

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): February 4, 2019

INPIXON

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction
of incorporation)

001-36404

(Commission File Number)

88-0434915

(I.R.S. Employer
Identification No.)

2479 E. Bayshore Road, Suite 195
Palo Alto, CA

(Address of principal executive offices)

94303

(Zip Code)

Registrant's telephone number, including area code: (408) 702-2167

N/A

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

Check the appropriate box below if the Form 8-K 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

Amendment to Note Purchase Agreements

On February 8, 2019, Inpixon (the “Company”) entered into a global amendment (the “Global Amendment”) to (i) that certain Note Purchase Agreement, dated as of October 12, 2018 (“Purchase Agreement #1”), under which the Company issued to the Note Holder (as defined below) an unsecured promissory note in an aggregate principal amount of \$2,520,000.00 due on or before the date that is twelve months from the issuance date, and (ii) that certain Note Purchase Agreement, dated as of December 21, 2018 (“Purchase Agreement #2,” and together with Purchase Agreement #1, the “Purchase Agreements”), under which the Company issued to the Note Holder an unsecured promissory note in an aggregate principal amount of \$1,895,000.00 due on or before the date that is ten months from the issuance date, both between the Company and an institutional investor (the “Note Holder”).

Pursuant to the terms of the Global Amendment, the phrase “by cancellation or exchange of the Note, in whole or in part” was deleted from Section 8.1 of the Purchase Agreements. The Company also agreed to pay the Note Holder’s fees and other expenses in an aggregate amount of \$80,000.00 (the “Fee”) in connection with the preparation of the Global Amendment by adding \$40,000.00 of the Fee to the outstanding balance of each of the notes issued pursuant to the Purchase Agreements.

The description of the Global Amendment is qualified in its entirety by the full text of the Global Amendment, a copy of which is attached herewith as Exhibit 10.1, which is incorporated herein by reference.

Amendment to Sysorex Loan Documents

On February 4, 2019, the Company and Sysorex, Inc. (“Sysorex”) entered into a first amendment agreement (the “First Amendment Agreement”) to that certain Note Purchase Agreement, dated as of December 31, 2018, between the Company and Sysorex (the “NPA”), and that certain Secured Promissory Note issued to the Company by Sysorex on December 31, 2018 (the “Note,” together with the NPA, the “Sysorex Loan Documents”). Pursuant to the terms of the First Amendment Agreement, the Sysorex Loan Documents were amended to increase the maximum principal amount that may be outstanding at any time under the Note from \$3,000,000.00 to \$5,000,000.00.

The description of the First Amendment Agreement is qualified in its entirety by the full text of the First Amendment Agreement, a copy of which is filed herewith as Exhibit 10.2, which is incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 of this current report on Form 8-K, to the extent required by this Item 2.03, is incorporated herein by reference.

Item 8.01 Other Events.

As of February 8, 2019, the Company has issued and outstanding (i) 4,695,277 shares of common stock, (ii) 1 share of Series 4 Convertible Preferred Stock which is convertible into 202 shares of common stock, and (iii) 2,254 shares of Series 5 Convertible Preferred Stock which are convertible into approximately 676,877 shares of common stock (subject to rounding for fractional shares).

On January 24, 2019, the American Arbitration Association issued an award in the total amount of \$1,156,840.25 plus accrued and unpaid interest at the rate of \$194.66 per day beginning as of April 18, 2018 through the date of payment (the “Award”) in favor of Atlas Technology Group, LLC (“Atlas”) following the arbitration proceedings arising out of an engagement agreement, dated September 8, 2016, by and between Atlas and the Company (including its subsidiaries) (the “Engagement Agreement”). Pursuant to that certain Arbitration Award Reduction and Payment Agreement, dated January 17, 2019, by and among the Company, Sysorex and Atlas, Atlas agreed to (a) reduce the Award by \$275,000 resulting in a “Net Award” and (b) accept, at the Company’s option, a number of freely tradeable shares of common stock of the Company in satisfaction of the Award equal to 120% of the Net Award divided by the “minimum price” as defined under Nasdaq Listing Rule 5635(d).

In connection with Sysorex's spin-off from the Company, the Company and Sysorex each agreed pursuant to the terms and conditions of that certain Separation and Distribution Agreement, dated August 7, 2018, as amended, that each party following the spin-off would share the costs and liabilities related to the arbitration action arising from the Engagement Agreement. As a result, Sysorex is obligated to indemnify the Company for half of the total amount paid by the Company to satisfy the Award.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	<u>Global Amendment, dated February 8, 2019.</u>
10.2	<u>First Amendment Agreement, dated as of February 4, 2019, between Inpixon and Sysorex, Inc.</u>

EXHIBIT INDEX

Exhibit No.	Description
10.1	Global Amendment, dated February 8, 2019. (1)
10.2	First Amendment Agreement, dated as of February 4, 2019, between Inpixon and Sysorex, Inc. (1)

(1) Filed herewith.

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 hereunto duly authorized.

