UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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) August 27, 2018

FlexShopper, Inc.
(Exact name of registrant as specified in its charter)

Delaware	001-37945	20-5456087
(State or other jurisdiction of incorporation	(Commission File Number)	(IRS Employer Identification No.)

2700 North Military Trail, Ste. 200 Boca Raton, FL	33431
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (855) 353-9289

(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 (§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.

Amendment No. 8 to Credit Agreement

On August 29, 2018, FlexShopper, Inc. (the "Company"), through a wholly-owned indirect subsidiary (the "Borrower"), entered into Amendment No. 8 (including related documentation, the "Amendment") to the Credit Agreement originally entered into on March 6, 2015 by and among the Borrower and WE 2014-1, LLC (in its capacity as administrative agent under the Credit Agreement, the "Administrative Agent"), an affiliate of Waterfall Asset Management, LLC ("Waterfall"), and certain other lenders thereunder from time to time (as amended from time to time, the "Credit Agreement"). The Amendment amended the Credit Agreement to provide that if the Company raises at least $15 million in equity funding (an "Equity Raise") on or before September 30, 2018, the Scheduled Commitment Termination Date (as defined in the Credit Agreement) will be extended to June 30, 2019 or such later date to be determined by the Administrative Agent in its sole discretion, but not later than February 28, 2021, by notice to the Borrower on or before April 1, 2019; provided, however, if the Equity Raise is not completed on or before September 30, 2018, the Scheduled Commitment Termination Date will be a date determined by the Administrative Agent in its sole discretion (by notice to the Borrower), but in no event earlier than September 30, 2018 or later than June 30, 2019. Proceeds of a successful equity raise on or prior to September 30, 2018 are required to be used to prepay loans under the Credit Agreement in an amount necessary such that the outstanding principal balance thereof is less than or equal to 95% of the Borrowing Base (as defined in the Credit Agreement).

Pursuant to the Amendment, upon the consummation of a successful raising by the Company or its affiliates of equity funding on or prior to September 30, 2018, the Borrower must maintain a reserve amount of $1,000,000, which amount may be withdrawn by the Administrative Agent to pay any amounts not paid by the Borrower when due under the Credit Agreement or, in the discretion of the Administrative Agent, to pay any other commercially reasonable costs or expenses of the Borrower. If any portion of the reserve amount is used in such manner, such reserve will be replenished up to $1,000,000 in connection with the monthly applications of proceeds under the Credit Agreement.

Additionally, the Amendment amended the Credit Agreement to provide that, among other things, (1) if the Company completes the Equity Raise on or before September 30, 2018, the interest rate on loans under the Credit Agreement will be reduced to a low double-digit percentage per annum beginning on February 1, 2019; and (2) certain increased advance rates established by a previous Credit Agreement amendment are extended through September 30, 2018; however, if the Equity Raise has not closed, (a) beginning on September 17, 2018, the advance rate for certain Eligible Leases (as defined in the Credit Agreement) existing prior to the date of the Amendment will be reduced by a low single-digit percentage each week and (b) the advance rate for such Eligible Leases added to the Borrowing Base (as defined in the Credit Agreement) on or after the date of the Amendment shall be a percentage in the mid-nineties.

In connection with the contemplated Equity Raise, Waterfall waived the piggyback registration rights of certain of its investment management clients under that certain Investor Rights Agreement, dated March 6, 2015, with respect to such an offering. Additionally, on August 27, 2018, the Company and B2 FIE V LLC entered into Amendment No. 2 to Investor Rights Agreement (the "Second Amendment to Investor Rights Agreement"), such that the piggyback registration rights under that certain Investor Rights Agreement, dated June 10, 2016, shall not apply to an offering registered on the Company's Registration Statement on Form S-1 (File No. 333-226823).

Amended and Restated Subordinated Promissory Notes

FlexShopper, LLC, a wholly-owned, direct subsidiary of the Company, previously entered into letter agreements with each of H. Russell Heiser, Jr., the Company's Chief Financial Officer, and NRNS Capital Holdings LLC ("NRNS") pursuant to which FlexShopper, LLC issued a subordinated promissory note to each of Mr. Heiser and NRNS (together, the "Notes"). On August 29, 2018, FlexShopper, LLC amended and restated the Notes (the "Amended Notes") such that (1) the maturity date for the Notes was set at June 30, 2019 and (2) in connection with the completion of the offering described in the Registration Statement on Form S-1 initially filed by the Company with the Securities and Exchange Commission on August 13, 2018, holders of the Notes may elect to convert up to 50% of the outstanding principal of the Notes plus accrued and unpaid interest thereon into shares of the Company's common stock at a conversion price equal to the price paid to the Company by the underwriters for shares of common stock sold in such offering, net of the underwriting discount.

