

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): September 25, 2018

**FLEXSHOPPER, INC.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**

(State or Other Jurisdiction  
of Incorporation)

**001-37945**

(Commission File Number)

**20-5456087**

(I.R.S. Employer  
Identification No.)

**2700 North Military Trail  
Suite 200**

**Boca Raton, FL 33431**

(Address of Principal Executive Offices)(Zip Code)

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

**Not Applicable**

(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))

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.**

***Underwriting Agreement***

On September 25, 2018, FlexShopper, Inc. (the “Company,” “we,” “us” and “our”) entered into an Underwriting Agreement (the “Underwriting Agreement”) with ThinkEquity, a division of Fordham Financial Management, Inc. (the “Underwriter”), relating to the issuance and sale (the “Offering”) of 10,000,000 units (“Units”), each Unit consisting of one share of the Company’s common stock, par value \$0.0001 per share (“Common Stock”), and one-half (1/2) of one warrant, each whole warrant exercisable for one share of Common Stock (each, a “Warrant” and collectively, the “Warrants”), at a price per Unit of \$1.00. Under the terms of the Underwriting Agreement, the Company also granted to the Underwriter an option (the “Over-allotment Option”), exercisable in whole or in part at any time for a period of 45 days from the date of the Underwriting Agreement, to purchase up to an aggregate of 1,500,000 additional shares of Common Stock and/or 750,000 Warrants, in any combination thereof, solely to cover over-allotments.

The Offering closed on September 28, 2018. The Company conducted the Offering pursuant to a Registration Statement on Form S-1 (Registration No. 333-226823) (the “Registration Statement”), which was declared effective by the Securities and Exchange Commission (the “Commission”) on September 25, 2018. At the closing of the Offering, the Underwriter partially exercised the Over-allotment Option by purchasing 750,000 Warrants. The Underwriter retains the right to exercise the balance of the Over-allotment Option within the 45-day time period. The net proceeds to us from the Offering were approximately \$9.2 million, after deducting underwriting discounts and commissions and other estimated offering expenses.

The Underwriting Agreement is filed as Exhibit 1.1 to the Registration Statement, and the description of the terms of the Underwriting Agreement contained in this Item 1.01 is qualified in its entirety by reference to such exhibit.

***Warrant Agent Agreement***

On September 28, 2018, the Company entered into a Warrant Agent Agreement setting forth the terms and conditions of the Warrants (the “Warrant Agreement”) with its transfer agent, Continental Stock Transfer & Trust Company, which will act as warrant agent for the Warrants. The Warrants have an exercise price of \$1.25, are exercisable upon issuance and will expire five years from the date of issuance. The Warrants are listed on the Nasdaq Capital Market under the symbol “FPAYW.”

The Warrant Agreement and the form of Warrant contained therein are filed as Exhibit 4.4 to the Registration Statement, and the description of the terms of the Warrant Agreement and form of Warrant contained in this Item 1.01 is qualified in its entirety by reference to such exhibit.

***Amendment No. 10 to Credit Agreement***

On September 25, 2018, the Company, through a wholly-owned indirect subsidiary (the “Borrower”), entered into Amendment No. 10 (the “Amendment”) to the Credit Agreement, originally entered into on March 6, 2015 by and among the Borrower and WE 2014-1, LLC, an affiliate of Waterfall Asset Management, LLC, 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 the definition of “Equity Raise” (as that term is defined in the Credit Agreement) be revised to constitute at least \$10.0 million in equity funding.

A copy of the Amendment is filed with this report as Exhibit 10.1 and is hereby incorporated by reference herein. The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of such document.

**Item 3.02. Unregistered Sales of Equity Securities.**

As disclosed in the Current Report on Form 8-K filed with the Commission on August 31, 2018 (the “August Current Report”), FlexShopper, LLC, a wholly-owned, direct subsidiary of the Company, previously issued a convertible subordinated promissory note to each of Russel Heiser, the Company’s Chief Financial Officer, and NRNS Capital Holdings LLC, an entity controlled by an owner of greater than 5% of our outstanding Common Stock (together, the “Notes”). In connection with the Offering, Mr. Heiser and NRNS elected to convert the convertible portion of the Notes (50% of the outstanding principal amount, plus accrued and unpaid interest thereon) into Units at a conversion price equal to the price per Unit paid by the Underwriter pursuant to the Underwriting Agreement. The Company will satisfy its conversion obligations under the Notes by the issuance of 602,974 shares of Common Stock and 301,487 Warrants to Mr. Heiser and 1,507,395 shares of Common Stock and 753,697 Warrants to NRNS.

