

ODYSSEY MARINE EXPLORATION INC
Form 8-K
April 21, 2016

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): April 15, 2016

ODYSSEY MARINE EXPLORATION, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or Other Jurisdiction

of Incorporation)

001-31895
(Commission

File Number)
5215 West Laurel Street

84-1018684
(IRS Employer

Identification No.)

Tampa, Florida 33607

(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: (813) 876-1776

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. 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))

Item 1.01. *Entry Into a Material Definitive Agreement.*

The disclosure set forth below under Item 2.03 (Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant) is hereby 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 April 15, 2016, Odyssey Marine Exploration, Inc. (Odyssey) and its wholly owned subsidiaries Oceanica Marine Operations, S.R.L. (OMO), Odyssey Marine Services, Inc. (OMS), and Odyssey Marine Enterprises, Ltd. (OME) entered into a Loan and Security Agreement (the Loan Agreement) with Monaco Financial LLC (Monaco) pursuant to which Odyssey borrowed \$1.825 million from Monaco. The indebtedness is evidenced by a Convertible Promissory Note (the Note) that provides for interest at the rate of 10.0% per annum on the outstanding amount of principal, with the entire unpaid principal sum outstanding, together with any unpaid interest thereon, being due and payable on April 15, 2018. Odyssey has the right to prepay the indebtedness, in whole or in part, upon 30 days notice to Monaco.

Pursuant to the Loan Agreement and as security for the indebtedness, Monaco was granted a security interest in (a) one-half of the indebtedness evidenced by the Amended and Restated Consolidated Note and Guaranty, dated September 25, 2015 (the ExO Note), in the original principal amount of \$18.0 million, issued by Exploraciones Oceanicas S. de R.L. de C.V. to OMO, and all rights associated therewith (the OMO Collateral); and (b) all technology and assets aboard the MV Dorado Discovery and in OMS 's possession or control used for offshore exploration, including an ROV system, deep-tow search systems, winches, multi-beam sonar, and other equipment. OME unconditionally and irrevocably guaranteed all obligations of Odyssey, OMO, and OMS to Monaco under the Loan Agreement.

As further consideration for the loan, Monaco was granted an option (the Option) to purchase the OMO Collateral. The Option is exercisable at any time before the earlier of (a) the date that is 30 days after the loan is paid in full or (b) the maturity date of the ExO Note, for aggregate consideration of \$9.3 million, \$1.8 million of which would be paid at the closing of the exercise of the Option, with the balance paid in ten monthly installments of \$750,000.

The Loan Agreement also contains customary representations and warranties of the parties, covenants, and events of default.

The Note provides that Monaco has the right, at any time before April 15, 2018, to convert all or any portion of the outstanding principal amount and any accrued interest under the Note and the promissory notes issued by Odyssey to Monaco in August 2014, into cuotas of Oceanica Resources S. de R.L. (Oceanica) held by OME, at a conversion price of \$1.00. The Note further provides that the maximum number of Oceanica cuotas that can be acquired by Monaco upon conversion is 3,174,603 cuotas.

Copies of the Loan Agreement and the Note are attached hereto as Exhibit 10.1 and Exhibit 10.2, respectively, and are incorporated herein by reference. The foregoing summaries do not purport to be complete and are qualified in their entirety by reference to such documents.

Item 9.01. *Financial Statements and Exhibits.*

(a) *Financial Statements of Businesses Acquired.*
Not applicable.

(b) *Pro Forma Financial Information.*
Not applicable.

(c) *Shell Company Transactions.*
Not applicable.

(d) *Exhibits.*

10.1 Loan and Security Agreement dated April 15, 2016.

10.2 Convertible Promissory Note dated April 15, 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 hereunto duly authorized.

ODYSSEY MARINE EXPLORATION, INC.

Dated: April 21, 2016

By: /s/ Philip S. Devine
Philip S. Devine
Chief Financial Officer