
**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)
December 9, 2019

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.)

141 Union Boulevard, #400, Lakewood, CO 80228
(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 December 9, 2019, Good Times Restaurants Inc. (the “Company”) and each of its wholly-owned subsidiaries, as guarantors, entered into a Fourth Amendment to Credit Agreement (the “Fourth Amendment”) with Cadence Bank, N.A., as lender (“Cadence”) which amends the Credit Agreement (“Original Credit Agreement”) entered into by the Company with Cadence on September 8, 2016, as amended on September 11, 2017 by the First Amendment to Credit Agreement (the “First Amendment”), as further amended on November 2, 2018 by the Second Amendment to Credit Agreement (the “Second Amendment”) and as further amended on February 21, 2019 by the Third Amendment to Credit Agreement (the “Third Amendment,”) and, together with the Original Credit Agreement, the First Amendment, Second Amendment, Third Amendment and the Fourth Amendment (the “Credit Agreement”).

Effective September 24, 2019, the Fourth Amendment, among other things, modifies the Credit Agreement as follows: (a) amends the definition of “Consolidated EBITDA” for purposes of certain financial covenants contained in the Credit Agreement; (b) provides for repayment of certain loans outstanding under the Credit Agreement in consecutive quarterly installments equal to \$250,000 on the last business day of each of March, June, September and December, commencing on March 31, 2020; and (c) permits the Company, under certain circumstances, to make Restricted Payments (as defined in the Credit Agreement) in the form of repurchases or redemptions of certain equity interests of the Company from former directors and officers of the Company in an aggregate amount not to exceed \$100,000.

The above description of the Fourth Amendment is qualified in its entirety by the Fourth Amendment, a copy of which is attached hereto as Exhibit 10.1.

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 Fourth Amendment is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Number</u>	<u>Description</u>
10.1*	<u>Fourth Amendment to Credit Agreement, dated December 9, 2019, by and among Good Times Restaurants Inc., each of its wholly-owned subsidiaries and Cadence Bank, N.A.</u>
10.2	<u>Cadence Bank Credit Agreement</u> (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed September 13, 2016 (File No. 000-18590) and incorporated herein by reference)
10.3	<u>Cadence Bank Security and Pledge Agreement</u> (previously filed as Exhibit 10.2 to the registrant's Current Report on Form 8-K filed September 13, 2016 (File No. 000-18590) and incorporated herein by reference)
10.4	<u>Cadence Bank First Amendment to Credit Agreement</u> (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed September 12, 2017 (File No. 000-18590) and incorporated herein by reference)
10.5	<u>Cadence Bank Second Amendment to Credit Agreement</u> (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed November 2, 2018 (File No. 000-18590) and incorporated herein by reference)
10.6	<u>Cadence Bank Third Amendment to Credit Agreement</u> (previously filed as Exhibit 10.1 to the registrant's Current Report on Form 10Q filed May 10, 2019 (File No. 000-18590) and incorporated herein by reference)

*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: December 13, 2019

GOOD TIMES RESTAURANTS INC.

By: 

Ryan M. Zink
Acting Chief Executive Officer,
Chief Financial Officer and Treasurer

EXHIBIT INDEX

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FOURTH AMENDMENT TO CREDIT AGREEMENT

THIS FOURTH AMENDMENT TO CREDIT AGREEMENT (this "Amendment"), dated December 9, 2019, to be effective as of September 24, 2019 (the "Effective Date"), is by and among GOOD TIMES RESTAURANTS INC., a Nevada corporation (the "Borrower"), the Guarantors, the Lenders and CADENCE BANK, NATIONAL ASSOCIATION, as Administrative Agent (in such capacity, the "Administrative Agent").

W I T N E S S E T H

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, 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 to be effective as of the Effective Date as set forth herein; and

WHEREAS, the Lenders have agreed to amend the Credit Agreement on the terms and conditions 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 Amendments to "Consolidated EBITDA". The definition of "Consolidated EBITDA" in Section 1.01 of the Credit Agreement is hereby amended by (A) renumbering the second clause (b)(vi) therein as (b)(vii) and (B) inserting the following new clauses immediately after clause (b)(vii) therein:

