
**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): November 3, 2016

Live Ventures Incorporated

(Exact name of registrant as specified in its charter)

**Nevada
(State or other jurisdiction of
incorporation or organization)**

**001-33937
(Commission File Number)**

**85-0206668
(I.R.S. Employer
Identification Number)**

**325 E. Warm Springs Road, Suite 102
Las Vegas, Nevada 89119
(Address of principal executive office, including zip code)**

**(702) 939-0231
(Registrant's telephone number, including area code)**

(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:

- 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 (17CFR240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFR240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR240.13e-4(c))
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Section 1 – Registrant’s Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

On November 3, 2016 (the “Closing Date”), Live Ventures Incorporated (“Live Ventures”), through its newly formed, wholly-owned subsidiary, Vintage Stock Affiliated Holdings LLC (“VSAH”), entered into a series of agreements in connection with its purchase of Vintage Stock, Inc., a Missouri corporation (“Vintage Stock”). The purchase and financing transactions were, in the aggregate, valued at approximately \$60 million. The purchase was effectuated between VSAH and the shareholders of Vintage Stock, with VSAH acquiring 100% of the outstanding capital stock of Vintage Stock. In connection with the purchase and finance transactions, various persons and entities entered into a series of agreements (each of which is dated the Closing Date, with funding initiated on the Closing Date and concluded on November 4, 2016), certain of which are listed below:

- Stock Purchase Agreement (the “SPA”) among VSAH, Vintage Stock, the trustees of the five trusts (the “Trusts”) that held all of the outstanding capital stock Vintage Stock, and the trustees of three of the Trusts, Rodney Spriggs, Kenneth Caviness, and Steven Wilcox acting in their respective individual capacities (the trustees and such three individuals, collectively, the “Sellers”), and Rodney Spriggs, in his capacity as the representative of the Sellers for certain purposes of the SPA (the “Sellers’ Representative”);
- Subordinated Promissory Note by VSAH payable to certain Sellers, in an aggregate principal amount of \$10,000,000 (the “Subordinated Acquisition Note”);
- Employment Agreement between Vintage Stock and Rodney Spriggs;
- Stock Option Agreement between Live Ventures and Rodney Spriggs with a five-year installment vesting term;
- Employment Agreement between Vintage Stock and Steve Wilcox;
- Loan Agreement (the “Revolving Loan Agreement”) between Vintage Stock (the “Revolving Loan Borrower”) and Texas Capital Bank, National Association, as the Lender thereunder (the “Revolving Loan Lender”);
- Security Agreement by the Revolving Loan Borrower in favor of the Revolving Loan Lender;
- Term Loan Agreement (the “Term Loan Agreement”) among VSAH and Vintage Stock (VSAH and Vintage Stock, together, the “Term Loan Borrowers”), the Lenders under and as defined in the Term Loan Agreement (the “Term Loan Lenders”), Capitala Private Credit Fund V, L.P., in its capacity as lead arranger, and Wilmington Trust, National Association, as administrative and collateral agent on behalf of the Term Loan Lenders (the “Term Loan Administrative Agent”); and
- Security and Pledge Agreement among the Term Loan Borrowers and the Term Loan Administrative Agent for the Secured Parties (as defined in the Term Loan Agreement).

The purchase price for the capital stock of Vintage Stock was approximately \$58 million. The purchase price and related transaction expenses of approximately \$2 million were paid through a combination of (a) debt financing that was provided by (i) the Revolving Loan Lender under the Revolving Loan Agreement in the amount of approximately \$12 million and (ii) the Term Loan Lenders under the Term Loan Agreement in the aggregate amount of \$30 million, (b) the Subordinated Acquisition Note in the amount of \$10 million, and (c) capital provided by Live Ventures in the amount of \$8 million. In connection with operations of Vintage Stock after the closing of the purchase transaction, Vintage Stock may borrow up to an additional approximately \$8 million under the Revolving Loan Agreement (based on availability and eligibility under the Revolving Loan Agreement).

The term loans under the Term Loan Agreement bear interest at either a LIBO rate (as described below) or base rate, plus an applicable margin in each case. In their loan notice to the Term Loan Administrative Agent, the Term Loan Borrowers selected the LIBO rate for the initial term loans made under the Term Loan Agreement on the Closing Date.

