

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 13, 2024**

Streamline Health Solutions, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

0-28132
(Commission File Number)

31-1455414
(I.R.S. Employer Identification No.)

2400 Old Milton Pkwy., Box 1353
Alpharetta, GA 30009
(Address of principal executive offices) (Zip Code)
Registrant's telephone number, including area code: **(888) 997-8732**

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 (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))

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.01 par value	STRM	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 1.01. Entry into a Material Definitive Agreement.

The information set forth in Item 2.03 of this Current Report on Form 8-K is incorporated by reference into this Item 1.01.

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

On November 13, 2024, Streamline Health Solutions, Inc. (the “Company”) and certain of its subsidiaries entered into a Fifth Modification (the “Fifth Modification”) to Second Amended and Restated Loan and Security Agreement (as amended and supplemented, the “Loan and Security Agreement”) with Western Alliance Bank (“WAB”). The Fifth Modification amended certain financial covenants in the Loan and Security Agreement, including updating the definition of adjusted EBITDA and the maximum ARR net leverage ratio and minimum adjusted EBITDA thresholds.

The Fifth Modification also requires the Company to pay certain fees to WAB in connection with the extension of credit and subsequent repayment of obligations due to WAB under the Loan and Security Agreement. The foregoing fees, if any, will be due and payable on the earlier of (i) August 26, 2026, and (ii) the date on which the Company repays in full all obligations due to WAB under the Loan and Security Agreement.

The Loan and Security Agreement also includes negative covenants, subject to exceptions, which limit transfers, capital expenditures, indebtedness, certain liens, investments, acquisitions, dispositions of assets, restricted payments and the business activities of the Company, as well as customary representations and warranties, affirmative covenants and events of default, including cross defaults and a change of control default.

The foregoing description of the terms of the Fifth Modification does not purport to be complete and is qualified in its entirety by reference to the full text of the Fifth Modification, which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

EXHIBIT NUMBER	DESCRIPTION
10.1*+	Fifth Modification to Second Amended and Restated Loan and Security Agreement, dated November 13, 2024, by and between Streamline Health Solutions, Inc. and certain of its subsidiaries party thereto, and Western Alliance Bank.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith

+ Certain portions of this exhibit (indicated by “[***]”) have been omitted pursuant to Item (601)(b)(10) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted information to the Securities and Exchange Commission or its staff upon request.

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.

STREAMLINE HEALTH SOLUTIONS, INC.

Date: November 15, 2024

By: /s/ Bryant J. Reeves, III

Bryant J. Reeves, III
Chief Financial Officer

CERTAIN IDENTIFIED INFORMATION HAS BEEN REDACTED FROM THIS EXHIBIT, BECAUSE IT IS (1) NOT MATERIAL AND (2) THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. “[***]” INDICATES THAT INFORMATION HAS BEEN REDACTED.

**FIFTH MODIFICATION
TO**

SECOND AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

THIS FIFTH MODIFICATION TO SECOND AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (this “Modification”) is entered into as of November 13, 2024 by and among STREAMLINE HEALTH SOLUTIONS, INC., a Delaware corporation (“Streamline”), STREAMLINE HEALTH, LLC, a Delaware limited liability company (f/k/a STREAMLINE HEALTH, INC., an Ohio corporation) (“Streamline Health”), STREAMLINE PAY & BENEFITS, LLC, a Delaware limited liability company (“Streamline Pay”), AVELEAD CONSULTING, LLC, a Georgia limited liability company (“Avelead Consulting”), STREAMLINE CONSULTING SOLUTIONS, LLC, a Delaware limited liability company (“Streamline Consulting” and, together with Streamline, Streamline Health, Streamline Pay, Avelead Consulting and any other Person who, from time to time, becomes a Borrower under the Loan Agreement (as defined below), collectively, the “Borrowers” and each individually, a “Borrower”) and WESTERN ALLIANCE BANK, an Arizona corporation (“Bank”).