A form of the Notes are filed as Exhibit 10.3 to the August Current Report, and the description of the terms of the Notes contained in this Item 3.02 is qualified in its entirety by reference to such exhibit.

**Item 7.01. Regulation FD Disclosure.**

On September 25, 2018, we issued a press release with respect to the pricing of the Offering and, on September 28, 2018, we issued a press release with respect to the closing of the Offering. These press releases announcing the pricing and closing of the Offering are attached as Exhibits 99.1 and 99.2 hereto, respectively.

The information furnished in Item 7.01, including Exhibit 99.1 and 99.2 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.****(d) Exhibits.**

<b>Exhibit No.</b>	<b>Exhibit Description</b>
1.1	<a href="#"><u>Underwriting Agreement, dated September 25, 2018 (previously filed as Exhibit 1.1 to the Company’s Registration Statement on Form S-1 (Registration No. 333-226823) filed on September 24, 2018 and incorporated herein by reference).</u></a>
4.1	<a href="#"><u>Warrant Agency Agreement, dated September 28, 2018 (previously filed as Exhibit 4.4 to the Company’s Registration Statement on Form S-1 (Registration No. 333-226823) filed on September 24, 2018 and incorporated herein by reference).</u></a>
10.1	<a href="#"><u>Amendment No. 10 to Credit Agreement, dated September 24, 2018, between FlexShopper 2, LLC and WE 2014-1, LLC.</u></a>
10.2	<a href="#"><u>Form of Amended and Restated Subordinated Promissory Note issued by FlexShopper, LLC to each of Russ Heiser and NRNS Capital Holdings LLC (previously filed as Exhibit 10.3 to the Company’s Current Report on Form 8-K filed on August 31, 2018 and incorporated herein by reference).</u></a>
99.1	<a href="#"><u>Press release, dated September 25, 2018, furnished herewith.</u></a>
99.2	<a href="#"><u>Press release, dated September 28, 2018, furnished herewith.</u></a>

**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.

**FLEXSHOPPER, INC.**

Date: October 1, 2018

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

## AMENDMENT NO. 10 TO CREDIT AGREEMENT

This AMENDMENT NO. 10 TO CREDIT AGREEMENT (this "Agreement") is made and entered into as of September 25, 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;

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. Amendment 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 "Equity Raise" is amended by deleting the reference to "\$12,500,000" set forth therein and substituting "\$10,000,000" therefor.

SECTION 3. Effectiveness. This Agreement shall become effective as of the date first written above upon delivery to the Administrative Agent of counterparts of this Agreement duly executed by each of the parties hereto.

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 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.

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(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.

[SIGNATURES FOLLOW]

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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/ Jack Ross

Name: Jack Ross

Title: Authorized Person

**COMPANY:**

**Flex Shopper 2, LLC**

By: /s/ Brad Bernstein

Name: Brad Bernstein

Title: CEO & President

FlexShopper No. 10 Amendment

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## **FlexShopper, Inc. Announces Pricing of \$10 Million Public Offering**

BOCA RATON, Fla., Sept. 25, 2018 (GLOBE NEWSWIRE) -- FlexShopper, Inc. (NASDAQ: FPAY) ("the Company"), a leader in virtual lease-to-own transactions occurring outside of traditional brick and mortar rent-to-own stores, today announced the pricing of an underwritten public offering of 10,000,000 units, each unit consisting of one share of common stock and one-half of one warrant, each whole warrant exercisable for one share of common stock. Each unit is being offered at a public offering price of \$1.00. The warrants will have a per share exercise price of \$1.25, be exercisable immediately, and expire five years from the date of issuance. The common stock and warrants that are part of the units are immediately separable and will be issued separately in this offering. The warrants have been approved to list on the Nasdaq Capital Market under the symbol FPAYW and are expected to begin trading on September 26, 2018.

The Company has granted the underwriter a 45-day option to purchase up to 1,500,000 additional shares of common stock and/or warrants to purchase up to 750,000 shares of common stock to cover over-allotments, if any.

The offering is expected to close on Friday, September 28, 2018, subject to satisfaction of customary closing conditions.

ThinkEquity, a division of Fordham Financial Management, Inc., is acting as sole book-running manager for the offering.

