VALIDUS HOLDINGS LTD
Form 8-K
July 28, 2015

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 28, 2015

Commission file number 001-33606

VALIDUS HOLDINGS, LTD.
(Exact name of registrant as specified in its charter)

BERMUDA (State or other jurisdiction of incorporation or organization)	98-0501001 (I.R.S. Employer Identification No.)

29 Richmond Road, Pembroke, Bermuda HM 08
(Address of principal executive offices)

Registrant's telephone number, including area code: (441) 278-9000
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:

o Written communications pursuant to Rule 425 under the securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)) o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On July 28, 2015, Validus Holdings, Ltd. issued a press release reporting its earnings for the three and six months ended June 30, 2015 (the "Press Release"). A copy of the Press Release is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

The information in this Current Report on Form 8-K, including the information set forth in Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are filed herewith:

Exhibit No.	Description
99.1	Press Release dated July 28, 2015 announcing the earnings of Validus Holdings, Ltd. for the three and six months ended June 30, 2015.

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.

Date: July 28, 2015

VALIDUS HOLDINGS, LTD.
(Registrant)

By: /s/ Jeffrey D. Sangster

Name: Jeffrey D. Sangster
Title: Executive Vice President and Chief Financial Officer

agreement (the “Credit Agreement”) with Wells Fargo, as administrative agent, and the lenders that are party thereto. The Credit Agreement contains customary events of default, including, among others, payment defaults, covenant defaults, judgment defaults, bankruptcy and insolvency events, cross defaults to certain indebtedness, incorrect representations or warranties, and change of control. In some cases, the defaults are subject to customary notice and grace period provisions. In March 2014 and in connection with the Credit Agreement, we and our wholly-owned active subsidiaries entered into a Guaranty and Security Agreement with Wells Fargo Bank. Under the Guaranty and Security Agreement, we and each of our wholly-owned active subsidiaries have guaranteed all obligations under the Credit Agreement and granted a security interest in substantially all of our and our subsidiaries’ assets.

Second Amended and Restated Credit Agreement

In March 2018, we entered into a second amended and restated credit agreement (the “Second Restated Credit Agreement”) with Wells Fargo, and the lenders that are parties thereto, amending and restating the terms of the Amended and Restated Credit Agreement dated as of May 2017.

The Second Restated Credit Agreement provides for a total of $175,000 in available financing consisting of (a) $105,000 in the aggregate principal amount of term loans, an increase of approximately $36,750; (b) a $5,000 line of credit, (c) a $25,000 delayed draw term loan commitment for the financing of permitted acquisitions, which is a new financing option for us; and (d) a $40,000 accordion, an increase of $30,000. The accordion allows us to increase the amount of financing we receive from our lenders at our option. Financing under the delayed draw term loan commitment and accordion are subject to certain conditions as described in the Second Restated Credit Agreement.

The Second Restated Credit Agreement amends the applicable margin rates for determining the interest rate payable on the loans as follows:

Leverage Ratio	First Out Revolver Base Rate Margin	First Out Revolver LIBOR Rate Margin	First Out TL Base Rate Margin	First Out TL LIBOR Rate Margin	Last Out Base Rate Margin	Last Out LIBOR Rate Margin
≤ 3.25:1	4.25 percentage points	5.25 percentage points	1.75 percentage points	2.75 percentage points	6.75 percentage points	7.75 percentage points
> 3.25:1	4.75 percentage points	5.75 percentage points	2.25 percentage points	3.25 percentage points	7.25 percentage points	8.25 percentage points

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The outstanding principal amount of the term loans is payable as follows:

- $263 beginning on June 30, 2018 and the last day of each fiscal quarter thereafter up to March 31, 2020, plus an additional amount equal to 0.25% of the principal amount of all delayed draw term loans;
- $656 beginning on June 30, 2020 and the last day of each fiscal quarter thereafter up to March 31, 2021, plus an additional amount equal to 0.625% of the principal amount of all delayed draw term loans; and
- $1,313 beginning on June 30, 2021 and the last day of each fiscal quarter thereafter, plus an additional amount equal to 1.25% of the principal amount of all delayed draw term loans.