A copy of Amendment No. 8 to the Credit Agreement, the Second Amendment to Investor Rights Agreement and the Amended Notes are filed with this report as Exhibits 10.1, 10.2 and 10.3, respectively, and are hereby incorporated by reference herein. The foregoing descriptions of Amendment No. 8, the Second Amendment to Investor Rights Agreement and the Amended Notes do not purport to be complete and are qualified in their entirety by reference to the full text of such documents.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosures set forth in Item 1.01 above are incorporated by reference into this Item 2.03.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Amendment No. 8 to Credit Agreement, dated August 29, 2018, between FlexShopper 2, LLC and WE 2014-1, LLC.
10.2	Amendment No. 2 to Investor Rights Agreement, dated August 27, 2018, by and among the Company, B2 FIE V LLC and the other parties thereto.
10.3	Form of Amended and Restated Subordinated Promissory Note issued by FlexShopper, LLC to each of Russ Heiser and NRNS Capital Holdings LLC.

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.

FlexShopper, Inc.

August 30, 2018

By: /s/ Brad Bernstein
Brad Bernstein,
Chief Executive Officer

AMENDMENT NO. 8 TO CREDIT AGREEMENT

This **AMENDMENT NO. 8 TO CREDIT AGREEMENT** (this "Agreement") is made and entered into as of August 29, 2018 between 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 desire to amend the Servicing 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 Agreement and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

SECTION 2. Amendments to the Credit Agreement. Effective as of the date first written above, upon the satisfaction of the conditions set forth in Section 3 below, the Credit Agreement is hereby amended as follows:

(a) The definition of "Backup Servicer" is amended by adding the parenthetical "(or such later date as consented to by the Administrative Agent in its sole discretion)" immediately following each reference to "August 14, 2018" set forth therein.

(b) The definition of "Equity Raise" is amended by deleting the reference to "$20,000,000" set forth therein and substituting "$15,000,000" therefor.

(c) The definition of "Fee Letter" is restated in its entirety to read as follows:

"Fee Letter" means the fourth amended and restated letter agreement dated as of August 29, 2018 between Company, Administrative Agent and Lenders, as amended, restated, supplemented or otherwise modified from time to time.

(d) The definition of "Scheduled Commitment Termination Date" is restated in its entirety to read as follows:

"Scheduled Commitment Termination Date" means (a) if the Equity Raise has occurred on or prior to September 30, 2018, June 30, 2019 or such later date to be determined by the Administrative Agent in its sole discretion, but not later than February 28, 2021, with notice to the Company by April 1, 2019, or (b) if the Equity Raise has not been consummated on or prior to September 30, 2018, a date determined by the Administrative Agent in its sole discretion (by notice to the Company), but not earlier than September 30, 2018 or later than June 30, 2019.

(a) Section 1.1 is amended to add a new definition of "Commitment Fee" in proper alphabetical order:

"Commitment Fee" has the meaning set forth in the Fee Letter.

(e) Section 1.1 is amended to add a new definition of "Reserve Amount" in proper alphabetical order:

"Reserve Amount" means, upon consummation of a successful raising by Parent or its Affiliates of equity funding on or prior to September 30, 2018, for any Interest Payment Date, an amount equal to $1,000,000, it being agreed that all amounts in the Collection Account representing the Reserve Amount shall be counted towards the minimum amount required by clause (b) of Schedule 1.

(f) Section 5.1(q) is amended to add the words "(or such later date as consented to by the Administrative Agent in its sole discretion)" after the words "August 14, 2018".

(b) Section 2.7(a) is amended to add the words "and Commitment Fee" after the words "Non-Use Fee".

