

**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)

February 3, 2022

good times restaurants, inc.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

000-18590
(Commission
File Number)

84-1133368
(IRS Employer
Identification No.)

651 Corporate Circle, Suite 200, Golden, Colorado 80401
(Address of principal executive offices including zip code)

Registrant's telephone number, including area code: (303) 384-1400

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.):

- 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 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	GTIM	Nasdaq Stock Exchange

Item 1.01. Entry Into a Material Definitive Agreement.

On January 31, 2022 (the “Effective Date”), Good Times Restaurants Inc. (the “Company”) and each of its wholly-owned subsidiaries, as guarantors, entered into a Seventh Amendment to Credit Agreement (the “Amendment”) with respect to the Company’s Credit Agreement with Cadence Bank, N.A., as lender (“Cadence”) entered into on September 8, 2016, as amended on September 11, 2017 by the First Amendment to Credit Agreement (the “First Amendment”), as further amended on October 31, 2018 by the Second Amendment to Credit Agreement (the “Second Amendment”), as further amended on February 21, 2019 by the Third Amendment to Credit Agreement (the “Third Amendment”), as further amended on December 9, 2019 by the Fourth Amendment to Credit Amendment (the “Fourth Amendment”), and as further amended on January 8, 2021 by the Fifth Amendment to Credit Amendment (the “Fifth Amendment”), as further amended on August 12, 2021 by the Sixth Amendment to Credit Amendment (the “Sixth Amendment” and, together with the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment and the Fifth Amendment, the “Credit Agreement”).

The Amendment, among other things, amends the Credit Agreement to modify the “Restricted Payments” covenant in the Credit Agreement to exempt Company repurchases of common stock made in connection with the Company’s share repurchase program as described in Item 8.01 of this Form 8-K.

The forgoing description of the Amendment is qualified in its entirety by reference to the full text of the Amendment, a copy of which is filed in Exhibit 10.1 to this current report on Form 8-K and is incorporated by reference herein.

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

The information contained in Item 1.01 regarding the Amendment is incorporated by reference herein.

Item 8.01 Other Events

On February 3, 2022, the Company issued a press release announcing a stock repurchase program of up to an aggregate amount of \$5,000,000 of the Company’s common stock beginning February 7, 2022. A copy of the Company's press release announcing these matters is attached to this Current Report on Form 8-K as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Number</u>	<u>Description</u>
10.1*	Seventh Amendment to Credit Agreement, dated January 31, 2022, by and among Good Times Restaurants Inc., each of its wholly-owned subsidiaries and Cadence Bank, N.A.
10.2	Cadence Bank Credit Agreement (previously filed as Exhibit 10.1 to the registrant’s Current Report on Form 8-K filed September 13, 2016 and incorporated herein by reference)

10.3	Cadence Bank First Amendment to Credit Agreement (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed September 12, 2017 and incorporated herein by reference)
10.4	Cadence Bank Second Amendment to Credit Agreement (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed November 2, 2018 and incorporated herein by reference)
10.5	Cadence Bank Third Amendment to Credit Agreement (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 10-Q filed May 10, 2019 and incorporated herein by reference)
10.6	Cadence Bank Fourth Amendment to Credit Agreement (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed December 13, 2019 and incorporated herein by reference)
10.7	Cadence Bank Fifth Amendment to Credit Agreement (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed January 14, 2021 and incorporated herein by reference)
10.8	Cadence Bank Sixth Amendment to Credit Agreement (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed August 12, 2021 and incorporated herein by reference)
99.1*	Press Release dated February 3, 2022
Exhibit 104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).


*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.

GOOD TIMES RESTAURANTS INC.

Date: February 3, 2022

By: 

Ryan M. Zink
President and Chief Executive Officer

EXHIBIT INDEX

<u>Number</u>	<u>Description</u>
10.1*	Seventh Amendment to Credit Agreement and Waiver, January 31, 2022 by and among Good Times Restaurants Inc., each of its wholly-owned subsidiaries and Cadence Bank, N.A.
10.2	Cadence Bank Credit Agreement (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed September 13, 2016 and incorporated herein by reference)
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Exhibit 104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

SEVENTH AMENDMENT TO CREDIT AGREEMENT

THIS SEVENTH AMENDMENT TO CREDIT AGREEMENT (this “Amendment”), dated January 31, 2022, is by and among GOOD TIMES RESTAURANTS INC., a Nevada corporation (the “Borrower”), the Guarantors, the Lenders and CADENCE BANK, a Mississippi banking corporation (f/k/a Cadence Bank, National Association), as Administrative Agent (in such capacity, the “Administrative Agent”).