The outstanding principal balance and all accrued and unpaid interest on the term and revolving loans is due on May 25, 2022.

The Second Restated Credit Agreement also:

- amends our leverage ratio covenant to increase the maximum ratio to 6.50:1 at March 31, 2018 and June 30, 2018, 6.00:1 at September 30, 2018 and December 31, 2018 and then stepping down each quarter-end thereafter;
- amends our fixed charge coverage ratio to be not less than 1.25:1 at March 31, 2018 and each quarter-end thereafter; and
- removes the TTM recurring revenue covenant.

As of December 31, 2018 and December 31, 2017, $0 was outstanding and $5,000 was available for borrowing under the revolver.

As of December 31, 2018, we were in compliance with all covenants and all payments remain current. We expect to be in compliance or be able to obtain compliance through debt repayments with available cash on hand or cash we expect to generate from the ordinary course of operations over the next twelve months.

In January 2019, we entered into a Consent and Amendment No. 2 to the Second Restated Credit Agreement with Wells Fargo Bank, National Association and Goldman Sachs Specialty Lending Holdings, Inc., amending and restating the terms of the Second Restated Credit. See Note 14- *Subsequent Events.*

NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment and related depreciable useful lives as of December 31, 2018 and 2017 are composed of the following:

	2018	**2017**
Software: 3-5 years	$8,213	$7,436
Furniture and equipment: 2-5 years	8,791	7,918
Internal support equipment: 2-4 years	696	696
Capital leases: lease term or life of the asset	178	178
Leasehold improvements: shorter of the lease term or life of the improvement	3,282	3,813
Software development costs	5,959	2,062
	27,119	**22,103**
Less accumulated depreciation and amortization	(18,171)	(16,886)
	$8,948	**$5,217**

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We record the amortization of our capital leases as depreciation expense on our Consolidated Statements of Comprehensive Loss. Depreciation and amortization expenses relating to property and equipment were approximately $2,616 and $1,128 for 2018 and 2017, respectively.

As part of the acquisitions of Mangrove and iSystems in 2016 and 2017, we acquired software development costs. We continue to invest in software development. We are developing products which we intend to offer utilizing software as-a-service ("SaaS").We follow the guidance of ASC 350-40, *Intangibles- Goodwill and Other- Internal Use Software*, for development costs related to these new products. Costs incurred in the planning stage are expensed as incurred while costs incurred in the application and infrastructure stage are capitalized, assuming such costs are deemed to be recoverable. Costs incurred in the operating stage are generally expensed as incurred except for significant upgrades and enhancements. Capitalized software costs are amortized over the software's estimated useful life, which management has determined to be three years. During the year ended December 31, 2018 and 2017, we capitalized $3,897 and $2,062 of software development costs, respectively.

NOTE 8 - STOCKHOLDERS' EQUITY

SHELF REGISTRATION

In February 2017, we filed a shelf registration statement on Form S-3 with the SEC to sell, from time to time, in one or more offerings, up to $75,000 of our common stock, preferred stock, warrants, debt securities, subscription rights, and units. In April 2017 the shelf registration statement was declared effective by the SEC. Under this shelf registration statement, we completed an underwritten public offering in June 2017. In connection with the public offering, we issued 2,185,000 shares of common stock, including 285,000 shares of common stock pursuant to the exercise of the underwriters' over-allotment option, at the public offering price of $13.50 per share. Net proceeds from the issuance of common stock was $27,800.

In April 2018, we filed a universal shelf registration statement on Form S-3 with the Securities and Exchange Commission ("SEC") to provide access to additional capital, if needed. Pursuant to the shelf registration statement, we may from time to time offer to sell in one or more offerings shares of our common stock or other securities having an aggregate value of up to $175,000 (which includes approximately $60,000 of unsold securities that were previously registered on our currently effective registration statements). The shelf registration statement relating to these securities became effective on April 16, 2018. As of December 31, 2018, there is $133,438 remaining available under the shelf registration statement.

In June 2018, we completed an underwritten public offering in which we sold an aggregate of 2,375,000 shares of our common stock at a public offering price of $17.50 per share. We realized net proceeds of approximately $38,900 after deducting underwriting discounts and estimated offering expenses.