RECITALS

A. Bank and Borrowers have previously entered into that certain Second Amended and Restated Loan and Security Agreement, dated as of August 26, 2021 (as amended, restated, supplemented and otherwise modified from time to time, the “Loan Agreement”), pursuant to which Bank has made certain loans and financial accommodations available to Borrower.

B. Bank and Borrowers now wish to modify the Loan Agreement on the terms and conditions set forth herein.

C. Borrowers are entering into this Modification with the understanding and agreement that, except as specifically provided herein, none of Bank’s rights or remedies as set forth in the Loan Agreement or any other Loan Document is being waived or modified by the terms of this Modification.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. MODIFICATIONS.

(a) Additional Definitions. Section 1.1 of the Loan Agreement is hereby amended to add the following new definitions in the appropriate alphabetical order:

“Fifth Modification Closing Date” means November 13, 2024.”

“Refinance” means the refinance of the outstanding Obligations owed to Bank under this Agreement by a financial institution reasonably acceptable to Bank; *provided, that, [***]* shall be deemed to be acceptable to the Bank.”

(b) Adjusted EBITDA. The definition of “Adjusted EBITDA” appearing in Section 1.1 of the Loan Agreement is hereby amended and restated in its entirety to read as follows:

“Adjusted EBITDA” means, with respect to any period of determination, Borrower’s Net Income, plus (without duplication) (i) interest expense, (ii) income tax expense, (iii) depreciation and amortization expense, (iv) non-cash stock compensation expense, (v) costs and expenses incurred in connection with the Specified Acquisition not to exceed \$2,000,000 in the aggregate and so long as such costs and expenses are identified to Bank within twelve (12) months immediately following the closing thereof, (vi) costs and expenses incurred during the month ended October 31, 2024 in connection with the Refinance not to exceed \$150,000 in the aggregate and (vii) other non-recurring expenses as approved by Bank on a case-by-case basis, minus (viii) any gain from forgiveness of any PPP loan, minus (ix) all capitalized expenses (including, without limitation capitalized software development expenses).”

(c) Success Fee. Section 2.4 of the Loan Agreement is hereby amended to add the following new Clause (d) at the end thereof:

“Success Fees. The following amounts (collectively, the “Success Fees”), which shall be due and payable on the earlier of (i) the Term Loan Maturity Date and (ii) the date on which Borrowers repay in full all Obligations due to Bank under this Agreement: (A) \$75,000, which shall be fully earned on the date Bank makes a Credit Extension to Borrowers following the receipt by Bank of a Revolving Advance Request Form in accordance with Section 3.2 of this Agreement on or after the Fifth Modification Closing Date, (B) an additional \$75,000, which shall be fully earned on December 31, 2024 in the event Borrowers have not repaid in full all Obligations due under this Agreement to Bank by such date, and (C) an additional \$100,000, which shall be fully earned on January 31, 2025 in the event Borrowers have not repaid in full all Obligations due under this Agreement to Bank by such date. Notwithstanding the foregoing, in the event Bank receives evidence, in form and substance satisfactory to Bank, that Borrowers have received at least \$500,000 in net cash proceeds from an equity investment or Subordinated Debt on or prior to the Fifth Modification Closing Date, the foregoing Success Fees shall be reduced by 50%.”

(d) Maximum ARR Net Leverage Ratio. Section 6.9(b) of the Loan Agreement is hereby amended and restated in its entirety to read as follows:

“Maximum ARR Net Leverage Ratio. Commencing with the month ended September 30, 2024, Borrowers’ ARR Net Leverage Ratio, measured on a monthly basis as of the last day of each month, shall not be greater than the amount set forth under the heading “Maximum ARR Net Leverage Ratio” as of, and for each of the dates appearing adjacent to such “Maximum ARR Net Leverage Ratio”.

