

IDI, Inc.
Form 8-K
May 18, 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): May 17, 2016

IDI, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

333-158336
(Commission

File Number)

77-0688094
(I.R.S. Employer

Identification No.)

2650 North Military Trail, Suite 300, Boca Raton, Florida
(Address of principal executive offices)

33431
(Zip Code)

Registrant's telephone number, including area code: 561-757-4000

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:

- .. 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.

On May 17, 2016, IDI, Inc. (the Company) entered into a definitive securities purchase agreement (the Agreement) with certain accredited investors (the Purchasers) set forth on the signature pages of the Agreement for the purchase and sale of 1,000,000 shares of the Company's common stock in a registered direct offering for gross proceeds of approximately \$5 million. The purchase price to be paid by the Purchasers is \$5.00 per share. Simultaneously, the Company conducted a private placement offering with the same Purchasers through which it will issue to the Purchasers, for no additional consideration, warrants to purchase 500,000 shares of common stock. The warrants have an exercise price of \$8.00 per share and are exercisable beginning six months and one day from the date of issuance (the Exercise Date) and expire 24 months from the Exercise Date. The Company agreed to file a registration statement registering the shares underlying the Purchasers' warrants. The Agreement and the form of warrant are filed as Exhibits 10.1 and 4.1, respectively, to this Current Report on Form 8-K. The foregoing summaries of the terms of these documents are subject to, and qualified in their entirety by, such documents, which are incorporated herein by reference.

Pursuant to an engagement letter dated May 17, 2016 (the Placement Agent Agreement) by and between the Company and Chardan Capital Markets, LLC (Chardan Capital), Chardan Capital agreed to act as the Company's placement agent in connection with both the registered direct offering and the concurrent private placement. Pursuant to the Placement Agent Agreement, the Company agreed to pay Chardan Capital a cash fee equal to \$200,000, as well as reimburse Chardan Capital for its expenses in connection with the offering in the amount of \$15,000. The Placement Agent Agreement is filed as Exhibit 10.2 to this Current Report on Form 8-K. The foregoing summary of the terms of Placement Agent Agreement are subject to, and qualified in its entirety by, such document, which is incorporated herein by reference.

The net proceeds to the Company from the offering, after deducting placement agent fees and estimated offering expenses, are approximately \$4.755 million. The registered direct offering and the concurrent private placement are expected to close on or before May 23, 2016, subject to customary closing conditions.

The 1,000,000 shares of common stock were sold, and will be issued, pursuant to the Prospectus Supplement, dated May 17, 2016, to the Prospectus included in the Company's Registration Statement on Form S-3 (Registration No. 333-205614) filed with the Securities and Exchange Commission on July 21, 2015.

The warrants were sold, and will be issued, in reliance upon the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933 (the Act) and Rule 506 promulgated thereunder. These securities may not be offered or sold in the United States in the absence of an effective registration statement or exemption from the registration requirements under the Act. As disclosed above, the Company has agreed to file a registration statement registering the shares underlying the warrants.

On May 18, 2016, the Company entered into an agreement (the Exchange Agreement) to exchange currently outstanding warrants to purchase 640,205 shares of common stock (the Old Warrants) held by an investor for (i) 320,103 shares of the Company's common stock and (ii) warrants to purchase 320,102 shares of common stock (the New Warrants) at an exercise price of \$10.00 per share. The New Warrants expire two years from the date of issuance. The common stock and New Warrants exchanged for the Old Warrants will be issued on reliance upon the exemption from registration contained in Section 3(a)(9) of the Act. The Exchange Agreement and the form of New Warrant are filed as Exhibits 10.3 and 4.2, respectively, to this Current Report on Form 8-K. The foregoing summaries of the terms of these documents are subject to, and qualified in their entirety by, such documents, which are incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The disclosure included in Item 1.01 above is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

| Exhibit No. | Exhibit |
|--------------------|--|
| 4.1 | Form of Warrant. |
| 4.2 | Form of New Warrant. |
| 10.1 | Securities Purchase Agreement, dated as of May 17, 2016. |
| 10.2 | Placement Agent Agreement, dated as of May 17, 2016. |
| 10.3 | Exchange Agreement, dated as of May 18, 2016. |

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.

IDI, Inc.

May 18, 2016

By: /s/ Derek Dubner
Name: Derek Dubner
Title: CEO

Exhibit Index

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