SHARE REPURCHASE PROGRAM

Pursuant to our stock repurchase plan, we may repurchase up to 450,000 shares of our common stock. We have repurchased a total of 384,000 shares for approximately $5,000 over the life of the plan. Management will periodically assess repurchasing additional shares, depending on our cash position, market conditions, financial covenants and other factors. While the program remains in place, we did not repurchase any shares during 2018 or 2017.

STOCK AND STOCK OPTION PLANS

We have one active equity plan, the 2018 Incentive Award Plan (the “2018 Plan”). The 2018 Plan, approved by our shareholders, is intended to replace our 2009 Equity Incentive Plan, as amended (the “2009 Plan”), however, the terms and conditions of the 2009 Plan will continue to govern any outstanding awards granted thereunder.

Employees and consultants of the Company, its subsidiaries and affiliates, as well as members of our board, are eligible to receive awards under the 2018 Plan. The 2018 Plan provides for the grant of stock options, including incentive stock options (“ISOs”)and nonqualified stock options (“NQSOs”), stock appreciation rights (“SARs”), restricted stock, restricted stock units, performance bonus awards, performance stock units awards, other stock or cash-based awards and dividend equivalents to eligible individuals. We generally grant stock options with exercise prices equal to the fair market value at the time of grant. The options generally vest over three to four years and are exercisable for a period of five to ten years beginning with the date of grant.

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The number of shares available for issuance under 2018 Plan is equal to the sum of (i) 750,000 shares, (ii) any shares subject to issued and outstanding awards under the 2009 Plan as of the effective date of the 2018 Plan that expire, are cancelled or otherwise terminate following the effective date of the 2018 Plan. We have 1,639,000 options granted and outstanding pursuant to the 2018 Plan as of December 31, 2018.

We use the Black-Scholes option valuation model to value employee stock awards. We estimate stock price volatility based upon our historical volatility. Estimated option life and forfeiture rate assumptions are derived from historical data. For stock-based compensation awards with graded vesting, we recognize compensation expense using the straight-line amortization method.

Total compensation expense recognized in the Consolidated Statements of Comprehensive Loss for stock based awards was $1,687 and $593 for 2018 and 2017, respectively.

The following table summarizes the assumptions used to develop their fair value for the year ending December 31, 2018 and 2017:

	2018	**2017**
Risk-free interest rate	2.81%	1.60%
Expected volatility	.45	.41
Expected life in years	4.00	3.69
Dividend yield	-	-

As of December 31, 2018, we reserved shares of common stock for future issuance as follows:

Options outstanding	1,639,000
Options available for future grant	108,000
Shares reserved	1,747,000

The following table summarizes activity under all Plans during the year ended December 31, 2018 and 2017.

	2018		2017	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at the beginning of the year	1,014,000	$ 9.22	614,000	$ 6.47
Granted	803,000	11.48	575,000	11.30
Exercised	(30,000)	6.43	(80,000)	5.55
Canceled	(148,000)	13.21	(95,000)	7.16
Outstanding at the end of the year	1,639,000	$ 10.02	1,014,000	$ 9.22
Options exercisable at the end of the year	585,000	$ 8.59	247,000	$ 6.34
Weighted average fair value of options granted during the year	$7.80		$3.63	

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The following table summarizes the outstanding and exercisable options and their exercise prices as of December 31, 2018:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number Outstanding	Weighted-Average Remaining Contractual Life (Years)	Weighted-Average Exercise Price	Number Exercisable and Vested	Weighted-Average Exercise Price
$1.68 –8.81	529,000	1.95	$ 4.58	303,000	$ 6.18
8.82 – 13.39	595,000	3.31	10.88	223,000	10.36
13.40–16.27	515,000	3.95	14.62	59,000	14.27
$1.68–16.27	**1,639,000**	**2.67**	**$ 10.02**	**585,000**	**$ 8.59**

The aggregate intrinsic value of options outstanding and options exercisable is $748 and $11, respectively, at December 31, 2018.

NOTE 9 - EMPLOYEE BENEFIT PLANS

401(K) SAVINGS PLAN

We sponsor a defined contribution 401(k) plan that is available to substantially all employees. Our Board of Directors may amend or terminate the plan at any time. We provided matching contributions to the plan of $490 and $369 in 2018 and 2017, respectively.