(g) Section 2.8 is amended to add the following new Sections 2.8(c) and 2.8(d) at the end thereof:

(c) On any Business Day, following notice to the Company, at the direction of the Administrative Agent, the Paying Agent shall withdraw all or any portion of the Reserve Amount from the Collection Account and apply such amounts to pay any amounts not paid by the Company when due under this Agreement or any other the Credit Document to the Administrative Agent or any Lender or, in the discretion of the Administrative Agent, to pay any other commercially reasonable costs or expenses of the Company, including, without limitation, any costs, fees, reimbursable expenses or indemnities owing to the Backup Servicer under the Credit Documents. The Reserve Amount shall only be released from the Collection Account upon the Administrative Agent's prior written consent and prior notice to the Company and, notwithstanding anything to the contrary in this Agreement, Collections comprising the "Reserve Amount" may only be applied as described in this Section 2.8(c). For the avoidance of doubt, any funds comprising the Reserve Amount shall not constitute "Collections" for purposes of (i) increasing the Borrowing Base or (ii) unless consented to by the Administrative Agent in writing, making any payments, deposits or other distributions under Section 2.11, Section 2.12 or otherwise.

(d) On the closing date of any successful equity raise consummated on or prior to September 30, 2018, Company shall make a mandatory prepayment of the Loan in an amount necessary to reduce the outstanding principal balance of the Loans so that the Total Utilization of the Commitments is less than or equal to at least 95% of the Borrowing Base. Company shall, or shall cause Parent or its related Affiliate to, instruct the underwriters for such equity raise to wire proceeds of such equity raise in an amount equal to such mandatory prepayment directly to the Administrative Agent.

(c) Section 2.11(b)(vi) is amended to add the words "and Commitment Fees" after the words "including Non-Use Fees".

(h) Section 2.12(a)(vii) is amended to read as follows:

(vii) *seventh*, first, to be retained in the Collection Account, any additional amounts required to cause the amount of cash on deposit in the Collection Account to equal the Reserve Amount, and, second, any remainder (other than the Reserve Amount) to Company.

(i) Section 5.1(r) is amended to by adding the words "or such later date as consented to by the Administrative Agent in its sole discretion" at the end of the parenthetical set forth in clause B) thereof

(j) Section 5.1 is amended to add the following new Section 5.1(s) at the end thereof:

(r) Notice of Payment of Subordinated Debt: Company shall provide the Administrative Agent with at least ten (10) Business Days prior written notice of the Seller's intention to repay any outstanding principal balance owing under any Permitted Seller Subordinated Indebtedness.

Article V is amended to add the following new Section 5.19 at the end thereof:

5.19 Additional Information. Company shall, or shall cause the Parent or its related Affiliate to, promptly deliver to the Administrative Agent and each Lender, as requested by the Administrative Agent, updates regarding the progress and status of any equity raise by Parent or its related Affiliate.

(k) Section 6.12(b) is amended to add the words "or such later date as consented to by the Administrative Agent in its sole discretion) at the end of the parenthetical set forth therein.

(l) Section 6.21 is amended to add the words "and updates to such model as the Administrative Agent shall request from time to time" at the end thereof.

SECTION 3. Effectiveness. This Agreement shall become effective as of the date first written above upon (a) delivery to the Administrative Agent of (i) counterparts of this Agreement duly executed by each of the parties hereto, (ii) a fully executed copy of that certain Fee Letter dated as of the date hereof, and (iii) final draft forms of the Seller's amended and restated subordinated promissory notes a reasonable period of time prior to the execution thereof and fully executed copies of such notes and (b) payment of the legal fees of counsel to the Administrative Agent accrued on or prior to the date of this Agreement in connection with the preparation, negotiation and execution of this Agreement and all other instruments, documents and agreements executed and delivered in connection with this Agreement.

SECTION 4. 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 the Credit Agreement as amended hereby, unless otherwise expressly stated.

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

(c) The Company represents and warrants to each Lender that each and every of its representations and warranties contained in Section 4 of the Credit Agreement, as amended hereby, are true and correct as of the date hereof.

(d) Notwithstanding anything to the contrary herein or in the Credit Document, by signing this Agreement, neither the Lender nor the Administrative Agent is waiving or consenting, nor has either of them agreed to waive or consent to in the future, the breach of (or any rights and remedies related to the breach of) any provisions of any of the Credit Documents.

(e) The Company agrees to promptly reimburse the Administrative Agent for all of the reasonable out-of-pocket expenses, including, without limitation, reasonable legal fees, it has heretofore or hereafter incurred or incurs in connection with the preparation, negotiation and execution of this Agreement and all other instruments, documents and agreements executed and delivered in connection with this Agreement.

SECTION 5. Miscellaneous.

(a) THIS AGREEMENT 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 Agreement 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 Agreement may be delivered electronically.

SECTION 6. Payment of AUP Invoices. Company shall pay, by September 30, 2018, all amounts owing to that certain agreed upon procedures provider under the Credit Agreement accrued on or prior to the date of this Agreement in connection with certain consulting services.

