

SILICON STORAGE TECHNOLOGY INC
Form 8-K
July 24, 2007

**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): **July 20, 2007**

SILICON STORAGE TECHNOLOGY, INC.
(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction
of incorporation)

000-26944
(Commission
File Number)

77-0225590
(IRS Employer
Identification No.)

**1171 Sonora Court
Sunnyvale, California**
(Address of principal executive offices)

94086
(Zip Code)

Registrant's telephone number, including area code: **(408) 735-9110**

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 4.02(a) Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.

On July 20, 2007, the chairman of the audit committee of Silicon Storage Technology, Inc., or SST, preliminarily determined that SST's previously-issued financial statements for the fiscal years 1997 through 2005 and for the quarters ended March 31, 2006, June 30, 2006 and September 30, 2006 will need to be restated to correct errors related to accounting for stock-based compensation expense. A press release announcing the determination is attached hereto as Exhibit 99.1.

As previously announced on March 15, 2007, SST is conducting a voluntary review of its historical stock option grant practices covering the time from SST's initial public offering in 1995 through the current fiscal year. The chairman of the audit committee of the board of directors is conducting this review with the assistance of independent outside counsel and outside accounting experts. The chairman's review has found instances of the use of incorrect measurement dates for certain option grants.

At this time, the chairman has not completed the forensic review of the option grants and the financial impact of using incorrect measurement dates has not been finalized. However, the chairman has reached a preliminary conclusion that SST will need to restate its historical financial statements to record additional non-cash stock-based compensation expense related to stock option grants as a result of errors in recording the measurement date for certain stock option grants. Accordingly, SST advises that all of its financial statements and related communications for periods commencing on or after January 1, 1997 should not be relied upon. The chairman has discussed the matters disclosed in this Item 4.02(a) with PricewaterhouseCoopers LLP, our independent registered public accounting firm.

The stock-based compensation charges incurred will have the effect of decreasing reported net income or increasing reported loss from operations and decreasing the reported retained earnings figures contained in SST's historical financial statements for the periods noted above. SST does not expect that the anticipated restatements will have any impact on its historical revenues or cash position for any period. SST's independent registered public accounting firm has not completed its review of the findings of the chairman's review.

SST intends to file its restated financial statements and its delinquent Annual Report for the year ended December 31, 2006 and delinquent Quarterly Report for the quarter ended March 31, 2007 as soon as practicable.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit 99.1 Press Release, dated July 23, 2007, entitled "SST Announces Restatement Related to Stock-Based Compensation."

SIGNATURE

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, thereunto duly authorized.

Dated July 23, 2007

SILICON STORAGE TECHNOLOGY, INC.

By: /s/ JAMES BOYD
James Boyd
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release, dated July 23, 2007, entitled "SST Announces Restatement Related to Stock-Based Compensation."

Il indemnify our directors, officers, employees and agents to the fullest extent permitted by the Delaware General Corporation Law. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, we understand that in the opinion of the SEC such indemnification is against public policy as expressed in that Act and is therefore unenforceable.

We have purchased directors' and officers' liability insurance in order to limit the exposure to liability for indemnification of directors and officers, including liabilities under the Securities Act of 1933.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

In 2012, the Company's wholly owned subsidiary, GWG Life, sold \$50,000 in principal amount of Series I Secured notes for cash. In addition, \$141,052 in principal amount of such notes were sold in consideration of reinvested interest payable on account of earlier issued notes. The Company is a guarantor of GWG Life's obligations under the Series I Secured notes. The notes were offered and sold solely to accredited investors in a private placement under Section 4(a)(2) of the Securities Act of 1933, and Regulation D/Rule 506 thereunder.

In 2012, the Company sold a total of 855,240 shares of Series A Preferred Stock for aggregate cash consideration of \$6,414,300. In addition, 563,467 preferred shares were sold in consideration of converted principal and interest owing under Series I Secured notes, and 82,323 preferred shares were issued as in-kind dividends payable on account of the preferred stock. In connection with the sales of preferred stock, the Company issued three-year warrants for the purchase of up to 694,034 shares of common stock at the per-share price of \$6.25. The preferred stock and warrants were offered and sold solely to accredited investors in a private placement under Section 4(a)(2) of the Securities Act of 1933, and Regulation D/Rule 506 thereunder. Arque Capital Ltd. was the managing broker-dealer for the offering of the preferred stock and received customary sales commissions aggregating \$1,051,000.