EMPLOYEE STOCK PURCHASE PLAN

Our Employee Stock Purchase Plan (“Purchase Plan”) was approved by the shareholders in June 2017. The Purchase Plan allows all eligible employees to purchase a limited number of shares of our common stock during pre-specified offering periods at a discount established by the Board of Directors, not to exceed 15% of the fair market value of the common stock, at the beginning or end of the offering period (whichever is lower). Under the ESPP, 225,000 shares were reserved for issuance. During the year ended December 31, 2018, 14,415 shares of common stock were issued at $11.88 per share and 55,631 shares of common stock were issued at $5.27 per share. During the year ended December 31, 2017, 17,568 shares of common stock were issued at $7.65 per share.

NOTE 10 - CONTRACTS WITH CUSTOMERS AND REVENUE CONCENTRATION

Receivables

Receivables from contracts with customers, net of allowance for doubtful accounts of $1,467, were $14,291 at December 31, 2018. Receivables from contracts with customers, net of allowance for doubtful accounts of $425, were $12,032 at December 31, 2017.

Deferred Commissions

Deferred commissions costs from contracts with customers were $3,675 and $636 at December 31, 2018 and December 31, 2017, respectively. The amount of amortization recognized during the December 31, 2018 and 2017 period was $1,079 and $2,210, respectively.

Deferred Revenue

Revenue of $12,206 was recognized during the year ended December 31, 2018 that was included in the deferred revenue balance at the beginning of the period.

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Transaction Price Allocated to the Remaining Performance Obligations

As of December 31, 2018, approximately $52,475 of revenue is expected to be recognized from remaining performance obligations. We expect to recognize revenue on approximately 56% of these remaining performance obligations over the next 12 months, with the balance recognized thereafter.

Revenue Concentration

During 2018 and 2017, there were no customers who individually represented 10% or more of consolidated revenue.

NOTE 11 - NET LOSS PER SHARE

The following table sets forth the computation of basic and diluted net loss per common share for the years ending December 2018 and 2017.

	2018	**2017**
Net Loss	$(7,548)	$(5,722)
Weighted-average shares of common stock outstanding	14,010,000	10,891,000
Basic and diluted net loss per share	$(0.54)	$(0.53)

We have excluded stock options to acquire 1,639,000 and 1,014,000 shares for 2018 and 2017, respectively, from the computation of the dilutive stock options because the effect of including the stock options would have been anti-dilutive.

NOTE 12 - INCOME TAXES

The Tax Act was enacted in December 2017. The Tax Act significantly changes U.S. tax law by, among other things, lowering U.S. corporate income tax rates, implementing a modified territorial tax system and imposing a one-time transition tax on deemed repatriated earnings of foreign subsidiaries. The Tax Act reduces the U.S. corporate income tax rate from 35% to 21%, effective January 1, 2018.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. As a result of the reduction in the U.S. corporate income tax rate from 35% to 21% under the Tax Act, we revalued our ending net deferred tax liabilities at December 31, 2017 and recognized a deferred tax benefit of $545.

While the Tax Act provides for a modified territorial tax system, beginning in 2018, Global Intangible Low-Taxed Income (“GILTI”) provisions will be applied providing an incremental tax on low taxed foreign income. The GILTI provisions require us to include in our U.S. income tax return foreign subsidiary earnings in excess of an allowable return on the foreign subsidiary’s tangible assets. Under U.S. GAAP, we are required to make an accounting policy election to either (1) treat taxes due related to GILTI as a current-period expense when incurred (the “period cost method”) or (2) factor such amounts into our measurement of our deferred taxes (the “deferred method”). The Company has selected the "period cost method" as its accounting policy with respect to the new GILTI tax rules.