(viii) charges and expenses (including legal expenses related thereto) relating to the severance of the chief executive officer of the Borrower and the signing and retention of the successor thereof in an aggregate amount not to exceed (A) \$706,000 for the fiscal quarter ending on September 24, 2019 and (B) \$39,000 for the fiscal quarter ending on December 24, 2019, (ix) losses, charges and expenses (including legal expenses related thereto) relating to the contemplated sale of the Equity Interests of Good Times Drive Thru Inc. in an aggregate amount not to exceed (A) \$39,570 for the fiscal quarter ending on March 26, 2019, (B) \$136,899 for the fiscal quarter ending on June 25, 2019 and (C) \$67,021 for the fiscal quarter ending on September 24, 2019, and (x) fees and out-of-pocket expenses paid in cash in connection with the Fourth Amendment in an aggregate amount not to exceed \$45,000,

1.2 **Amendment to Section 1.01.** The following definitions are hereby added to Section 1.01 of the Credit Agreement in appropriate alphabetical order:

“**Fourth Amendment**” means that certain Fourth Amendment to Credit Agreement dated as of the Fourth Amendment Effective Date among the Borrower, the Guarantors, the Lenders and the Administrative Agent.

“**Fourth Amendment Effective Date**” means September 24, 2019.

1.3 **Amendment to Section 2.05.** Section 2.05 of the Credit Agreement is hereby amended by inserting the following new clause (d) at the end thereof:

(d) The Commitments shall be automatically and permanently reduced by the amounts of the repayments of the outstanding principal amount of the Loans required pursuant to **Section 2.06** as of the applicable date that such repayment is required to be made.

1.4 **Amendment to Section 2.06.** Section 2.06 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

2.06 **Repayment of Loans.** The Borrower shall repay to the Lenders the aggregate outstanding principal amount of the Loans in consecutive quarterly installments equal to \$250,000 on the last Business Day of each March, June, September and December, commencing on March 31, 2020. In connection with each of the repayments required to be made herein, the Commitments shall be automatically and permanently reduced by the corresponding amount of such repayment on the applicable date of that such repayment is required to be made. In addition to the foregoing, the Borrower shall repay to the Lenders on the Maturity Date the aggregate principal amount of all Loans outstanding on such date.

1.5 **Amendment to Section 7.06.** Section 7.06 of the Credit Agreement is hereby amended by (i) deleting “and” at the end of clause (a) therein; (ii) replacing “.” at the end of clause (b) therein with “; and”; and (iii) inserting the following new clause (c) at the end thereof:

(c) the Borrower may make Restricted Payments in the form of repurchases or redemptions of Equity Interests of the Borrower from the former directors and officers of the Borrower in an aggregate amount not to exceed \$100,000; provided, that that (i) no Default or Event of Default exists or shall result therefrom and (ii) the Loan Parties are in compliance with the Minimum Liquidity covenant set forth in **Section 7.11(d)**, determined on a pro forma basis after giving effect thereto.

ARTICLE II CONDITIONS

2.1 **Closing Conditions.** This Amendment shall be deemed effective as of the Effective Date upon receipt by the Administrative Agent of:

(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) in connection with this Amendment.

ARTICLE III MISCELLANEOUS

3.1 Amended Terms. On and after the 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 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 (assuming the effectiveness of this Amendment on the Effective Date).

(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 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.

BORROWER:

GOOD TIMES RESTAURANTS INC.,
a Nevada corporation

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: Treasurer and Chief Financial Officer

GUARANTORS:

GOOD TIMES DRIVE THRU INC.,
a Colorado corporation

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: Treasurer and Chief Financial Officer

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: Treasurer and Chief Financial Officer

GOOD TIMES RESTAURANTS INC.
FOURTH AMENDMENT

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: Treasurer and Chief Financial Officer

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

By: /s/ Ryan M. Zink
Name: Ryan M. Zink
Title: Treasurer and Chief Financial Officer

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: Treasurer and Chief Financial Officer

GOOD TIMES RESTAURANTS INC.
FOURTH AMENDMENT

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: Treasurer and Chief Financial Officer

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: Treasurer and Chief Financial Officer

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: Treasurer and Chief Financial Officer

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: Treasurer and Chief Financial Officer

GOOD TIMES RESTAURANTS INC.
FOURTH AMENDMENT

ADMINISTRATIVE
AGENT:

CADENCE BANK, NATIONAL ASSOCIATION,
as Administrative Agent

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

LENDERS:

CADENCE BANK, NATIONAL ASSOCIATION
as a Lender

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