

MARRONE BIO INNOVATIONS INC
Form 8-K
March 30, 2017

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): March 24, 2017

MARRONE BIO INNOVATIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

001-36030
(Commission

File Number)

20-5137161
(I.R.S. Employer

Identification No.)

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1540 Drew Avenue, Davis, CA
(Address of principal executive offices)

95618
(Zip Code)

Registrant's telephone number, including area code: (530) 750-2800

(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))

Item 1.01. Entry into a Material Definitive Agreement.

On March 24, 2017, Marrone Bio Innovations, Inc. (the Company) entered into an Invoice Purchase Agreement (the LSQ Financing) with LSQ Funding Group, L.C. (LSQ), pursuant to which LSQ may elect to purchase up to \$7,000,000 of eligible customer invoices from the Company. The Company s obligations under the LSQ Financing are secured by a lien on substantially all of the Company s personal property. Such lien is first priority with respect to the Company s accounts receivable, inventory, and related property, pursuant to an intercreditor agreement, dated March 22, 2017, with Gordon Snyder, on behalf of the lenders party to the underlying loan agreement, and the agent for the holders of senior secured promissory notes issued in August 2015 in the aggregate principal amount of \$40,000,000.

Advances by LSQ may be made at an advance rate of 80% of the face value of the receivables being sold. The Company also pays to LSQ (i) an invoice purchase fee equal to 1% of the face amount of each purchased invoice, at the time of the purchase, and (ii) a funds usage fee equal to 0.035%, payable monthly in arrears. An aging and collection fee is charged at the time when the purchased invoice is collected, calculated as a percentage of the face amount of such invoice while unpaid (which percentage ranges from 0% to 0.35% depending upon the duration the invoice remains outstanding). The LSQ Financing agreement will be effective for one year with automatic one year renewals thereafter unless terminated within a 30-day window near the end of the then-effective term; a termination fee is due upon early termination by the Company if such termination is not requested within such 30-day window. The events of default under the LSQ Financing include failure to pay amounts due, failure to turn over amounts due to LSQ within a cure period, breach of covenants, falsity of representations, and certain insolvency events.

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.

MARRONE BIO INNOVATIONS, INC.

Dated: March 30, 2017

By: /s/ Linda V. Moore

Linda V. Moore

Senior Vice President, General Counsel and
Secretary