The estimated gross proceeds to the Company are expected to be approximately \$10,000,000 million prior to deducting underwriting discounts, commissions and other estimated offering expenses. The Company intends to use the net proceeds from the offering for working capital, general corporate purposes and repayment of a portion of debt.

The Securities and Exchange Commission ("SEC") declared effective a registration statement on Form S-1 relating to these securities on September 25, 2018, which includes a preliminary prospectus relating to the offering. A final prospectus will be filed with the SEC. The offering is being made only by means of a prospectus. Copies of the prospectus relating to the offering may be obtained, when available, by contacting ThinkEquity, 17 State Street, 22<sup>nd</sup> Floor, New York, NY 10004, telephone (646) 968-9355, email: [prospectus@think-equity.com](mailto:prospectus@think-equity.com). Investors may also obtain these documents at no cost by visiting the SEC's website at <http://www.sec.gov>.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

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## About FlexShopper

FlexShopper is a leader in the virtual lease-to-own (“LTO”) market, which represents transactions occurring outside of traditional brick and mortar rent-to-own stores. Since December 2013, we have developed a business that provides brand name electronics, home furnishings and other durable goods to consumers on an LTO basis through an e-commerce marketplace and patented LTO payment method. FlexShopper also provides LTO technology platforms to retailers and e-retailers to facilitate transactions with consumers who want to acquire their products, but do not have sufficient cash or credit. FlexShopper approves consumers utilizing its proprietary consumer screening model, collects from consumers under an LTO contract and funds the LTO transactions by paying merchants for the goods.

## Forward-Looking Statements

All statements in this release that are not based on historical fact are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, can generally be identified by the use of forward-looking terms such as “believe,” “expect,” “may,” “will,” “should,” “could,” “seek,” “intend,” “plan,” “goal,” “estimate,” “anticipate,” or other comparable terms. Examples of forward-looking statements include, among others, statements we make regarding the expansion of our lease-to-own program; expectations concerning our partnerships with retail partners; investments in, and the success of, our underwriting technology and risk analytics platform; our ability to collect payments due from customers; expected future operating results and; expectations concerning our business strategy. Forward-looking statements involve inherent risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements, as a result of various factors including, among others, the following: our limited operating history, limited cash and history of losses; our ability to obtain adequate financing to fund our business operations in the future; the failure to successfully manage and grow our FlexShopper.com e-commerce platform; our ability to maintain compliance with financial covenants under our credit agreement; our dependence on the success of our third-party retail partners and our continued relationships with them; our compliance with various federal, state and local laws and regulations, including those related to consumer protection; the failure to protect the integrity and security of customer and employee information; and the other risks and uncertainties described in the Risk Factors and in Management’s Discussion and Analysis of Financial Condition and Results of Operations sections of our Annual Report on Form 10-K and subsequently file Quarterly Reports on Form 10-Q. The forward-looking statements made in this release speak only as of the date of this release, and FlexShopper assumes no obligation to update any such forward-looking statements to reflect actual results or changes in expectations, except as otherwise required by law.

## **FlexShopper Contact:**

Jeremy Hellman  
Senior Associate  
The Equity Group  
212-836-9626  
jhellman@equityny.com

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The aggregate gross proceeds to the Company from the public offering were \$10,000,000, prior to deducting underwriting discounts, commissions and other estimated offering expenses. The Company has granted the underwriters a 45-day option to purchase up to 1,500,000 additional shares of common stock and/or 750,000 warrants to cover over-allotments, if any. In connection with the closing of this offering, the underwriters have exercised their over-allotment option to purchase an additional 750,000 warrants. The underwriters have retained the right to exercise the balance of their over-allotment option within the 45-day time period.

The Company intends to use the net proceeds from the offering for working capital, general corporate purposes and repayment of a portion of debt.

ThinkEquity, a division of Fordham Financial Management, Inc., acted as the sole book-running manager for the offering.

The Securities and Exchange Commission ("SEC") declared effective a registration statement on Form S-1 relating to these securities on September 25, 2018. A final prospectus relating to the offering has been filed with the SEC. Copies of the prospectus relating to the offering may be obtained by contacting ThinkEquity, 17 State Street, 22<sup>nd</sup> Floor, New York, NY 10004, telephone (646) 968-9355, email: [prospectus@think-equity.com](mailto:prospectus@think-equity.com). Investors may also obtain these documents at no cost by visiting the SEC's website at <http://www.sec.gov>.

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