

Emrise CORP
Form 8-K
May 21, 2010

**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): May 17, 2010

EMRISE CORPORATION

(Exact name of registrant as specified in its charter)

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Delaware
(State or other jurisdiction of
incorporation)

001-10346
(Commission File Number)

77-0226211
(IRS Employer Identification
No.)

611 Industrial Way, Eatontown, NJ
(Address of principal executive offices)

07224
(Zip Code)

(732) 389-0355

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(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report.)

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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 November 30, 2007, EMRISE Corporation (the "Company") and certain of its subsidiaries (collectively with the Company's subsidiaries that later became party to the agreement pursuant to that certain Amendment Number 1 to Loan Documents dated August 20, 2008, the "Borrowers") entered into a Credit Agreement with GVEC Resource IV Inc. (the "Lender"), an affiliate of Private Equity Management Group LLC, which Credit Agreement has been amended from time to time (as amended, the "Credit Agreement").

The Borrowers and the Lender entered into Amendment Number 11 to Loan Documents ("Amendment 11"), which amends the Credit Agreement as of May 17, 2010. Among other things, Amendment 11 modifies the schedule for certain milestone events related to the process for the sale of certain assets of the Borrowers. Except for this amendment, the Credit Agreement remains in full force and effect.

With the exception of historical information, certain matters discussed in this current report, including EMRISE's ability to sell certain of its assets and satisfy the debt owed to the Lender, may be interpreted as forward looking statements. The actual future results of EMRISE could differ from those statements. Factors that could cause or contribute to such differences include, but are not limited to, the current absence of any binding obligations by any third party to purchase any assets of the Company, the early stage of marketing these assets, terms offered by potential buyers may not be acceptable or may be unfavorable to the Company, even if the Company secures one or more letters of intent to purchase the assets and/or executes purchase agreements, there will be conditions to be met before closing, such as satisfactory due diligence, corporate and other approvals and third party consents, the timeliness and satisfaction of which may not be within the control of the Company and may not be achieved, and thus the sales may not be consummated, the milestones may not be met, the net proceeds for the assets may not meet the expectations of the Company, and thus may not be sufficient to pay the obligation to the Lender in full. The Company refers you to those factors contained in the "Risk Factors" Section of EMRISE's Form 10-K for the year ended December 31, 2009 and other EMRISE filings with the U.S. Securities and Exchange Commission.

SIGNATURE

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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 hereunto duly authorized.

Date: May 21, 2010

EMRISE CORPORATION

By: /s/ D. John Donovan
D. John Donovan
Chief Financial Officer