

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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FILER

MEDALLION FINANCIAL CORP

CIK: **1000209** | IRS No.: **043291176** | State of Incorp.: **DE** | Fiscal Year End: **1231**
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**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)
January 8, 2013**

Medallion Financial Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

814-00188
(Commission
File Number)

04-3291176
(IRS Employer
Identification No.)

437 Madison Avenue, 38th Floor, New York, New York
(Address of principal executive offices)

10022
(Zip Code)

Registrant's telephone number, including area code: (212) 328-2100

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 (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))
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ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On January 8, 2013, Medallion Financial Corp. (the “Company”) entered into an amendment (the “Amendment”) to its Amended and Restated Loan and Security Agreement, dated March 28, 2011 (the “Loan Agreement”), by and among the Company, Medallion Funding LLC and Sterling National Bank. Under the terms of the Amendment, the maturity date of Facility A was extended to June 30, 2014 and the maturity date of Facility B was extended to June 30, 2015 and other technical changes were implemented.

The foregoing description of the Amendment is qualified in its entirety by reference to the Amendment, which is attached as an exhibit hereto and is incorporated herein by reference in its entirety.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Second Amendment to Amended and Restated Loan and Security Agreement, dated January 8, 2013, by and among Medallion Financial Corp., Medallion Funding LLC and Sterling National Bank.

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.

MEDALLION FINANCIAL CORP.

By: /s/ Alvin Murstein

Name: Alvin Murstein

Title: Chairman and Chief Executive Officer

Date: January 11, 2013

Exhibit Index

Exhibit No.

Description

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**SECOND AMENDMENT TO
AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT**

THIS SECOND AMENDMENT TO AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (the "Amendment") is dated January 8, 2013 and is by and among MEDALLION FINANCIAL CORP., a Delaware corporation having an address of 437 Madison Avenue, New York, New York 10022 (the "Borrower"), MEDALLION FUNDING LLC, a New York limited liability company, with its chief executive office located at 437 Madison Avenue, New York, New York 10022 (the "Guarantor"), and STERLING NATIONAL BANK, a national banking association having an address of 500 Seventh Avenue, New York, New York 10018 (the "Bank").

RECITALS

A. The Borrower, the Guarantor and the Bank entered into an Amended and Restated Loan and Security Agreement dated March 28, 2011 (the "Original Loan Agreement"), pursuant to which the Bank has agreed to extend certain credit and make certain loans to the Borrower.

B. The Borrower, the Guarantor and the Bank have amended the Original Loan Agreement pursuant to a First Amendment to Amended and Restated Loan and Security Agreement dated September 1, 2011 (the Original Loan Agreement, as amended by such First Amendment to Amended and Restated Loan and Security Agreement, is collectively referred to herein as the "Loan Agreement").

C. The Borrower has requested, and the Bank has agreed to amend the Loan Agreement, all as more fully described herein.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Defined Terms. Except as otherwise indicated herein, all words and terms defined in the Loan Agreement shall have the same meanings when used herein.

2. New Defined Term - Chicago Taxicab Medallion Loans. The following defined term "Chicago Taxicab Medallion Loans" shall be added in alphabetical order to the definitions set forth in Annex 1 to the Loan Agreement:

"Chicago Taxicab Medallion Loans" shall mean Taxicab Medallion Loans made by the Borrower or the Guarantor to an Underlying Borrower for the purpose of funding the purchase by such Underlying Borrower of a Chicago taxicab medallion or other license issued by a Chicago taxi commission which grants the right to operate a taxicab in Chicago.

3. Change in Definition - Eligible Facility A Underlying Loan. Subsection (j) of the defined term “Eligible Facility A Underlying Loan” set forth in Annex 1 to the Loan Agreement is hereby amended and restated in its entirety as follows:

(j) if such Underlying Loan is either a New York City Taxicab Medallion Loan or a Chicago Taxicab Medallion Loan, such Underlying Loan is not listed on a Facility B Borrowing Base Certificate and is not otherwise included in the calculation of the Facility B Borrowing Base; and

4. Change in Definition - Eligible Facility B Underlying Loan. Subsection (a) of the defined term “Eligible Facility B Underlying Loan” set forth in Annex 1 to the Loan Agreement is hereby amended and restated in its entirety as follows:

(a) such Underlying Loan is either a New York City Taxicab Medallion Loan or a Chicago Taxicab Medallion Loan that is either (i) no more than a 3-year loan with no more than a 25-year amortization and a loan-to-value ratio of no more than 80% or (ii) no more than a 3-year loan, interest only, with a loan-to-value ratio of no more than 75%; provided, however, that with respect to an Underlying Loan described in this clause (ii), such Underlying Loan shall be deemed to be an Eligible Facility B Underlying Loan only if, in addition to satisfying all other eligibility requirements set forth herein, the Underlying Loan Documents relating to such Underlying Loan provide that no more than a 25-year amortization will be automatically implemented if the loan-to-value ratio with respect to such Underlying Loan exceeds 75% at any time;

5. Change to Form of Facility B Borrowing Base Certificate. The form of Facility B Borrowing Base Certificate attached as Exhibit A-2 to the Loan Agreement is hereby amended and restated in its entirety and replaced by the form of Facility B Borrowing Base Certificate attached hereto as Exhibit A.

6. Extension of Facility A Maturity Date and Facility B Maturity Date. Section 11 of Annex 2 to the Loan Agreement is hereby deleted in its entirety and replaced with the following:

11. Maturity Dates:

Facility A Maturity Date: June 30, 2014

Facility B Maturity Date: June 30, 2015

7. Amendments to Other Loan Documents. Each of the other Loan Documents is hereby amended to the extent necessary to reflect the amendment(s) to the terms of the Loan Agreement effected by this Amendment. The Borrower shall take or cause to be taken such actions, and shall execute, deliver, file and/or record or cause to be executed, delivered, filed and/or recorded such documents and other instruments, as the Bank shall deem to be necessary or advisable in order to confirm, implement or perfect the amendments to the other Loan Documents effected by this Paragraph.