WITNESSETH

WHEREAS, the Borrower, the Guarantors, the Lenders and the Administrative Agent are parties to that certain Credit Agreement, dated September 8, 2016 (as amended by that certain First Amendment to Credit Agreement, dated September 11, 2017, that certain Second Amendment to Credit Agreement, dated as of October 31, 2018, that certain Third Amendment to Credit Agreement, dated as of February 21, 2019, that certain Fourth Amendment to Credit Agreement, dated as of December 9, 2019, that certain Fifth Amendment to Credit Agreement dated as of January 8, 2021, that certain Sixth Amendment to Credit Agreement dated as of August 12, 2021 and as further amended, modified, extended, restated, replaced, or supplemented from time to time, the “Credit Agreement”; capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement);

WHEREAS, the Loan Parties have requested that the Lenders make certain amendments to the Credit Agreement as set forth herein; and

WHEREAS, the Lenders have agreed to amend the Credit Agreement, in each case, subject to the terms set forth herein.

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE I
AMENDMENTS TO CREDIT AGREEMENT**

1.1 Amendment to Section 1.01 (Existing Definitions).

(a) The definition of “Consolidated Post-Distribution Fixed Charge Coverage Ratio” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Consolidated Post-Distribution Fixed Charge Coverage Ratio” means, as of any date of determination, the ratio of (a) (i) Consolidated EBITDAR for the period of four fiscal quarters of the Borrower most recently ended, minus (ii) Consolidated Taxes paid in cash during such period minus (iii) Restricted Payments (other than the Sixth Amendment Equity Repurchases and the Seventh Amendment Equity Repurchases) made in cash for such period, to (b) Consolidated Fixed Charges for the period of four fiscal quarters of the Borrower most recently ended.

(b) The definition of “Sixth Amendment Equity Repurchases” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Sixth Amendment Equity Repurchases” means any Restricted Payment in the form of any redemption, purchase or other acquisition of Equity Interests of the Borrower or any of its Subsidiaries made by the Loan Parties from the Sixth Amendment Effective Date until October 31, 2021 in an aggregate amount not to exceed \$1,500,000.

1.2 Amendments to Section 1.01 (New Definitions).

(a) The following definitions are hereby added to Section 1.01 of the Credit Agreement in the appropriate alphabetical order therein:

“Seventh Amendment Effective Date” means January 31, 2022.

“Seventh Amendment Equity Repurchases” means any Restricted Payment in the form of any redemption, purchase or other acquisition of Equity Interests of the Borrower or any of its Subsidiaries made by the Loan Parties from the Seventh Amendment Effective Date until December 31, 2022 in an aggregate amount not to exceed \$5,000,000.

1.3 Amendment to Section 7.06.

(a) Clause (d) to Section 7.06 of the Credit Agreement is hereby amended to read as follows:

(d) the Borrower may make (i) the Sixth Amendment Equity Repurchases and (ii) the Seventh Amendment Equity Repurchases; provided, that (A) no Default or Event of Default exists or shall result therefrom, (B) the Loan Parties are in compliance with the financial covenants set forth in Section 7.11, determined on a pro forma basis after giving effect thereto and (C) the Outstanding Amount of the Loans shall be zero.

**ARTICLE II
CONDITIONS**

2.1 Closing Conditions. This Amendment shall be deemed effective as of the date set forth above (the “Seventh Amendment Effective Date”) upon receipt by the Administrative Agent of the following:

(a) a copy of this Amendment duly executed by each of the Borrower, the Guarantors, the Administrative Agent and the Lenders; and

(b) any fees and expenses owing to the Administrative Agent (including all reasonable fees, charges and disbursements of counsel to the Administrative Agent) and the Lenders in connection with this Amendment.

**ARTICLE III
MISCELLANEOUS**

3.1 Amended Terms. On and after the Seventh Amendment Effective Date, all references to the Credit Agreement in each of the Loan Documents shall hereafter mean the Credit Agreement as amended by this Amendment. Except as specifically amended hereby or otherwise agreed, the Credit Agreement is hereby ratified and confirmed and shall remain in full force and effect according to its terms.

3.2 Representations and Warranties of the Loan Parties. Each of the Loan Parties represents and warrants as follows:

(a) Each Loan Party has all requisite power and authority and has taken all necessary corporate and other action to authorize the execution, delivery and performance of this Amendment in accordance with its terms.