SECTION 7. Permitted Seller Subordinated Indebtedness. Administrative Agent and each of the Lenders hereby consents to the amendment and restatement of the subordinated promissory notes evidencing Permitted Seller Subordinated Indebtedness previously approved by Administrative Agent and the Lenders, provided such amended and restated subordinated promissory notes shall be in the form circulated to Administrative Agent on the date hereof.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement 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: /s/ Thomas Buttaravoli
Name: Thomas Buttaravoli
Title: Authorized Person

COMPANY:

FlexShopper 2, LLC

By: /s/ Brad Bernstein
Name: Brad Bernstein
Title: CEO & President

Exhibit 10.2

AMENDMENT NO. 2
TO
INVESTOR RIGHTS AGREEMENT

THIS AMENDMENT NO. 2 TO INVESTOR RIGHTS AGREEMENT, is made and entered into as of August 27, 2018 (this "Amendment") by and between FlexShopper, Inc., a Delaware corporation (the "Company"), and the investor(s) listed on the signature pages hereto (the "Investors").

RECITALS

WHEREAS, the Company, the Management Stockholder and the investors listed on the signature pages thereto are party to that certain Investor Rights Agreement, dated as of June 10, 2016, as amended by Amendment No. 1 to Investor Rights Agreement, dated as of April 2, 2018 (as so amended, the "Agreement"; defined terms used but not defined in this Amendment shall have the meanings ascribed to such terms in the Agreement);

WHEREAS, the Company intends to conduct a firm commitment public offering of up to $23 million in the aggregate of shares of Common Stock registered on Registration Statement on Form S-1 (File No. 333-226823), which amount is subject to increase by up to 20% by the Company's filing of a Registration Statement filed pursuant to Rule 462 under the Securities Act of 1933, as amended (the "Offering");

WHEREAS, the undersigned Investors collectively constitute Investor Parties holding a majority of the Registrable Securities held by all Investor Parties (the "Required Holders") mandated by the Agreement, together with the Company, to amend its terms and bind all Parties thereto; and

WHEREAS, the Required Holders and the Company wish to amend the Agreement to exempt the Offering from any registration rights under the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION 1. Amendments to the Agreement. Pursuant to Section 4.1 of the Agreement, the Required Holders and the Company hereby amend the Agreement as follows:

(a) Section 1.1 of the Agreement is hereby amended to include the following defined term in the appropriate alphabetical position:

> "'2018 Equity Offering' means a firm commitment public offering of up to $23 million in the aggregate of shares of Common Stock registered on Registration Statement on Form S-1 (File No. 333-226823), which amount is subject to increase by up to 20% by the Company's filing of a Registration Statement filed pursuant to Rule 462 under the Securities Act."

(b) Section 2.2 of the Agreement is hereby amended by the addition of a new subsection (e) as follows:

"(e) This Section 2.2 shall not apply to the 2018 Equity Offering or the Registration Statement filed in connection therewith."

(c) Except as expressly set forth herein, this Amendment shall not be deemed to be a waiver, amendment or modification of any provisions of the Agreement, or of any right, power or remedy of the Parties, or constitute a waiver, amendment or modification of any provision of the Agreement (except to the extent herein set forth), or any other document, instrument and/or agreement executed or delivered in connection therewith, in each case whether arising before or after the date hereof or as a result of performance hereunder or thereunder, all of which (except as specified herein) remain in full force and effect.

SECTION 2. Amendment and Modification. No term of this Amendment may be amended or modified without the prior written consent of the Company and the Required Holders. No provision of this Amendment may be waived except in a writing executed and delivered by the Party against whom such waiver is sought to be enforced. Any amendment or waiver effected in accordance with this Section 2 shall be binding upon the Investor Parties and the Company.

SECTION 3. Severability. If any provision of this Amendment or the application of any such provision to any Person or circumstance shall be declared by any court of competent jurisdiction to be invalid, illegal, void or unenforceable in any respect, all other provisions of this Amendment, or the application of such provision to Persons or circumstances other than those as to which it has been held invalid, illegal, void or unenforceable, shall nevertheless remain in full force and effect and will in no way be affected, impaired or invalidated thereby. Upon such determination that any provision, or the application of any such provision, is invalid, illegal, void or unenforceable, the Parties shall negotiate in good faith to modify this Amendment so as to effect the original intent of the Parties as closely as possible to the fullest extent permitted by Law in an acceptable manner.

