, (iii) for 2F2-Eligible Leases, 30% and (iv) for all other Pledged Leases, 0%; and
- (b) For any date for which an Advance Rate Step Down Event is in effect, (i) for Performing Leases, 65%, (ii) for Late-Eligible Leases, 35%, (iii) for 2F2-Eligible Leases, 30% and (iv) for all other Pledged Lease, 0%.

"Performing Holiday Lease Effective Advance Rate" means the lesser of:

- (a) the amount set forth in Schedule II;
- (b) the Performing Holiday Lease Effective Advance rate as set forth in the Borrowing Base Certificate issued in the previous calendar week; and
- (c) the greater of (i) the percentage determined by the Administrative Agent, in its discretion, after reviewing the Collections on deposit in the Lockbox and the Collection Account and the Amortized Order Value of Eligible Leases that are Pledged Leases, and (ii) 90%.

"Performing Lease Advance Rate" means:

- (a) for Performing Leases that are Holiday Leases: (i) during the Holiday Period, 100% and (ii) after the end of the Holiday Period, the greater of (A) 90% and (B) the Performing Holiday Lease Effective Advance Rate; and
- (b) for Performing Leases that are not Holiday Leases, 90%.

(b) A Schedule II, attached hereto as Annex A, is hereby added to the Fee Letter.

SECTION 2. Effectiveness. This Amendment shall become effective as of the date first written above upon delivery to the Administrative Agent of counterparts of (i) this Amendment and (ii) counterparts of that certain Amendment No. 2 to the Credit Agreement, each dated as of the date hereof, in each case duly executed by each of the parties thereto.

SECTION 3. Binding Effect; Ratification.

(a) The Fee Letter, as amended hereby, remains in full force and effect. Any reference to the Fee Letter from and after the date hereof shall be deemed to refer to such Fee Letter as amended hereby, unless otherwise expressly stated.

(b) Except as expressly amended hereby, the Fee Letter shall remain in full force and effect and is hereby ratified and confirmed by the parties hereto.

SECTION 4. Miscellaneous.

(a) THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW PRINCIPLES THEREOF (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF NEW YORK GENERAL OBLIGATIONS LAW).

(b) The captions and headings used herein are for convenience of reference only and shall not affect the interpretation hereof.

(c) This Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(d) Executed counterparts of this Amendment may be delivered electronically.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers as of the day and year first above written.

**ADMINISTRATIVE AGENT and LENDER:**

**WE 2014-1, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE COMPANY:**

**FlexShopper 2, LLC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Schedule II

Week of	Advance Rate	Difference
12/28/2015	100.0%	
01/04/2016	99.0%	1.0%
01/11/2016	98.0%	1.0%
01/18/2016	97.0%	1.0%
01/25/2016	96.0%	1.0%
02/01/2016	95.0%	1.0%
02/08/2016	94.0%	1.0%
02/15/2016	93.0%	1.0%
02/22/2016	92.0%	1.0%
02/29/2016	91.0%	1.0%
03/07/2016	90.0%	1.0%

## AMENDMENT NO. 2 TO THE CREDIT AGREEMENT

This **AMENDMENT NO. 2 TO THE CREDIT AGREEMENT** (this "Amendment") is made and entered into as of November 6, 2015 among FLEXSHOPPER 2, LLC, (the "Company") and WE 2014-1, LLC (the "Administrative Agent" and "Lender").

## BACKGROUND

**WHEREAS**, the Company, the Administrative Agent, Wells Fargo Bank, National Association, as paying agent (the "Paying Agent") and various lenders from time to time party thereto (the "Lenders") are party to a certain Credit Agreement, dated March 6, 2015 (as amended, supplemented and otherwise modified as of the date hereof, the "Credit Agreement");

**WHEREAS**, the parties to the Credit Agreement desire to amend the Credit Agreement.

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

SECTION 1. Defined Terms. Capitalized definitional terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

SECTION 2. Amendments to the Credit Agreement. The Credit Agreement is hereby amended as provided in this Section 2.

- (a) Section 1.01 of the Credit Agreement is hereby amended by adding the following definitions in appropriate alphabetical order:
- (i) "**1F1-Eligible Lease**" means, as of any date of determination, any Eligible Lease that is a Non-Paying Lease that has missed only one (1) of its scheduled Payments.
  - (ii) "**2F2-Eligible Lease**" means, as of any date of determination, any Eligible Lease that is a Non-Paying Lease that has missed only two (2) of its scheduled Payments.
  - (iii) "**Active Lease**" means any Lease that is designated on the internal system of Seller or Servicer, as applicable, as "Active".
  - (iv) "**Excess Concentration Amount**" means, as of any date of determination, the sum of:
    - (a) the amount by which (x) the sum of the products of the Applicable Advance Rate multiplied by the Amortized Order Value at such day for of each of the Special Leases that are Eligible Leases exceeds (y) 10% of the aggregate Borrowing Base; and

- (b) the amount by which (x) the sum of the products of the Applicable Advance Rate multiplied by the Amortized Order Value at such day for of each of the 1F1-Eligible Leases and 2F2-Eligible Leases exceeds (y) 10% of the Borrowing Base.
- (v) **“Holiday Period”** means the period from and including November [●], 2015 through and including December 31, 2015.
- (vi) **“Holiday Lease”** means, as of any date of determination, any Lease that became a Pledged Lease on or prior to December 31, 2015.
- (vii) **“Non-Paying Lease”** means, as of any date of determination, any Eligible Lease for which a Payment has not yet been received or cleared via the ACH network.
- (viii) **“Performing Lease”** means, as of any date of determination, any Eligible Lease that is not a Late-Eligible Lease, a 2F2-Eligible Lease or a Delinquent Lease.
- (ix) **“Special Lease”** means any Lease that is designated on the internal system of Seller or Servicer, as applicable, as “Special” or that is not so designated but does not have its Payments scheduled in weekly increments.