In 2013, the Company's wholly owned subsidiary, GWG Life, sold \$196,484 in principal amount of Series I Secured notes in consideration of reinvested interest payable on account of earlier issued notes. The Company is a guarantor of GWG Life's obligations under the Series I Secured notes. The notes were offered and sold solely to accredited investors in a private placement under Section 4(a)(2) of the Securities Act of 1933, and Regulation D/Rule 506 thereunder. Arque Capital Ltd. was the managing broker-dealer for the offering of the notes.

In 2013, the Company issued 82,606 shares of Series A Preferred Stock as in-kind dividends payable on account of the preferred stock. The preferred stock was sold solely to accredited investors in a private placement under Section 4(a)(2) of the Securities Act of 1933, and Regulation D/Rule 506 thereunder.

In 2014, the Company issued 110,584 shares of Series A Preferred Stock as in-kind dividends payable on account of the preferred stock. The preferred stock was sold solely to accredited investors in a private placement under Section 4(a)(2) of the Securities Act of 1933, and Regulation D/Rule 506 thereunder.

In 2014, the Company issued 60,000 shares of common stock to Brewer Consulting Group in exchange for certain advisory services including financial consulting and marketing support to be provided to the Company by Brewer Consulting Group. The common stock was sold to Brewer Consulting Group, as accredited investor, in a private placement under Section 4(a)(2) of the Securities Act of 1933, and Regulation D/Rule 506 thereunder.

II-2

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits. The exhibits listed below are filed as a part of this registration statement.

Exhibit	Description
1.1	Agreement with Dealer Manager(20)
3.1	Certificate of Incorporation(1)
3.2	Bylaws(1)
3.3	Certificate of Amendment to Certificate of Incorporation(3)
3.4	Certificate of Designations for Series A Convertible Preferred Stock(3)
3.5	Certificate of Amendment to Certificate of Incorporation(8)
3.5	Amendment No. 1 to Bylaws(9)
3.6	Amendment No. 2 to Bylaws(10)
3.7	Certificate of Designation for Redeemable Preferred Stock(18)
3.8	Certificate of Amendment to Certificate of Designation for Redeemable Preferred Stock(18)
4.1	Indenture with Bank of Utah, dated October 19, 2011(5)
4.2	Pledge and Security Agreement by and among GWG Holdings, Inc., GWG Life, LLC, Jon R. Sabes, Steven F. Sabes, and Bank of Utah, dated October 19, 2011(5)
4.3	Intercreditor Agreement by and among Bank of Utah, and Lord Securities Corporation, dated October 19, 2011(5)
4.4	Amendment No. 1 to Indenture with Bank of Utah, dated December 15, 2011(6)
4.5	Amendment No. 1 to Pledge and Security Agreement, dated December 15, 2011(6)
4.6	Amendment No. 2 to Indenture with Bank of Utah, dated January 9, 2015(12)
4.7	Amendment No. 1 to Intercreditor Agreement, dated January 9, 2015(13)
4.8	Amendment No. 2 to Pledge and Security Agreement, dated January 9, 2015(13)
4.9	Amendment No. 3 to Indenture with Bank of Utah, dated June 12, 2015(14)
4.10	Amendment No. 2 to Intercreditor Agreement, dated June 12, 2015(14)
4.11	Amendment No. 3 to Pledge and Security Agreement, dated June 12, 2015(14)
4.12	Form of Subscription Agreement for Redeemable Preferred Stock(20)
5.1	Opinion of Maslon(20)
10.1	Second Amended and Restated Credit and Security Agreement with DZ Bank AG Deutsche Zentral-Genossenschaftsbank (as agent), and Autobahn Company LLC (as lender), dated effective May 11, 2015(11)
10.2	Amended and Restated Performance Guaranty of GWG Holdings, LLC dated as of May 11, 2015, delivered in favor of DZ Bank AG Deutsche Zentral-Genossenschaftsbank (as agent) and Autobahn Company LLC (as lender)(11)
10.3	Pledge Agreement dated November 15, 2010, among Jon R. Sabes, Steven F. Sabes, Opportunity Finance, LLC, SFS Trust 1976, SFS Trust 1992 Esther, SFS Trust 1982, Mokeson, LLC (collectively as pledgors), and Lord Securities Corporation (as trustee and pledgee)(3)
10.4	Third Amended and Restated Note Issuance and Security Agreement dated November 1, 2011, with Lord Securities Corporation (as trustee), GWG LifeNotes Trust (as secured party), and noteholders(2)
10.5	Amendment to Third Amended and Restated Note Issuance and Security Agreement, dated as of November 18, 2013, with Lord Securities Corporation (as trustee for the GWG LifeNotes Trust)(9)
10.6	Employment Agreement with Jon R. Sabes, dated June 14, 2011(4)
10.7	Employment Agreement with Steven F. Sabes, dated June 14, 2011(4)
10.8	Employment Agreement with Paul A. Siegert, dated June 14, 2011(4)
10.9	Employment Agreement with William B. Acheson, dated May 30, 2014(15)
10.10	Employment Agreement with Michael D. Freedman, dated September 22, 2014(16)
10.11	Stock Option Agreement with Michael D. Freedman, dated September 22, 2014(16)
10.12	2013 Stock Incentive Plan(17)
10.13	Form of Stock Option Agreement used with 2013 Stock Incentive Plan(15)