SECTION 4. Governing Law; CONSENT TO JURISDICTION. This Amendment and any Action or dispute arising under or related in any way to this Amendment, the relationship of the Parties, the transactions leading to this Amendment or contemplated hereby and/or the interpretation and enforcement of the rights and duties of the Parties hereunder or related in any way to the foregoing, shall be governed by and construed in accordance with the internal, substantive Laws of the State of New York applicable to agreements entered into and to be performed solely within such state without giving effect to the principles of conflict of Laws thereof. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY AGREES THAT JURISDICTION AND VENUE IN ANY SUIT, ACTION OR PROCEEDING BROUGHT BY ANY PARTY ARISING OUT OF OR RELATING TO THIS AGREEMENT (INCLUDING ANY SUIT, ACTION OR PROCEEDING SEEKING EQUITABLE RELIEF) SHALL PROPERLY AND EXCLUSIVELY LIE IN THE COURTS OF THE STATE OF NEW YORK OR, TO THE EXTENT THE COURTS OF NEW YORK DO NOT HAVE SUBJECT MATTER JURISDICTION, THE UNITED STATES DISTRICT COURT LOCATED IN NEW YORK CITY. EACH PARTY HERETO FURTHER AGREES NOT TO BRING ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY COURT OTHER THAN THE COURTS IDENTIFIED IN THE FOREGOING SENTENCE. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE COURTS IN NEW YORK CITY FOR ITSELF AND IN RESPECT OF ITS PROPERTY WITH RESPECT TO SUCH SUIT, ACTION OR PROCEEDING. THE PARTIES HERETO IRREVOCABLY AGREE THAT VENUE WOULD BE PROPER IN EACH OF THE FOREGOING COURTS, AND HEREBY WAIVE ANY OBJECTION THAT ANY SUCH COURT IS AN IMPROPER OR INCONVENIENT FORUM FOR THE RESOLUTION OF SUCH SUIT, ACTION OR PROCEEDING.

SECTION 5. Headings. The headings in this Amendment are for convenience of reference only and shall not constitute a part of this Amendment, nor shall they affect its meaning, construction or effect.

SECTION 6. Counterparts; Electronic Delivery. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Amendment and any signed agreement or instrument entered into in connection with this Amendment, and any amendments hereto or thereto, to the extent delivered by means of a telecopy machine or electronic mail (any such delivery, an "Electronic Delivery"), shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise (a) the use of Electronic Delivery to deliver a signature or (b) the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery, as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent such defense related to lack of authenticity.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date and year first above written.

COMPANY:

FlexShopper, Inc.

By: /s/ Brad Bernstein
Name: Brad Bernstein
Title: Chief Executive Officer

INVESTOR:

B2 FIE V LLC

By: /s/ Harin de Silva
Name: Harin de Silva
Title: Authorized Person

Signature Page to Amendment No. 2 to Investor Rights Agreement

Exhibit 10.3

THIS NOTE AND THE SECURITIES ISSUABLE UPON THE CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR AN OPINION OF COUNSEL SATISFACTORY TO THE BORROWER THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SUCH ACT.

AMENDED AND RESTATED SUBORDINATED PROMISSORY NOTE

$[●] January [●], 2018
Amended and Restated August 29, 2018

FOR VALUE RECEIVED, FlexShopper, LLC, a North Carolina limited liability company ("Borrower"), hereby promises to pay to [●] ("Lender"), the principal sum of up to $[●] or such lesser amount as shall remain outstanding hereunder, together with interest thereon, subject to the terms and conditions set forth in this Amended and Restated Subordinated Promissory Note (this "Note").

1. Payment of Principal and Interest.

(a) Payments of principal and accrued interest on this Note shall be due and payable on June 30, 2019.

(b) The unpaid principal balance of this Note shall bear interest at a rate equal to five percent (5.00%) per annum in excess of the non-default rate of interest from time to time in effect under that certain Credit Agreement dated as of March 6, 2015 among FlexShopper 2, LLC, as borrower, Wells Fargo Bank, National Association, as paying agent, WE 2014-1, LLC, as administrative agent (the "Administrative Agent"), and the lenders party thereto (as amended, restated, supplemented or otherwise modified from time to time, the "Senior Credit Agreement") computed on the basis of a 360 day year.

(c) [Reserved.]

(d) Borrower may prepay this Note in whole or in part at any time, without premium or penalty.