<u>Month Ending</u>	<u>Maximum ARR Net Leverage Ratio</u>
September 30, 2024	0.68 to 1.00
October 31, 2024	0.66 to 1.00
November 30, 2024	0.64 to 1.00
December 31, 2024	0.60 to 1.00
January 31, 2025	0.35 to 1.00
April 30, 2025	0.35 to 1.00

(e) Minimum Adjusted EBITDA. Section 6.9(e) of the Loan Agreement is hereby amended and restated in its entirety to read as follows:

“Minimum Adjusted EBITDA. Commencing with the month ended September 30, 2024, Borrowers shall maintain Adjusted EBITDA, measured on a monthly basis as of the last day of each month, in an amount not less than the amounts (or, in the case of amounts set forth in parentheses, no worse than the amounts) set forth under the heading “Minimum Adjusted EBITDA” as of, and for each of the dates appearing adjacent to such “Minimum Adjusted EBITDA”

<u>Month Ending</u>	<u>Minimum Adjusted EBITDA</u>
September 30, 2024	(\$225,000)
October 31, 2024	(\$500,000)
November 30, 2024	(\$150,000)
December 31, 2024	(\$100,000)
January 31, 2025 and on the last day of each month thereafter through April 30, 2025	\$0

(f) Compliance Certificate. Exhibit B to the Loan Agreement is hereby deleted in its entirety and replaced with Exhibit B attached hereto.

2. **NO DEFENSES OF BORROWER/GENERAL RELEASE.** Each Borrower agrees that, as of this date, it has no defenses against the obligations to pay any amounts under the Indebtedness. Each Borrower acknowledges that Bank would not enter into this Modification without Borrower's assurance that it has no claims against Bank or any of Bank's officers, directors, employees or agents. Except for any claims or obligations arising after the date of this Modification, each Borrower releases Bank, and each of Bank's officers, directors and employees from any known or unknown claims that such Borrower now has against Bank of any nature, including any claims that such Borrower, its successors, counsel, and advisors may in the future discover they would have now had if they had known facts not now known to them, whether founded in contract, in tort or pursuant to any other theory of liability, including but not limited to any claims arising out of or related to the Loan Agreement or the transactions contemplated thereby. Each Borrower acknowledges and agrees that they have been informed by their attorneys and advisors of, and are familiar with, and do hereby expressly waive, the provisions of Section 1542 of the California Civil Code, and any similar statute, code, law, or regulation of any state or the United States, to the full extent that they may waive such rights and benefits. Civil Code section 1542 provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR A BORROWER DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The provisions, waivers and releases set forth in this section are binding upon each Borrower and its shareholders, agents, employees, assigns and successors in interest. The provisions, waivers and releases of this section shall inure to the benefit of Bank and its agents, employees, officers, directors, assigns and successors in interest. The provisions of this section shall survive payment in full of the Obligations, full performance of all the terms of this Modification and the Loan Agreement, and/or Bank's actions to exercise any remedy available under the Loan Agreement or otherwise.

3. **CONTINUING VALIDITY.** Borrowers understand and agree that in modifying the existing Indebtedness, Bank is relying upon Borrowers' representations and warranties set forth in this Modification and the reaffirmation of Borrowers' performance obligations under the Loan Documents, subject to the modifications set forth herein. Except as expressly modified pursuant to this Modification, the terms of the Loan Documents remain unchanged and in full force and effect. Bank's agreement to modifications to the existing Indebtedness pursuant to this Modification in no way shall obligate Bank to make any future modifications to the Indebtedness. Nothing in this Modification shall constitute a satisfaction of the Indebtedness. It is the intention of Bank and Borrowers to retain as liable parties all makers and endorers of Loan Documents, unless the party is expressly released by Bank in writing. No maker, endorser, or guarantor will be released by virtue of this Modification. The terms of this paragraph apply not only to this Modification, but also to any subsequent modification agreements.