The interest rate for LIBO rate loans under the Term Loan Agreement is equal to the sum of (a) the greater of (i) a rate per annum equal to (A) the offered rate for deposits in United States Dollars for the applicable interest period and for the amount of the applicable loan that is a LIBOR loan that appears on Bloomberg ICE LIBOR Screen (or any successor thereto) that displays an average ICE Benchmark Administration Limited Interest Settlement Rate for deposits in United States Dollars (for delivery on the first day of such interest period) with a term equivalent to such interest period, determined as of approximately 11:00 a.m. (London time) two business days prior to the first day of such interest period, divided by (B) the sum of one minus the daily average during such interest period of the aggregate maximum reserve requirement (expressed as a decimal) then imposed under Regulation D of the FRB for "Eurocurrency Liabilities" (as defined therein), and (ii) 0.50% per annum, *plus* (b) the sum of (i) 12.50% per annum in cash pay *plus* (ii) 3.00% per annum payable in kind by compounding such interest to the principal amount of the obligations under the Term Loan Agreement on each interest payment date.

The interest rate for base rate loans under the Term Loan Agreement is equal to the sum of (a) the highest of (with a minimum of 1.50%) (i) the federal funds rate plus 0.50%, (ii) the prime rate, and (iii) the LIBO rate plus 1.00%, *plus* (b) the sum of (i) 11.50% per annum payable in cash *plus* (ii) 3.00% per annum payable in kind by compounding such interest to the principal amount of the obligations under the Term Loan Agreement on each interest payment date.

The payment obligations under the Term Loan Agreement include (i) monthly payments of interest and (ii) principal installment payments in an amount equal to \$725,000 due on March 31, June 30, September 30, and December 31 of each year, with the first such payment due on December 31, 2016. The outstanding principal amounts of the term loans and all accrued interest thereon under the Term Loan Agreement are due and payable in November 2021.

The Term Loan Borrowers may prepay the term loans under the Term Loan Agreement from time to time, subject to the payment (with certain exceptions described below) of a prepayment premium of: (i) an amount equal to 2.0% of the principal amount of the term loan prepaid if prepaid during the period of time from and after the Closing Date up to the first anniversary of the Closing Date; (ii) 1.0% of the principal amount of the term loan prepaid if prepaid during the period of time from and after the first anniversary of the Closing Date up to the second anniversary of the Closing Date; and (iii) zero if prepaid from and after the second anniversary of the Closing Date.

The Term Loan Borrowers may make the following prepayments of the term loans under Term Loan Agreement without being required to pay any prepayment premium:

- (i) an amount not to exceed \$3 million of the term loans;
- (ii) in addition to any amount prepaid in respect of item (i), an additional amount not to exceed \$1.45 million, but only if that additional amount is paid prior to the first anniversary of the Closing Date; and
- (iii) in addition to any amount prepaid in respect of item (i), an additional amount not to exceed the difference between \$2.9 million and any amount prepaid in respect of item (ii), but only if that additional amount is paid from and after the first anniversary of the Closing Date but prior to the second anniversary of the Closing Date.

There are also various mandatory prepayment triggers under the Term Loan Agreement, including in respect of excess cash flow, dispositions, equity and debt issuances, extraordinary receipts, equity contributions, change in control, and failure to obtain required landlord consents.

The revolving loans under the Revolving Loan Agreement bear interest at a varying rate of interest, which is the LIBOR rate plus 2.75%. The LIBOR rate under the Revolving Loan Agreement is equal to the one-month LIBOR rate for deposits in United States Dollars that appears on Thomson Reuters British Bankers Association LIBOR Rates Page (or the successor thereto) as of 11:00 a.m., London, England time, on the applicable determination date.

The payment obligations under the Revolving Loan Agreement include monthly payments of interest and all outstanding principal and accrued interest thereon due in November 2020, which is when the revolving loan availability under the Revolving Loan Agreement terminates.

The Revolving Loan Agreement contains certain mandatory prepayment triggers that are customarily required for similar financings.

Each of the Term Loan Agreement and the Revolving Loan Agreement contains certain representations and warranties, certain affirmative covenants, certain negative covenants, certain financial covenants, and certain conditions that are customarily required for similar financings.