8. No Defenses. The Borrower acknowledges that, as of January 8, 2013, the aggregate outstanding principal balance under the Facility A Revolving Loan was \$13,000,000.00 and the aggregate outstanding principal balance under the Facility B Revolving Loan was \$0.00. The Borrower acknowledges and agrees that, as of the date hereof, it has no offsets, counterclaims or defenses of any nature whatsoever to its Obligations to the Bank under the Loan Agreement or any of the other Loan Documents, and hereby expressly waives and releases any and all claims against the Bank which exist on the date hereof with respect thereto.

9. Reaffirmation of Guaranty. In order to induce the Bank to enter into this Amendment and to amend the Loan Agreement as provided herein, the Guarantor hereby (a) ratifies and reaffirms the Guarantor's obligations, and the Bank's rights, under the Guaranty, all of the terms and conditions of which remain in full force and effect, (b) consents to the execution and delivery by the Borrower of this Amendment and the consummation of the transactions contemplated thereby, (c) acknowledges and agrees that the Guaranty shall apply and/or continue to apply with full force and effect to, and shall serve and/or continue to serve as security for, all Obligations of the Borrower to the Bank, including without limitation all of the Obligations of the Borrower under the Loan Agreement, as amended by this Amendment, (d) acknowledges and agrees that, as of the date hereof, there are no counterclaims, offsets or defenses to the Guarantor's obligations under the Guaranty, and waives and releases all claims against the Bank in connection therewith and (e) confirms that the Guarantor has derived direct and immediate financial and other benefits from the transactions contemplated by the Loan Agreement, and will continue to derive direct and immediate financial and other benefits from the transactions contemplated by the Loan Agreement, as amended by this Amendment.

10. Representations and Warranties. In order to induce the Bank to enter into this Amendment and to amend the Loan Agreement as provided herein, each Entity Loan Party hereby represents and warrants to the Bank that:

(a) All of the representations and warranties of each Entity Loan Party set forth in the Loan Agreement are true, complete and correct in all material respects on and as of the date hereof with the same force and effect as if made on and as of the date hereof and as if set forth at length herein.

(b) After giving effect to this Amendment, no Event of Default presently exists and is continuing on and as of the date hereof.

(c) Since the date of the Entity Loan Parties' most recent financial statements delivered to the Bank, each Entity Loan Party has not experienced a material adverse effect in its business, operations or financial condition.

(d) Each Entity Loan Party has full power and authority to execute, deliver and perform any action or step which may be necessary to carry out the terms of this Amendment and this Amendment has been duly executed and delivered by each Entity Loan Party and is the legal, valid and binding obligation of each Entity Loan Party enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency, general equity principles or other similar laws affecting the enforcement of creditors' rights generally.

(e) The execution, delivery and performance of this Amendment will not (i) violate any provision of any existing law, statute, rule, regulation or ordinance, (ii) conflict with, result in a breach of, or constitute a default under (A) the certificate of incorporation or by-laws of the Borrower, (B) the certificate of formation or operating agreement of the Guarantor, (C) any order, judgment, award or decree of any court, governmental authority, bureau or agency, or (D) any mortgage, indenture, lease, contract or other material agreement or undertaking to which the Entity Loan Parties are a party or by which the Entity Loan Parties or any of their properties or assets may be bound, or (iii) result in the creation or imposition of any lien or other encumbrance upon or with respect to any property or asset now owned or hereafter acquired by the Entity Loan Parties, other than liens in favor of the Bank, except, in the case of clauses (ii) and (iii) above, for any deviation from the foregoing which would not reasonably be expected to have a Material Adverse Effect.

(f) No consent, license, permit, approval or authorization of, exemption by, notice to, report to, or registration, filing or declaration with any person is required in connection with the execution, delivery and performance by the Entity Loan Parties of this Amendment or the validity thereof or the transactions contemplated thereby, other than (i) filing or recordation of financing statements and like documents in connection with the Liens granted in favor of the Bank, (ii) those consents, if they were not obtained or made, which would not reasonably be expected to have a Material Adverse Effect and (iii) filings which the Entity Loan Parties may be obligated to make with the Securities and Exchange Commission.

11. Bank Costs. The Borrower shall reimburse the Bank on demand for all costs, including reasonable legal fees and expenses and recording fees, incurred by the Bank in connection with this Amendment and the transactions referenced herein. If payment of such costs is not made within ten (10) days of the Bank's demand therefor, the Bank may, and the Borrower irrevocably authorizes the Bank to, charge the Borrower's account with the Bank or make an advance under the Facility A Revolving Loan or the Facility B Revolving Loan in order to satisfy such obligation of the Borrower.

12. Counterparts. This Amendment may be signed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

13. No Change. Except as expressly set forth herein, all of the terms and provisions of the Loan Agreement shall continue in full force and effect.

14. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to Amended and Restated Loan and Security Agreement to be duly executed and delivered by their proper and duly authorized officers as of the date set forth on the first page hereof.

MEDALLION FINANCIAL CORP.

By: /s/ Marie Russo

Name: Marie Russo

Title: Senior Vice President

MEDALLION FUNDING LLC

By: /s/ Michael Kowalsky

Name: Michael Kowalsky

Title: President

STERLING NATIONAL BANK

By: /s/ Thomas M. Braunstein

Name: Thomas M. Braunstein

Title: First Vice President,
Middle Market Banking