4. **AMENDMENT FEE.** In consideration of the agreements set forth herein, Borrowers hereby agree to pay to Bank an amendment fee in the amount of \$50,000 (the "Amendment Fee"), which Amendment Fee shall be fully earned as of the date of this Modification and due and payable on the earlier of (i) the Term Loan Maturity Date and (ii) the date on which Borrowers repay in full all Obligations due to Bank under the Loan Agreement.

5. **EFFECTIVENESS OF THIS MODIFICATION.** This Modification, and the waivers provided for herein, shall become effective upon the satisfaction, as determined by Bank, of the following conditions.

(a) **Modification.** Bank shall have received this Modification fully executed in a sufficient number of counterparts for distribution to all parties.

(b) **Refinance.** Bank shall have received, a copy of a term sheet, in form and substance reasonably satisfactory to Bank executed by Borrowers and a new lender reasonably acceptable to Bank, providing for the refinancing in full of the Obligations owed by Borrowers to Bank under the Loan Agreement.

(c) **Representations and Warranties.** The representations and warranties set forth herein and in the Loan Agreement are true and correct in all material respects (except for such representations and warranties qualified by materiality, which shall be true and correct in all respects).

(d) **Other Required Documentation.** All other documents and legal matters in connection with the transactions contemplated by this Modification shall have been delivered or executed or recorded, as required by Bank.

Bank shall provide prompt written notice (e-mail to suffice) to Borrowers confirming the satisfaction of the conditions in this Section 6 and the effectiveness of this Modification, which confirmation shall be binding on Bank.

6. **CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; REFERENCE PROVISION.** This Modification constitutes a "Loan Document" as defined and set forth in the Loan Agreement, and is subject to Sections 11 and 12 of the Loan Agreement, which are incorporated by reference herein.

7. **NOTICE OF FINAL AGREEMENT.** By signing this document each party represents and agrees that: (A) this written agreement represents the final agreement between the parties, (B) there are no unwritten oral agreements between the parties, and (C) this written agreement may not be contradicted by evidence of any prior, contemporaneous, or subsequent oral agreements or understandings of the parties.

8. **COUNTERPARTS; FACSIMILE SIGNATURES.** This Modification may be executed in any number of and by different parties hereto on separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile or other similar form of electronic transmission shall be deemed to be an original signature hereto.

9. **RATIFICATION.** Borrowers hereby covenant and agree to comply with each and every term and condition set forth in the Loan Agreement, as amended hereby, and the other Loan Documents effective as of the date hereof, and hereby reaffirm their various obligations thereunder.

10. **INTEGRATION.** This Modification, together with the Loan Agreement and the other Loan Documents, incorporates all negotiations of the parties hereto with respect to the subject matter hereof and is the final expression and agreement of the parties hereto with respect to the subject matter hereof.

[Signature Page Follows]



BORROWER:

**STREAMLINE HEALTH
SOLUTIONS, INC.**

By: /s/ Bryant J. Reeves,
III
Name: Bryant J. Reeves, III
Title: Chief Financial Officer

**STREAMLINE HEALTH, LLC
(F/K/A STREAMLINE HEALTH,
INC.)**

By: /s/ Bryant J. Reeves,
III
Name: Bryant J. Reeves, III
Title: Authorized Signatory

**STREAMLINE PAY & BENEFITS,
LLC**

By: /s/ Bryant J. Reeves,
III
Name: Bryant J. Reeves, III
Title: Authorized Signatory

AVELEAD CONSULTING, LLC

By: /s/ Bryant J. Reeves,
III
Name: Bryant J. Reeves, III
Title: Authorized Signatory

**STREAMLINE CONSULTING
SOLUTIONS, LLC**

By: /s/ Bryant J. Reeves,
III
Name: Bryant J. Reeves, III
Title: Authorized Signatory

[Signature Page to Fifth Modification to 2nd A&R LSA]

BANK:

WESTERN ALLIANCE BANK

By: /s/ Steven

Slaughter

Name: Steven Slaughter

Title: Vice President

[Signature Page to Fifth Modification to 2nd A&R LSA]