(e) All payments of principal and interest shall be made in lawful money of the United States of America and shall be made to Lender at Lender's address set forth in Section 14 or at such other place as Lender may designate to Borrower in writing.

(f) Subject to the other terms set forth herein. Lender shall make a notation on Schedule A hereto of each advance made by Lender and of each prepayment or repayment made by Borrower, which schedule shall be conclusive evidence of the principal amount then outstanding hereunder, absent manifest error, subject to the next sentence. In the event that the Lender fails to make a notation on Schedule A, then the amount showing as owing from Borrower to Lender on the books and records of the Lender shall be conclusive evidence of the principal amount then outstanding hereunder, absent manifest error.

2. Conversion.

(a) Upon the closing of the Equity Financing, up to fifty percent (50%) of the outstanding principal balance of this Note at the time of such closing plus accrued and unpaid interest thereon shall, at the election of Lender by written notice to the Borrower and FlexShopper, Inc. ("Holdings") no later than 5:00 p.m. Eastern time on the second business day following notice to Lender that the underwriting agreement for the Equity Financing has been executed, be automatically converted into Conversion Shares. The number of Conversion Shares to be issued upon any conversion pursuant to this Section 2 shall be equal to the quotient obtained by dividing (i) the sum of (x) the dollar amount of the outstanding principal elected to be so converted by the Lender in accordance herewith and (y) accrued and unpaid interest thereon by (ii) the Conversion Price, rounded down to the nearest whole number.

(b) Issuance of the Conversion Shares upon the conversion of a portion of this Note shall not be registered and such Conversion Shares shall therefor bear an appropriate restrictive legend.

(c) Holdings shall not be required to issue or deliver the Conversion Shares until the Lender has surrendered the Note to the Borrower. Upon any such surrender, the Borrower shall issue a new Note reflecting the outstanding principal balance hereof after giving effect to such conversion. Such conversion shall be made contingent upon the closing of the Equity Financing and nothing herein shall obligate or be deemed to obligate the Borrower or Holdings to close the Equity Financing.

(d) As used herein, the following terms shall have the following meanings:

"Conversion Price" shall mean the price paid to Holdings for shares sold in the Equity Financing by the underwriter therefor net of any underwriters discounts applicable thereto.

"Conversion Shares" shall mean the Equity Securities issued in the Equity Financing.

"Equity Financing" shall mean the offering described in the Registration Statement on Form S-1 initially filed by Borrower with the U.S. Securities and Exchange Commission on August 13, 2018, as amended.

"Equity Securities" shall mean shares of Holdings' common stock.

3. Security. As collateral security for the payment and satisfaction of the unpaid principal balance of this Note and all interest accrued thereon, and subject to the rights of the Senior Creditors as described in Section 13, Borrower hereby grants to Lender a continuing, first-priority security interest in and to all of the Collateral. The Collateral means each and all of the following:

A. the Accounts;

B. the Equipment;

C. the Inventory;

D. the General Intangibles;

E. the Negotiable Collateral;

F. any money, deposit accounts or other assets of Borrower in which Lender receives a security interest or which hereafter come into the possess ion, custody or control of Lender;

G. all Supporting Obligations;

H. all Investment Property;

I. all Letter of Credit Rights; and

J. the proceeds of any of the foregoing, including, but not limited to, proceeds of insurance covering the Collateral, or any portion thereof, and any and all Accounts, Equipment, Inventory, General Intangibles, Negotiable Collateral, the Investment Property, the Letter of Credit Rights, the Supporting Obligations, money, deposit accounts or other tangible and intangible property resulting from the sale or other disposition of the Collateral, or any portion thereof or interest therein, and the proceeds thereof.

The capitalized terms used in the definition of the Collateral shall have the meanings ascribed to them under the Uniform Commercial Code as adopted in the State of North Carolina (the "UCC").

4. Representations and Warranties. Borrower hereby represents and warrants to Lender that:

(a) Borrower (i) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of North Carolina, (ii) has all requisite limited liability company power and authority to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently, or is currently proposed to be, engaged, (iii) is duly qualified as a foreign entity, licensed and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification, except to the extent that the failure to so qualify would not have a material adverse effect on Borrower, and (iv) has the limited liability company power and authority to execute, deliver and perform its obligations under this Note and to borrow hereunder;

(b) The execution, delivery and performance by Borrower of this Note (i) has been duly authorized by all necessary action, (ii) do not and will not contravene or violate the terms of its corporate constitutional documents or any amendment thereto or any law applicable to Borrower or its assets, business or properties, (iii) do not and will not (1) conflict with, contravene, result in any violation or breach of or default under any material contractual obligation of Borrower (with or without the giving of notice or the lapse of time or both), (2) create in any other person a right or claim of termination or amendment of any material contractual obligation of Borrower, or (3) require modification, acceleration or cancellation of any material contractual obligation of Borrower, and (iv) do not and will not result in the creation of any lien (or obligation to create a lien) against any property, asset or business of Borrower; and

(c) Borrower has duly executed and delivered this Note and this Note constitutes the legal, valid and binding obligations Borrower, enforceable against Borrower in accordance with the terms hereof, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and by general principles of equity.