(b) The execution, delivery and performance by each Loan Party of this Amendment have been duly authorized by all necessary corporate or other organizational action and constitutes a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms.

(c) No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, the Loan Parties of this Amendment.

(d) The representations and warranties set forth in the Loan Documents are true and correct in all material respects as of the date hereof (except for those that are qualified by materiality, which are true and correct in all respects).

(e) No event has occurred and is continuing which constitutes a Default or an Event of Default.

(f) The Collateral Documents continue to create a valid security interest in, and Lien upon, the Collateral, in favor of the Administrative Agent, for the benefit of the Lenders, which security interests and Liens are perfected in accordance with the terms of the Collateral Documents and prior to all Liens other than Permitted Liens.

(g) The Obligations of the Loan Parties are not reduced or modified by this Amendment and are not subject to any offsets, defenses or counterclaims.

3.3 Reaffirmation of Obligations. Each Loan Party hereby ratifies the Credit Agreement and each other Loan Document and acknowledges and reaffirms (a) that it is bound by all terms of the Credit Agreement and each other Loan Document and (b) that it is responsible for the observance and full performance of its respective obligations under the Loan Documents.

3.4 Loan Document. This Amendment shall constitute a Loan Document under the terms of the Credit Agreement.

3.5 Expenses. The Loan Parties agree to pay all reasonable costs and expenses of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including without limitation the reasonable fees and expenses of the Administrative Agent's legal counsel.

3.6 Entirety. This Amendment and the other Loan Documents embody the entire agreement among the parties hereto and supersede all prior agreements and understandings, oral or written, if any, relating to the subject matter hereof.

3.7 **Counterparts; Telecopy.** This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic imaging means (e.g., “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Amendment.

3.8 **GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.**

3.9 **Successors and Assigns.** This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

3.10 **Consent to Jurisdiction; Service of Process; Waiver of Jury Trial.** The jurisdiction, services of process and waiver of jury trial provisions set forth in Sections 11.14 and 11.15 of the Credit Agreement are hereby incorporated by reference, *mutatis mutandis*.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF the parties hereto have caused this Amendment to be duly executed on the date first above written.

a Nevada corporation

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

GUARANTORS:

GOOD TIMES DRIVE THRU INC.,
a Colorado corporation

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

BD OF COLORADO LLC,
a Colorado limited liability company

By: GOOD TIMES RESTAURANTS INC.,
a Nevada corporation, its manager

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

GOOD TIMES RESTAURANTS INC.
SEVENTH AMENDMENT TO CREDIT AGREEMENT

BAD DADDY'S FRANCHISE DEVELOPMENT, LLC,
a North Carolina limited liability company

By: BAD DADDY'S INTERNATIONAL, LLC,
a North Carolina limited liability company, its member

By: GOOD TIMES RESTAURANTS INC.,
a Nevada corporation, its sole member

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

By: GOOD TIMES RESTAURANTS INC.,
a Nevada corporation, its member

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

BAD DADDY'S INTERNATIONAL, LLC,
a North Carolina limited liability company

By: GOOD TIMES RESTAURANTS INC.,
a Nevada corporation, its sole member

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

GOOD TIMES RESTAURANTS INC.
SEVENTH AMENDMENT TO CREDIT AGREEMENT

BAD DADDY'S BURGER BAR, LLC,
a North Carolina limited liability company

By: BAD DADDY'S INTERNATIONAL, LLC,
a North Carolina limited liability company, its sole member

By: GOOD TIMES RESTAURANTS INC.,
a Nevada corporation, its sole member

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

BAD DADDY'S BURGER BAR OF BALLANTYNE, LLC,
a North Carolina limited liability company

By: BAD DADDY'S INTERNATIONAL, LLC,
a North Carolina limited liability company, its sole member

By: GOOD TIMES RESTAURANTS INC.,
a Nevada corporation, its sole member

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

BAD DADDY'S BURGER BAR OF BIRKDALE, LLC,
a North Carolina limited liability company

By: BAD DADDY'S INTERNATIONAL, LLC,
a North Carolina limited liability company, its sole member

By: GOOD TIMES RESTAURANTS INC.,
a Nevada corporation, its sole member

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

GOOD TIMES RESTAURANTS INC.
SEVENTH AMENDMENT TO CREDIT AGREEMENT

BAD DADDY'S BURGER BAR OF MOORESVILLE, LLC,
a North Carolina limited liability company

By: BAD DADDY'S INTERNATIONAL, LLC,
a North Carolina limited liability company, its sole member