The components of pre-tax loss for the years ended December 31, 2018 and 2017 are as follows:

	2018	**2017**
Domestic	$(14,550)	$(5,519)
Foreign	(227)	(107)
Total	$(14,777)	$(5,626)

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The components of the provision (benefit) for income taxes attributable to continuing operations for the years ended December 31, 2018 and 2017 are as follows:

	2018	2017
Current:		
Federal	$-	$6
State	37	50
Foreign	116	(213)
Total current	153	(157)
Deferred:		
Federal	(5,747)	85
State	(1,554)	168
Foreign	(81)	-
Total deferred	(7,382)	253
	$(7,229)	$96

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of our deferred taxes at December 31, 2018 and 2017 are as follows:

	2018	2017
Deferred tax assets:		
Net operating losses	$24,330	$28,349
Research and development credit carryforwards	5,147	4,659
Minimum tax credit carryforwards	123	123
Disallowed interest expense carryforwards	1,909	-
Stock compensation	107	11
Deferred revenue	276	299
Fixed assets	14	-
Accrued expenses	594	318
Other	526	260
	33,026	34,019
Valuation allowance	(19,517)	(28,849)

Net deferred tax assets	13,509	5,170
Deferred tax liabilities:		
Acquired intangibles	(11,216)	(5,180)
Fixed assets	-	(309)
Capitalized software	(1,268)	-
Deferred commission	(856)	-
Goodwill	(1,735)	(751)
	(15,075)	(6,240)
Net current deferred tax assets (liabilities)	$(1,566)	$(1,070)

At December 31, 2018, we had federal net operating loss carryforwards of approximately $110,136, research and development credit carryforwards of approximately $6,257 and alternative minimum tax credit carryforwards of approximately $123. The net operating loss and research and development credit carryforwards will expire in varying amounts from 2019 through 2038, if not utilized. Federal net operating losses generated in 2018 and after are carried forward indefinitely.

ASURE SOFTWARE, INC.

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As a result of various acquisitions by us in prior years, we may be subject to a substantial annual limitation in the utilization of the net operating losses and credit carryforwards due to the "change in ownership" provisions of the Internal Revenue Code of 1986. The annual limitation may result in the expiration of net operating losses before utilization.

Due to the uncertainty surrounding the timing of realizing the benefits of its favorable tax attributes in future tax returns, we have placed a valuation allowance against our net deferred tax assets, exclusive of goodwill. During the year ended December 31, 2018, the valuation allowance decreased by approximately $9,332 due primarily to the results of operations, acquisitions and the impact of changes in law.

We consider undistributed earnings of our foreign subsidiaries as permanently reinvested and, accordingly, we have made no provision for U.S. federal or state income taxes thereon, other than the earnings required to be recognized under IRC Section 956 or Section 965.

Our provision for income taxes attributable to continuing operations for the years ending December 31, 2018 and 2017 differ from the expected tax expense (benefit) amount computed by applying the statutory federal income tax rate of 21% to income before income taxes as a result of the following:

	2018	**2017**
Computed at statutory rate	$(3,103)	$(1,913)
State taxes, net of federal benefit	(482)	(6)
Permanent items and other	392	21
Credit carryforwards	(478)	(181)
Foreign income taxed at different rates	(4)	(198)
Effect of Tax Act	-	14,058
Change in tax carryforwards not benefitted	5,778	2,983
Change in valuation allowance	(9,332)	(14,668)
	$(7,229)	$96

Under ASC 740-10, *Income Taxes*, we periodically review the uncertainties and judgments related to the application of complex income tax regulations to determine income tax liabilities in several jurisdictions. We use a “more likely than not” criterion for recognizing an asset for unrecognized income tax benefits or a liability for uncertain tax positions. We have determined we have the following unrecognized assets or liabilities related to uncertain tax positions as of December 31, 2018. We do not anticipate any significant changes in such uncertainties and judgments during the next twelve months. To the extent we are required to recognize interest and penalties related to unrecognized tax liabilities, this amount will be recorded as an accrued liability. The reconciliation of our unrecognized tax benefits is as follows:

Balance at December 31, 2016	$1,219
Additions based on tax positions related to the current year	99
Additions for tax positions of prior years	11
Reductions for tax positions of prior years	(155)
Balance at December 31, 2017	$1,174
Additions based on tax positions related to the current year	246
Additions for tax positions of prior years	15
Reductions for tax positions of prior years	-
Balance at December 31, 2018	$1,435

As of December 31, 2018, we had $1,435 of unrecognized tax benefits, which would affect the effective tax rate if recognized. Our assessment of our unrecognized tax benefits is subject to change as a function of our financial statement audit.