5. Events of Default. The following shall constitute "Events of Default" with respect to this Note:

(a) Borrower shall fail to pay the principal of, or interest on, this Note when the same becomes due and payable in accordance with the terms hereof;

(b) Any representation or warranty made by Borrower in Section 4 hereof shall fail to be true and correct in all material respects or Borrower shall default in the performance of any of its obligations under Section 2 hereof; or

(c) Borrower makes a general assignment for the benefit of its creditors or applies to any tribunal for the appointment of a trustee or receiver of a substantial part of the assets of Borrower, or commences any proceedings relating to Borrower under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debts, dissolution or other liquidation law of any jurisdiction; or any such application is filed, or any such proceedings are commenced against Borrower and Borrower indicates its consent to such proceedings, or an order or decree is entered by a court of competent jurisdiction appointing such trustee or receiver, or adjudicating Borrower bankrupt or insolvent, or approving the petition in any such proceedings, and such order or decree remains unstayed and in effect for ninety (90) days.

6. Consequences of Event of Default. Upon the occurrence of any such Event of Default and during the continuation thereof, the unpaid principal balance of this Note and accrued and unpaid interest hereon shall become immediately due and payable upon such occurrence without action by Lender and Lender shall have all other rights and remedies provided by applicable law. Lender shall have all of the rights and remedies of a secured party under the UCC.

7. Remedies are Cumulative. No failure on the part of Lender to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Lender or any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any right, power or remedy. The remedies herein provided are cumulative and are not exclusive of any remedies provided by law, in equity, or in other loan documents.

8. Costs of Collection. In the event that this Note is not paid when due, Borrower shall also pay or reimburse Lender for all reasonable costs and expenses of collection, including, without limitation, reasonable attorneys' fees.

9. Default Interest Rate. Upon the occurrence of any Event of Default, any principal balance remaining unpaid under this Note shall bear interest at a rate per annum equal to two percent (2%) above the interest rate otherwise applicable hereto.

10. Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of North Carolina without regard to the conflicts of law provisions thereof.

11. Waiver. Borrower waives presentment for payment, demand, protest, notice of dishonor, notice of protest, diligence on bringing suit against any party hereto, and all defenses on the ground of any extension of the time of payment that may be given by Lender to it. Borrower agrees not to assert against Lender as a defense (legal or equitable), as a set-off, as a counterclaim, or otherwise, any claims Borrower may have against any other party liable to Lender for all or any part of the obligations under this Note. All rights of Borrower hereunder, and all obligations of Borrower hereunder, shall be absolute and unconditional, not discharged or impaired irrespective of (and regard less of whether Borrower receives any notice of): (i) any lack of validity or enforceability of any provision of this Note; (ii) any change in the time, manner or place of payment or performance, or in any term, of all or any of the obligations hereunder or any other amendment or waiver of or any consent to any departure from any provision herein; or (iii) any release of or modifications to or insufficiency, unenforceability or enforcement of the obligations of any guarantor or other obligor. To the extent permitted by law, Borrower hereby waives any rights under any valuation, stay, appraisement, extension or redemption laws now existing or which may hereafter exist and any other circumstance which might otherwise constitute a defense available to, or a discharge of any party with respect to the obligations of Borrower hereunder.

12. No Right of Set-Off. As of the date hereof, Borrower represents that it has no claims or offsets against Lender in breach of contract, breach of warranty, express or implied, negligence or for any other type of legal action under this Note or otherwise.

13. Subordination.

(a) Lender agrees that the obligations represented by this Note shall be in all respects subordinate in payment and junior in priority to all indebtedness, liabilities and other obligations (collectively, the "Senior Debt" and the holders of such Senior Debt, the "Senior Creditors") owing under the Senior Credit Agreement and the other agreements, instruments and documents executed and delivered in connection therewith, as amended, modified or increased (collectively, the "Senior Debt Documents").