By: GOOD TIMES RESTAURANTS INC.,
a Nevada corporation, its sole member

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: President

GOOD TIMES RESTAURANTS INC.
SEVENTH AMENDMENT TO CREDIT AGREEMENT

ADMINISTRATIVE
AGENT:

CADENCE BANK, A MISSISSIPPI BANKING
CORPORATION
(f/k/a Cadence Bank, National Association)

By: /s/ Josh Taylor
Name: Josh Taylor
Title: Senior Vice President

LENDERS:

CADENCE BANK, A MISSISSIPPI BANKING
CORPORATION
(f/k/a Cadence Bank, National Association)

By: /s/ Josh Taylor
Name: Josh Taylor
Title: Senior Vice President

GOOD TIMES RESTAURANTS INC.
SEVENTH AMENDMENT TO CREDIT AGREEMENT

FOR IMMEDIATE RELEASE

February 3, 2022

Nasdaq Capital Markets - GTIM

GOOD TIMES RESTAURANTS ANNOUNCES SHARE REPURCHASE PROGRAM

(GOLDEN, CO) Good Times Restaurants Inc. (GTIM), operator of Bad Daddy’s Burger Bar and Good Times Burgers & Frozen Custard, today announced that it will commence a share repurchase program beginning February 7, 2022. Repurchases of up to an aggregate of \$5,000,000 of the Company’s common stock have been authorized by the Company’s Board of Directors. The authorization to repurchase will continue until the maximum value of shares is purchased or the Company terminates the program. The timing and actual number of shares repurchased will depend on a variety of factors, including price, general business and market conditions, and alternative investment opportunities. The Company intends to make all repurchases in compliance with applicable regulatory guidelines and to administer the plan in accordance with applicable laws, including Rule 10b-18 of the Securities Exchange Act of 1934, as amended.

“This announcement demonstrates our confidence in both of our brands and the growth opportunities we see over the long term,” said Ryan Zink, Chief Executive Officer. “This share repurchase program will return capital to shareholders while providing a secondary use for cash generated by the business while we continue to reinvest in both existing restaurants at both brands and execute a disciplined growth program for Bad Daddy’s.”

The repurchase program does not obligate the Company to acquire any particular amount of common shares, and the repurchase program may be suspended or discontinued at any time at the Company’s discretion.

About Good Times Restaurants Inc.: Good Times Restaurants Inc. owns, operates, franchises and licenses 42 Bad Daddy’s Burger Bar restaurants through its wholly-owned subsidiaries. Bad Daddy’s Burger Bar is a full-service “small box” restaurant concept featuring a chef-driven menu of gourmet signature burgers, chopped salads, appetizers and sandwiches with a full bar and a focus on a selection of local and craft beers in a high-energy atmosphere that appeals to a broad consumer base. Additionally, Good Times Restaurants Inc. operates and franchises a regional quick-service drive-thru restaurant chain consisting of 32 Good Times Burgers & Frozen Custard restaurants located primarily in Colorado.

Forward Looking Statements: This press release contains forward looking statements within the meaning of federal securities laws. The words “intend,” “may,” “believe,” “will,” “should,” “anticipate,” “expect,” “seek” and similar expressions are intended to identify forward looking statements. These statements involve known and unknown risks, which may cause the Company’s actual results to differ materially from results expressed or implied by the forward-looking statements. Such risks and uncertainties include, among other things, the market price of the Company’s stock prevailing from time to time, the nature of other investment opportunities presented to the Company, the Company’s financial performance and its cash flows from operations, general economic conditions, which could adversely affect the Company’s results of operations and cash flows. These risks also include such factors as the disruption to our business from the novel coronavirus (COVID-19) pandemic and the impact of the pandemic on our results of operations, financial condition and prospects which may vary depending on the duration and extent of the pandemic and the impact of federal, state and local governmental actions and customer behavior in response to the pandemic, the impact and duration of staffing constraints at our restaurants, the uncertain nature of current restaurant development plans and the ability to implement those plans and integrate new restaurants, delays in developing and opening new restaurants because of weather, local permitting or other reasons, increased competition, cost increases or shortages in raw food products, and other matters discussed under the Risk Factors section of Good Times’ Annual Report on Form 10-K for the fiscal year ended September 28, 2021 filed with the SEC, and other filings with the SEC. Good Times disclaims any obligation or duty to update or modify these forward-looking statements.

Category: Financial

GOOD TIMES RESTAURANTS INC CONTACTS:

Ryan M. Zink, President and Chief Executive Officer (303) 384-1411

Christi Pennington (303) 384-1440
