

Edgar Filing: TAG IT PACIFIC INC - Form 8-K

TAG IT PACIFIC INC
Form 8-K
June 19, 2001

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): May 30, 2001

TAG-IT PACIFIC, INC.
(exact name of registrant as specified in charter)

| | | |
|---|--|--|
| Delaware (State of Incorporation) | 1-12669 (Commission File Number) | 95-4654481 (IRS Employer Identification No.) |
|---|--|--|

21900 Burbank Boulevard
Woodland Hills, California 91367
(Address of principal executive offices)

818-444-4100
(Registrant's telephone number)

ITEM 5. OTHER EVENTS

On May 30, 2001, we entered into a Loan and Security Agreement with UPS Capital Global Trade Finance Corporation, providing us with a working capital credit facility with a maximum available amount of \$20,000,000. The initial term of the Agreement is three years and the facility is secured by all assets of the Company. The new credit facility with UPS Capital replaces the credit facility with Sanwa Bank. The interest rate for the credit facility is at the prime rate plus 2%. The new credit facility requires the compliance with certain financial covenants including, net worth, fixed charge coverage ratio and capital expenditures. Availability under the UPS Capital credit facility is determined based on a defined formula related to eligible accounts receivable and inventory.

The related Loan and Security Agreements are attached as Exhibit 1 to this Form 8-K. A copy of the press release published by the Company in connection with these agreements and dated June 6, 2001 is attached as Exhibit 2 to this Form 8-K. Exhibits 1 and 2 are incorporated herein by this reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on behalf of the undersigned hereunto duly authorized.

June 8, 2001

Tag-It Pacific, Inc.

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By: /S/ RONDA SALLMEN

Ronda Sallmen
Chief Financial Officer

EXHIBIT LIST

Exhibit 99.1 Loan Agreements

Exhibit 99.2 Press Release