EXHIBIT B

COMPLIANCE CERTIFICATE

TO: WESTERN ALLIANCE BANK, an Arizona corporation

FROM: Streamline Health Solutions, Inc., a Delaware corporation and Streamline Health, Inc., an Ohio corporation, Streamline Pay & Benefits, LLC, a Delaware limited liability company, Avelead Consulting, LLC, Streamline Consulting Solutions, LLC

The undersigned authorized officer of Borrower hereby certifies that in accordance with the terms and conditions of the Amended and Restated Loan and Security Agreement between Borrower and Bank (the "Agreement"), (i) Borrower is in complete compliance for the period ending _____ with all required covenants except as noted below and (ii) all representations and warranties of Borrower stated in the Agreement are true and correct as of the date hereof. Attached herewith are the required documents supporting the above certification. The Officer further certifies that these are prepared in accordance with Generally Accepted Accounting Principles (GAAP) and are consistently applied from one period to the next except as explained in an accompanying letter or footnotes.

Please indicate compliance status by circling Yes/No under "Complies" column.

<u>Reporting Covenant</u>	<u>Required</u>	<u>Complies</u>	
Annual financial statements (CPA Audited)	FYE within 180 days	Yes	No
Monthly financial statements and a Compliance Certificate	Monthly within 30 days	Yes	No
10K and 10Q	(as applicable)	Yes	No
Annual operating budget, sales projections and operating plans approved by board of directors	Annually no later than 30 days prior to the beginning of each fiscal year	Yes	No
A/R & A/P Agings, Borrowing Base Certificate, Deferred Revenue Schedule and Monthly Recurring Revenue Report	Monthly within 30 days	Yes	No
A/R Audit	Initial and Annual	Yes	No
Deposit balances with Bank	\$ _____		
Deposit balance outside Bank	\$ _____		
<u>Financial Covenant</u>	<u>Required</u>	<u>Actual</u>	<u>Complies</u>
Maximum ARR Net Leverage Ratio	(a) September 30, 2024, 0.68 to 1.00, (b) October 31, 2024, 0.66 to 1.00, (c) November 30, 2024, 0.64 to 1.00, (d) December 31, 2024, 0.60 to 1.00, (e) January 31, 2025, 0.35 to 1.00 and (f) April 30, 2025, 0.35 to 1.00		Yes No
Maximum Debt to Adjusted EBITDA Ratio	(a) April 30, 2025, 3.50 to 1.00, (b) July 31, 2025, 3.00 to 1.00, (c) October 31, 2025, 2.50 to 1.00 and (d) January 31, 2026, and the last day of each quarter thereafter, 2.00 to 1.00		Yes No
Fixed Charge Coverage Ratio	April 30, 2025, and the last date of each quarter thereafter, 1.20 to 1.00		Yes No
Minimum Adjusted EBITDA	(a) September 30, 2024, (\$225,000), (b) October 31, 2024, (\$500,000), (c) November 30, 2024, (\$150,000), (d) December 31, 2024, (\$100,000) and (e) January 31, 2025 through April 30, 2025, \$0		Yes No

Intellectual Property Updates

Attached as Exhibit A is a listing of listing of any applications or registrations of intellectual property rights filed with the United States Patent and Trademark Office, including the date of such filing and the registration or application numbers, if any, since the date of the last such Compliance Certificate delivered to Bank.

Updates to Schedules

Attached as Exhibit A are updated Schedules updating any information set forth in such Schedules since the date of the last such Compliance Certificate delivered to Bank.

Comments Regarding Exceptions: See Attached.

BANK USE ONLY

Received by: _____

AUTHORIZED SIGNER

Sincerely,

Date: _____

SIGNATURE

TITLE

DATE

Verified: _____

AUTHORIZED SIGNER

Date: _____

Compliance Status

Yes No