(b) The definition of “Late-Eligible Lease” set forth in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

**“Late-Eligible Lease”** means, as of any date of determination, any Eligible Lease with a Missed Payment Factor of greater than 2.14 but less than 4.29.

(c) The definition of “Borrowing Base” set forth in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

(a) the amount equal to the following:

- (i) the sum of the products of the Applicable Advance Rate multiplied by the Amortized Order Value at such day for each Eligible Lease, plus
- (ii) the aggregate amount of Collections in the Lockbox Account and the Collection Account for Eligible Leases to the extent such Collections and other funds have already been applied to reduce the Amortized Order Value of the related Eligible Lease, plus



- (iii) the aggregate amount of Collections in the Lockbox Account and the Collection Account for leases that are not Eligible Leases; minus
  - (iv) the sum of Accrued Interest Amount as of such day and the aggregate amount of all accrued and unpaid fees and expenses due hereunder and including (but not limited to) the Servicing Agreement, the Backup Servicing Agreement, and the Verification Agent Agreement; minus
  - (v) the Charge-Back Reserve Amount; minus
  - (vi) any amounts collected and on deposit in the Lockbox Account or Collection Account collected with respect to a Lease pursuant to the payment of sales and use taxes; minus
  - (vii) the Excess Concentration Amount, and
- (b) the Commitment on such date.
- (d) The definition of “Eligibility Criteria” set forth in Appendix C of the Credit Agreement is hereby amended as follows:
- (i) clause (l) thereof is hereby amended and restated in its entirety as follows:
 

“such Lease has a term to acquire ownership that does not exceed twelve (12) months and, unless such Lease is a Special Lease, such term is divided into 52 equal weekly payments;”
  - (ii) clause (ee) thereof is hereby deleted in its entirety and replaced with [Reserved].
  - (iii) clause (ff) thereof is hereby amended and restated in its entirety as follows:
 

“such Lease is either an Active Lease or a Special Lease;”
  - (iv) clause (jj) thereof is hereby amended and restated in its entirety as follows:
 

“(jj) at the time of origination of the Lease, either (i) no more than 90 days have passed since the Obligor was approved or reapproved for a spending limit, (ii) no more than 90 days have passed since another Lease with respect to which such Obligor was the Obligor was outstanding and each such other Lease that was outstanding during the last 90 days was repaid in full and the aggregate amount collected with respect thereto was at least 1.4 times its Order Value or (iii) such Obligor is the Obligor with respect to one or more other Leases currently outstanding and each such Lease has a Missed Payment Factor of 0.”
  - (v) clause (kk) thereof is hereby amended and restated in its entirety as follows:
 

“(kk) with respect to each Lease for which the related Obligor has made at least one Payment, such Obligor has made at least one Payment in the last 30 days.”

SECTION 3. Amendment Fee: In consideration for the execution of this Amendment, the Company will pay to the Administrative Agent an amount equal to \$150,000, which shall be due and payable on the earlier of (i) the date on which FlexShopper, Inc., completes an equity raise and (ii) March 1, 2016, it being acknowledged and agreed that the foregoing shall constitute a fee due under the Credit Agreement and the Administrative Agent shall be entitled (but shall have no obligation) to satisfy all or any portion of such fee from available funds on deposit in the Collection Account but no such withdrawal by the Administrative Agent shall relieve the Company of its obligation to pay such fee in full to the extent that amounts withdrawn from the Collection Account for such purpose are insufficient therefor.

SECTION 4. Effectiveness. This Amendment shall become effective as of the date first written above upon delivery to the Administrative Agent of counterparts of (i) this Amendment and (ii) counterparts of that certain Amendment No.1 to the Fee Letter, each dated as of the date hereof, in each case duly executed by each of the parties thereto.

SECTION 5. Binding Effect; Ratification.

(a) The Credit Agreement, as amended hereby, remains in full force and effect. Any reference to the Credit Agreement from and after the date hereof shall be deemed to refer to such Credit Agreement as amended hereby, unless otherwise expressly stated.

(b) Except as expressly amended hereby, the Credit Agreement shall remain in full force and effect and is hereby ratified and confirmed by the parties hereto.

SECTION 6. Miscellaneous.

(a) THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW PRINCIPLES THEREOF (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF NEW YORK GENERAL OBLIGATIONS LAW).

(b) The captions and headings used herein are for convenience of reference only and shall not affect the interpretation hereof.

(c) This Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(d) Executed counterparts of this Amendment may be delivered electronically.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers as of the day and year first above written.

**ADMINISTRATIVE AGENT and LENDER:**

**WE 2014-1, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE COMPANY:**

**FlexShopper 2, LLC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_