

FORCE PROTECTION INC
Form 8-K
November 03, 2008

**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) **October 31, 2008**

FORCE PROTECTION, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

001-33523
(Commission
File Number)

84-1383888
(IRS Employer
Identification No.)

9801 Highway 78, Building No. 1, Ladson, SC
(Address of principal executive offices)

29456
(Zip Code)

Registrant's telephone number, including area code **(843) 574-7000**

(Former name or former address, if changed since last report.)

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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):

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

 - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

 - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

 - o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 1.01.

ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On October 31, 2008, Force Protection, Inc. (the Registrant) and its wholly-owned subsidiaries, Force Protection Technologies, Inc. and Force Protection Industries, Inc., entered into a Second Amended and Restated Loan Agreement (the Amended and Restated Loan Agreement) with Wachovia Bank, National Association (Wachovia), which amended and restated that certain Amended and Restated Loan Agreement dated as of May 6, 2008 by and between the Registrant and Wachovia. Concurrently with the execution of the Amended and Restated Loan Agreement, the Registrant issued a promissory note to Wachovia in the original principal amount of \$40,000,000 (the Note), which amended that certain promissory note issued to Wachovia on May 6, 2008. Pursuant to the Amended and Restated Loan Agreement, the Registrant has agreed to certain terms that govern a revolving credit facility made available to the Registrant by Wachovia. The Registrant has never borrowed any amounts under this credit facility.

The unpaid principal balance of the Note accrues interest at a floating rate per annum equal to the 1-month LIBOR rate plus 1.75% until March 31, 2009. Beginning with the quarter starting April 1, 2009, the interest rate will be 1-month LIBOR rate plus an applicable margin based on the funded debt to EBITDA ratio calculated on a quarterly basis as set forth in the Note, and may vary from 1.75% to 2.75%. Accrued interest is due and payable on a monthly basis, starting on November 30, 2008 and all outstanding principal is due and payable on April 30, 2010, unless extended by Wachovia. Until April 30, 2010, the Registrant may borrow, repay and reborrow additional amounts from Wachovia under the Note, so long as the total principal balance outstanding under the Note does not exceed \$40,000,000. The Amended and Restated Loan Agreement also added several new covenants, including a maximum ratio of debt to net income plus interest expense, income taxes, depreciation and amortization, or EBITDA, of 2.0 to 1.0 and a minimum fixed charge coverage ratio of 1.5 to 1.0. In connection with the issuance of the original promissory note on July 20, 2007, the Registrant also entered into a Security Agreement with Wachovia pursuant to which the Registrant granted Wachovia a security interest in all of its personal property and fixtures, of every kind and nature.

A copy of the Amended and Restated Loan Agreement and Note are attached as Exhibits 10.1 and 10.2 to this Current Report on Form 8-K and are incorporated by reference herein.

Item 9.01

Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Description
10.1	Second Amended and Restated Loan Agreement by and among the Registrant, Force Protection Technologies, Inc., Force Protection Industries, Inc. and Wachovia Bank, National Association, dated as of October 31, 2008
10.2	Promissory Note by the Registrant in favor of Wachovia Bank, National Association, dated as of October 31, 2008

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.

Date: November 3, 2008

Force Protection, Inc.
(Registrant)

/s/ Charles Mathis
(Signature)

Name: Charles Mathis
Title: Chief Financial Officer

EXHIBIT INDEX

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