(b) Until all Senior Debt shall have been paid in full in cash and all commitments to advance Senior Debt have terminated, (i) no payment may be made on this Note, whether of principal or interest or other obligations, at any time that the "Effective Advance Rate" (as defined in the Senior Debt Documents) exceeds 95% or an "Event of Default" (as defined in the Senior Debt Documents) exists, (ii) the Lender shall not (A) take any action or exercise any remedy against the Borrower under this Note (other than the imposition of the default rate of interest as set forth herein); or (B) commence, or join with any other creditor of the Borrower in commencing any insolvency or similar proceeding against the Borrower (iii) the Lender waives all rights of subrogation, reimbursement and any similar rights with respect to the indebtedness evidenced by this Note and (iv) any and all liens and security interests of Lender in any collateral shall be and hereby are subordinated for all purposes and in all respects to the liens and security interests of the Senior Creditors in such collateral, whether or not valid or perfected, regardless of the time, manner or order of attachment, grant or perfection of any such liens and security interests and regardless of any provision of the Uniform Commercial Code of any jurisdiction or any other law or any other circumstance. Notwithstanding the foregoing or anything to the contrary contained herein, this Note may be converted into Equity Securities to the extent provided in Section 2 hereof without regard to the limitations set forth in this Section 13.

(c) In case any funds shall be paid or delivered to the Lender in violation hereof, such funds shall be held in trust by the Lender for, and paid and delivered to, the Senior Creditors (in the form received, together with any necessary endorsements) upon demand.

(d) The priority of the Senior Debt (whether or not such amounts are deemed allowable or recoverable) set forth above shall continue during any insolvency, receivership, bankruptcy, dissolution, liquidation, or reorganization proceeding, or in any other proceeding, whether voluntary or involuntary, by or against the Borrower, under any bankruptcy or insolvency law or laws.

(e) The Lender expressly waives all notice of the acceptance by any Senior Creditor of the subordination and other provisions of this Note.

Without limitation of the foregoing, the Senior Creditors (including, without limitation, the Administrative Agent under the Senior Credit Agreement) are express third party beneficiaries of the terms and conditions contained in this Section 13 and shall be entitled to enforce such terms and conditions directly, as if they were parties to this Note. Furthermore, until all Senior Debt shall have been paid in full in cash and all commitments to advance Senior Debt have terminated, this Section 13 may not be amended, restated, supplemented or otherwise modified without the prior written consent of the Administrative Agent and the Required Lenders (as defined in the Senior Credit Agreement).

14. Notices. Any notice pursuant to this Note must be in writing and will be deemed effectively given to another patty on the earliest of the date (a) three (3) business days after such notice is sent by registered U.S. mail, return receipt requested, (b) one (1) business day after receipt of confirmation if such notice is sent by facsimile, (c) one (1) business day after delivery of such notice into the custody and control of an overnight courier service for next day delivery, (d) one (1) business day after delivery of such notice in person and (e) such notice is received by that party; in each case to the appropriate address below (or to such other address as a party may designate by notice to the other party):

If to Borrower:

FlexShopper, LLC
2700 N. Military Trail, Suite 200
Boca Raton, FL 33431
Attn: Brad Bernstein

If to Lender:

[●]

15. Severability. Any provision of this Note that is determined by any court of competent jurisdiction to be invalid or unenforceable will not affect the validity or enforceability of any other provision hereof or the invalid or unenforceable provision in any other situation or in any other jurisdiction. Any provision of this Note held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

16. Counterparts. This Note may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Note constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Delivery of an executed counterpart of a signature page of this Note by telecopy or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Note.

17. Amendment and Restatement. This Note is an amendment to, and is in substitution and replacement of, that certain Subordinated Promissory Note dated as of January [●], 2018 in the stated principal amount of $[●] (the "Replaced Note"). This Note represents the same indebtedness as the Replaced Note and is secured by the same collateral securing the Replaced Note and is not intended to constitute a novation in any manner whatsoever.

IN WITNESS WHEREOF, Borrower has caused this Note to be duly executed, and Lender has accepted this Note, as of the day and year first above written.

Borrower:

FLEXSHOPPER, LLC

By: _____
Name: Brad Bernstein
Title: CEO

ACCEPTED:

Lender:

[●]

By: _____
Name: _____
Title: _____

Exhibit A to Subordinated Promissory Note

Advancement/Payment Schedule

Date	Amount Advanced	Principal Payment	Principal Balance