Our practice is to recognize interest and/or penalties related to income tax matters in income tax expense. During the twelve months ended December 31, 2018, we recognized $0 of interest and penalties in our income tax expense.

We file tax returns in the U.S. federal jurisdiction and in several state and foreign jurisdictions. We are no longer subject to U.S. federal income tax examinations for years ending before December 31, 2015 and are no longer subject to state and local or foreign income tax examinations by tax authorities for years ending before December 31, 2014. We are not currently under audit for federal, state or any foreign jurisdictions.

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NOTE 13 - LEASE COMMITMENTS

Our future minimum lease payments under all operating and capital leases as of December 31, 2018 are as follows:

Year Ending	Operating Lease Obligations	Capital Lease Obligations
2019	$ 2,693	$ 102
2020	2,172	-
2021	1,962	-
2022	1,417	-
2023	711	-
Thereafter	2,977	-
	$ 11,932	$ 102
Less: Sublease income	(223)	-
Total	**$ 11,709**	**$ 102**
Less current portion of obligations		(102)
Long-term portion of obligations		$ -

Total rent expense under all operating leases for 2018 and 2017 were $2,881 and $1,552, respectively. At December 31, 2018 and 2017, 29.3% and 29.7%, respectively, of our total operating lease obligation relates to our office facility in Vermont where iSystems is based.

NOTE 14 - SUBSEQUENT EVENTS

The Company evaluated subsequent events through the date of the filing of this Annual Report on Form 10-K with the SEC, to ensure that this filing includes appropriate disclosure of events both recognized in the financial statements as of December 31, 2018, and events which occurred subsequent to December 31, 2018 but were not recognized in the financial statements. The Company has determined that there were no subsequent events which required recognition, adjustment to or disclosure in the financial statements except as below and except as discussed in Note 13 above and as follows:.

In January 2019, we entered into a Consent and Amendment No. 2 to the Second Restated Credit Agreement (the "Consent and Amendment No. 2"), with Wells Fargo Bank, National Association and Goldman Sachs Specialty Lending Holdings, Inc., amending and restating the terms of the Second Restated Credit Agreement. Under the terms and conditions of the Consent and Amendment No. 2, the agent and required lenders have consented to our acquisition of Payroll Maxx LLC as a "permitted acquisition" and we borrowed a delayed draw term loan in the aggregate amount of $8,000. The Consent and Amendment No. 2 also amends, among other things, our leverage ratio covenant to increase the maximum ratio to 6.00:1 at March 31, 2019, June 30, 2019 and September 30, 2019 and then stepping down each quarter-end thereafter through December 31, 2020, which is a change from 5.85:1 at March 31, 2019, 5.30:1 at June 30, 2019 and 5.10:1 at September 30, 2019 prior to this amendment.

In January 2019, we also issued 122,850 unregistered shares of our common stock to the equity holders of Payroll Maxx LLC, a Colorado limited liability company, as part of the purchase price consideration paid in connection with the acquisition of all of the equity interests of Payroll Maxx LLC. The shares were valued at $8.14 per share, or an aggregate of $1,000, based on a volume weighted average of the closing prices of our common stock during a 60-day period.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

ASURE SOFTWARE, INC.

March 19, 2019	By	/s/ PATRICK GOEPEL Patrick Goepel Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Signature	Title	Date
/s/ PATRICK GOEPEL Patrick Goepel	Chief Executive Officer (Principal Executive Officer) and Director	March 19, 2019
/s/ KELYN BRANNON Kelyn Brannnon	Chief Financial Officer (Principal Financial and Accounting Officer)	March 19, 2019
/s/ DAVID SANDBERG David Sandberg	Chairman of the Board	March 19, 2019
/s/ DANIEL GILL Daniel Gill	Director	March 19, 2019
/s/ BRADFORD OBERWAGER Bradford Oberwager	Director	March 19, 2019
/s/ ADRIAN PERTIERRA Adrian Pertierra	Director	March 19, 2019
/s/ J. RANDALL WATERFIELD J. Randall Waterfield	Director	March 19, 2019

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