

KONA GRILL INC
Form 8-K
November 03, 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

November 3, 2017

Date of Report (Date of earliest event reported)

KONA GRILL, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other jurisdiction

of incorporation)

001-34082

(Commission File Number)

20-0216690

(IRS Employer

Identification No.)

15059 N. Scottsdale Road, Suite 300

Scottsdale, Arizona 85254

(Address of principal executive offices) (Zip Code)

(480) 922-8100

(Registrant's telephone number, including area code)

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 or Rule 12b-2 of the Securities Exchange Act of 1934.

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.

On October 30, 2017, Kona Grill, Inc., a Delaware corporation (the “Company”), KeyBank National Association (“KeyBank”) and Zions First National Bank (“Zions”, and collectively with KeyBank, the “Lenders”) entered into Amendment No. 3 to the Second Amended and Restated Credit Agreement (the “Amendment”). The Amendment amends the Company’s Second Amended and Restated Credit Agreement with the Lenders dated as of October 12, 2016, (the “Credit Agreement”) to, among other things:

- (i) requires a description for each credit event, the proposed repayment terms of such credit event and satisfy such other conditions as may be reasonably required by the Lenders;
- (ii) implements a monthly reporting requirement of certain financial information within 20 days after the end of each calendar month;
- (iii) restricts the ability to make certain restricted payments, including capital distributions; and
- (iv) implements a limitation on capital expenditures subject to approval by the Lenders in their sole discretion.

The above description is a summary and is qualified in its entirety by the terms and conditions of the Amendment, which is attached hereto as Exhibit 10.1 and incorporated herein by this reference, the Second Amended and Restated Credit Agreement, previously filed with the Securities and Exchange Commission, and Amendment No. 1 and Amendment No. 2 to the Second Amended and Restated Credit Agreement, previously filed with the Securities and Exchange Commission.

Additionally, on October 30, 2017, the Lenders issued a waiver related to the leverage ratio for the fiscal quarter ended September 30, 2017.

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

The disclosures in Item 1.01 regarding Amendment No. 3 to the Second Amended and Restated Credit Agreement are incorporated into this item by this reference.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

10.1 Amendment No. 3 to Second Amended and Restated Credit Agreement dated as of October 30, 2017, *(filed herewith)*.

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 3, 2017 KONA GRILL, INC.

By: /s/ Christi Hing
Christi Hing
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
10.1	<u>Amendment No. 3 to Second Amended and Restated Credit Agreement dated as of October 30, 2017, (filed herewith).</u>