Section 2 – Financial Information

Item 2.01 Completion of Acquisition or Disposition of Assets.

The information set forth herein is incorporated in full from the information disclosed in Item 1.01.

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

The information set forth herein is incorporated in full from the information disclosed in Item 1.01.

Section 7 – Regulation FD

Item 7.01 Regulation FD Disclosure

On November 7, 2016, Live Ventures issued a press release announcing the acquisition of Vintage Stock. The press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Section 9 – Financial Statements and Exhibits

Item 9.01 Exhibits

(a) Financial Statements of Business Acquired.

The financial statements required by this Item are not being filed herewith. The audited financial statements required by this Item will be filed by amendment to this Current Report on Form 8-K not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information.

The pro forma financial information required by this Item is not being filed herewith. Such information required by this Item will be filed by amendment to this Current Report on Form 8-K not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(d) Exhibits

99.1 Press release of Live Ventures, dated November 7, 2016.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

LIVE VENTURES INCORPORATED

Dated: November 9, 2016

By: /s/ Jon Isaac

Jon Isaac, Chief Executive Officer and President

Live Ventures Incorporated Announces Closing of \$60M Acquisition Backed by Texas Capital Bancshares and Capitala Group

Company Anticipates Net Income to Increase by \$12M-\$14M (\$0.72 to \$0.84 per share) Annually as it Acquires 100 Percent of 36-Year-Old Entertainment Retailer, Vintage Stock, Inc.

LAS VEGAS, **NOVEMBER 7, 2016** – Live Ventures Incorporated (Nasdaq: LIVE) (“Live Ventures” or the “Company”), a diversified holding company, today announced it has acquired 100% of the outstanding stock of entertainment retailer, Vintage Stock, Inc., in a cash and debt transaction valued at approximately \$60M. The acquisition was financed by Texas Capital Bank (NASDAQ: TCBI) and Capitala Group (NASDAQ: CPTA). Live Ventures did not issue any stock or convertible securities in connection with this transaction. As a result of this highly accretive acquisition, management expects Live Ventures’ assets to increase to over \$100M, annual sales to increase to \$160M and net income to increase to \$20M (\$1.21 per share).

Vintage Stock, along with its sub-brands, VStock, Movie Trading Company, and EntertainMart, is a Joplin, Missouri-based retail chain that buys, sells and trades entertainment products. Its product offerings include movies, music, video games for multiple consoles, as well as books, trading and game cards and collectables, including comic books, movie memorabilia, toys and novelties. The company operates 57 stores across 10 states and employs about 900 people. The acquisition increases Live Ventures’ total employee count to about 1,200.

“Vintage Stock has proven quarter after quarter that it matches precisely our criteria for acquisition: very consistent and stable earnings over the past several years, an easy to understand business model, and a stellar management team. As a result of this highly accretive acquisition, we expect our financials to continue to improve significantly. This acquisition marks \$100M in deals since we changed LiveDeal into a diversified holding company just last year,” said Jon Isaac, CEO of Live Ventures Incorporated. “Vintage Stock’s CEO, Rodney Spriggs, is truly a one-of-a-kind executive who has achieved tremendous success creating a unique and highly-profitable business model and expanding it systematically since the company’s humble beginnings in 1980 as a used bookstore. We are proud to welcome Vintage Stock and its approximately 900 employees to the Live Ventures family.”

In its most recent audited report, Vintage Stock generated approximately \$13.5M (audited) in pre-tax income, while achieving up to an 80 percent gross profit margin on some of its products. Management expects 2017 to be even better as a result of new store openings. The current management team, led by Mr. Spriggs, will remain in place.

“Joining the Live Ventures family is a tremendous opportunity to continue to expand on a business model that has brought us tremendous success thus far, while enjoying the additional support of a larger conglomerate to support our growth,” said Mr. Spriggs. “We look forward to our continued mutual success.”

The acquisition was financed by Capitala Group, a Charlotte-based provider of capital to lower and traditional middle-market companies, and Texas Capital Bancshares, Inc. (Nasdaq: TCBI), the parent company of Texas Capital Bank, a \$2.6 Billion bank recognized as one of *Forbes Best Banks in America*.