21.1 List of Subsidiaries(18)
II-3

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Exhibit	Description
23.1	Consent of Baker Tilly Virchow Krause, LLP (filed herewith)
23.2	Consent of Maslon LLP (contained within Exhibit 5.1 above)
99.1	Letter from Model Actuarial Pricing Systems, dated February 1, 2016(18)

- (1) Incorporated by reference to Form S-1 Registration Statement filed on June 14, 2011 (File No. 333-174887).
- (2) Incorporated by reference to Post-Effective Amendment No. 8 to Form S-1/A filed on November 12, 2013 (File No. 333-174887).
- (3) Incorporated by reference to Form S-1/A Registration Statement filed on August 23, 2011 (File No. 333-174887).
- (4) Incorporated by reference to Form S-1/A Registration Statement filed on September 20, 2011 (File No. 333-174887).
- (5) Incorporated by reference to Form S-1/A Registration Statement filed on October 20, 2011 (File No. 333-174887).
- (6) Incorporated by reference to Post-Effective Amendment No. 1 to Form S-1/A filed on April 30, 2012 (File No. 333-174887).
- (7) Incorporated by reference to Current Report on Form 8-K filed on February 1, 2013.
- (8) Incorporated by reference to Quarterly Report on Form 10-Q filed on August 8, 2014.
- (9) Incorporated by reference to Quarterly Report on Form 10-Q filed on November 13, 2014.
- (10) Incorporated by reference to Current Report on Form 8-K filed on June 2, 2015.
- (11) Incorporated by reference to Post-Effective Amendment No. 3 to Form S-1/A filed on May 15, 2015 (File No. 333-197227).
- (12) Incorporated by reference to Form S-1/A Registration Statement filed on November 4, 2014 (File No. 333-197227).
- (13) Incorporated by reference to Form S-1/A Registration Statement filed on January 7, 2015 (File No. 333-197227).
- (14) Incorporated by reference to Form S-1/A Registration Statement filed on June 12, 2015 (File No. 333-197227).
- (15) Incorporated by reference to Form S-1/A Registration Statement filed on June 6, 2014 (File No. 333-195505).
- (16) Incorporated by reference to Form S-1/A Registration Statement filed on December 18, 2014 (File No. 333-197227).
- (17) Incorporated by reference to the registrant's Definitive Proxy Statement filed on April 30, 2015.
- (18) Incorporated by reference to the registrant's Annual Report on Form 10-K filed on March 22, 2016.

(19) Incorporated by reference to the registrant's Preliminary Proxy Statement filed on March 23, 2016.

(20) Incorporated by reference to the registrant's Form S-1/A Registration Statement filed on October 23, 2015 (File No. 333-206626).

ITEM 17. UNDERTAKINGS

Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Securities Act") may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes:

(a)(2) That, for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) [intentionally omitted]

(5) For the purpose of determining any liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(6) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities: The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

II-5

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Minneapolis, State of Minnesota, on April 8, 2016.

GWG HOLDINGS, INC.

By: /s/ Jon R. Sabes
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed, as of April 8, 2016, by the following persons in the capacities indicated below.

Name	Title
/s/ Jon R. Sabes Jon R. Sabes	Director, Chief Executive Officer (Principal Executive Officer)
/s/ Paul A. Siegert* Paul A. Siegert	Director, Executive Chairman
/s/ William Acheson William Acheson	Chief Financial Officer (Principal Financial and Accounting Officer)
/s/ Steven F. Sabes* Steven F. Sabes	Director, Executive Vice President and Secretary
/s/ David H. Abramson* David H. Abramson	Director
/s/ Charles H. Maguire III* Charles H. Maguire III	Director
/s/ Jeffrey L. McGregor* Jeffrey L. McGregor	Director
/s/ Shawn R. Gensch* Shawn R. Gensch	Director

* By Jon R. Sabes, Attorney-in-fact,
April 8, 2016

II-6