Keith Cargill, President and CEO of Texas Capital Bank said: “We are excited about the future of our client, Live Ventures, and the opportunity to serve it with our extraordinary people, culture and financial strength.”

“Through Capitala Group’s unique structuring capabilities, we are able to offer creative financing solutions to our partners,” said Joe Alala, Chairman and CEO of Capitala Group. “We are pleased to have led the financing for this transaction, and we’re excited to have Live Ventures as a new partner.”

About Live Ventures Incorporated

Live Ventures Incorporated is a diversified holding company with several wholly owned subsidiaries and a strategic focus on acquiring profitable companies that have demonstrated a strong history of earnings power. Live Ventures Incorporated provides, among other businesses, marketing solutions that boost customer awareness and merchant visibility on the Internet. The Company operates a deal engine, which is a service that connects merchants and consumers via an innovative platform that uses geo-location, enabling businesses to communicate real-time and instant offers to nearby consumers. In addition, it maintains, through its subsidiary, ModernEveryday, an online consumer products retailer and, through its subsidiary, Marquis Industries, a specialty, high-performance yarns manufacturer, hard-surfaces re-seller, which is a top-10 high-end residential carpet manufacturer in the United States. Marquis Industries, through its A-O Division, utilizes its state-of-the-art yarn extrusion capacity to market monofilament textured yarn products to the artificial turf industry. Marquis is the only manufacturer in the world that can produce certain types of yarn prized by the industry.

About Vintage Stock, Inc.

Vintage Stock, Inc. is an award-winning entertainment retailer celebrating its 36th year in operation. The retail chain has grown from 5 stores to 57 in 10 states in the Midwest region, including the Kansas City metro, Wichita metro, Tulsa metro, Oklahoma City metro, Dallas metro, St Louis metro & the cities of Springfield and Joplin Missouri. With many stores measuring 20,000 to 40,000 square feet featuring product including movies, classic and new video games, music, collectible comics and toys, and the ability to special order and ship product worldwide to the customer's doorstep, Vintage Stock is America's largest entertainment superstore chain. Vintage Stock is headquartered in Joplin with offices in Dallas.

About Texas Capital Bancshares, Inc.

Texas Capital Bancshares, Inc. (Nasdaq: TCBI), a member of the Russell 2000® Index and the S&P SmallCap 600®, is the parent company of Texas Capital Bank, a commercial bank that delivers highly personalized financial services to businesses and entrepreneurs. Headquartered in Dallas, the bank has full-service locations in Austin, Dallas, Fort Worth, Houston and San Antonio.

About Capitala Group

Capitala Group is a leading provider of capital to lower and traditional middle market companies, through its family of credit focused funds. Since 1998, Capitala Group's managed funds have participated in over 133 transactions, representing over \$1.2 billion of investments in a variety of industries throughout North America. Capitala Group manages both public capital (Capitala Finance Corp.) (Nasdaq: CPTA) and private capital (Capitala Private Credit Fund V, L.P. and CapitalSouth SBIC Fund IV, L.P.) for institutional and individual investors, and seeks to partner with strong management teams to create value and serve as long term partners. For more information, please visit www.CapitalaGroup.com.

Forward-Looking and Cautionary Statements

This press release may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In accordance with the safe harbor provisions of this Act, statements contained herein that look forward in time that include everything other than historical information, involve risks and uncertainties that may affect the Company's actual results. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements. Live Ventures Incorporated may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission on Forms 10-K, 10-Q and 8-K, in its annual report to stockholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. There can be no assurance that such statements will prove to be accurate and there are a number of important factors that could cause actual results to differ materially from those expressed in any forward-looking statements made by the Company, including, but not limited to, plans and objectives of management for future operations or products, the market acceptance or future success of our products, and our future financial performance. The Company cautions that these forward-looking statements are further qualified by other factors including, but not limited to, those set forth in the Company's Form 10-K for the fiscal year ended September 30, 2016, most recent Form 10-Q, and other filings with the U.S. Securities and Exchange Commission (available at <http://www.sec.gov>). The Company undertakes no obligation to publicly update or revise any statements in this release, whether as a result of new information, future events, or otherwise.

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