INPIXON

Date: February 8, 2019

By: /s/ Nadir Ali
Name: Nadir Ali
Title: Chief Executive Officer

GLOBAL AMENDMENT

This Global Amendment (this “**Amendment**”) is entered into as of February 8, 2019 by and between Iliad Research and Trading, L.P., a Utah limited partnership (“**Investor**”), and Inpixon, a Nevada corporation (“**Company**”). Capitalized terms used in this Amendment without definition shall have the meanings given to them in the Purchase Agreements (as defined below).

A. Company and Investor are parties to that certain Note Purchase Agreement dated October 12, 2018 (“**Purchase Agreement #1**”) and that certain Note Purchase Agreement dated December 21, 2018 (“**Purchase Agreement #2**,” and together with Purchase Agreement #1, the “**Purchase Agreements**”).

B. Investor and Company have agreed, subject to the terms, amendments, conditions and understandings expressed in this Amendment, to amend the Purchase Agreements as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals. Each of the parties hereto acknowledges and agrees that the recitals set forth above in this Amendment are true and accurate and are hereby incorporated into and made a part of this Amendment.

2. Amendment to Section 8.1 of the Purchase Agreements. The first sentence of Section 8.1 of each of the Purchase Agreements is hereby amended by deleting the phrase “by cancellation or exchange of the Note, in whole or in part” (the “**Deletion**”). The remaining terms and conditions of the Purchase Agreements and the other Transaction Documents shall remain in full force and effect.

3. Investor Fees and Expenses. Company agrees to pay Investor’s fees and other expenses in an aggregate amount of \$80,000 (the “**Fee**”) in connection with the preparation of this Amendment and for providing the other accommodations set forth herein. Company agrees that, as of the date hereof, \$40,000.00 of the Fee shall be added to each of: (i) the Outstanding Balance of the Note (as defined in Purchase Agreement #1) issued pursuant to Purchase Agreement #1; and (ii) the Outstanding Balance of the Note (as defined in Purchase Agreement #2) issued pursuant to Purchase Agreement #2. Investor and Company further agree that such fees are deemed to be fully earned as of the date hereof and are nonrefundable under any circumstance.

4. Representations and Warranties. In order to induce Investor to enter into this Amendment, Company, for itself, and for its affiliates, successors and assigns, hereby acknowledges, represents, warrants and agrees as follows:

(a) Company has full power and authority to enter into this Amendment and to incur and perform all obligations and covenants contained herein, all of which have been duly authorized by all proper and necessary action. No consent, approval, filing or registration with or notice to any governmental authority is required as a condition to the validity of this Amendment or the performance of any of the obligations of Company hereunder.

(b) There is no fact known to Company or which should be known to Company which Company has not disclosed to Investor on or prior to the date of this Amendment which would or could materially and adversely affect the understanding of Investor expressed in this Amendment or any representation, warranty, or recital contained in this Amendment.

(c) Except as expressly set forth in this Amendment, Company acknowledges and agrees that neither the execution and delivery of this Amendment nor any of the terms, provisions, covenants, or agreements contained in this Amendment shall in any manner release, impair, lessen, modify, waive, or otherwise affect the liability and obligations of Company under the terms of the Purchase Agreements.

(d) Company is not aware of any defenses, affirmative or otherwise, rights of setoff, rights of recoupment, claims, counterclaims, actions or causes of action of any kind or nature whatsoever against Investor, directly or indirectly, arising out of, based upon, or in any manner connected with, the transactions contemplated hereby, which occurred, existed, was taken, permitted, or begun prior to the execution of this Amendment and occurred, existed, was taken, permitted or begun in accordance with, pursuant to, or by virtue of any of the terms or conditions of the Purchase Agreements. Company hereby acknowledges and agrees that the execution of this Amendment by Investor shall not constitute an acknowledgment of or admission by Investor of the existence of any claims or of liability for any matter or precedent upon which any claim or liability may be asserted.

(e) Company represents and warrants that as of the date hereof no Events of Default or other material breaches exist under the Purchase Agreements, the Notes or any of the other Transaction Documents, or have occurred prior to the date hereof.

5 . Other Terms Unchanged. The Purchase Agreements, as amended by this Amendment, and the other Transaction Documents remain and continue in full force and effect, constitute legal, valid, and binding obligations of each of the parties, and are in all respects agreed to, ratified, and confirmed. Any reference to any of the Purchase Agreements after the date of this Amendment is deemed to be a reference to such Purchase Agreement as amended by this Amendment. If there is a conflict between the terms of this Amendment and any Purchase Agreement, the terms of this Amendment shall control. No forbearance or waiver may be implied by this Amendment. Company acknowledges that it is unconditionally obligated to pay the remaining balance of each Note and represents that such obligation is not subject to any deductions, defenses, rights of offset, or counterclaims of any kind. Except as expressly set forth herein, the execution, delivery, and performance of this Amendment shall not operate as a waiver of, or as an amendment to, any right, power, or remedy of Investor under the Purchase Agreements, as in effect prior to the date hereof.

6 . No Reliance. Company acknowledges and agrees that neither Investor nor any of its officers, directors, members, managers, equity holders, representatives or agents has made any representations or warranties to Company or any of its agents, representatives, officers, directors, or employees except as expressly set forth in this Amendment and the Purchase Agreements and, in making its decision to enter into the transactions contemplated by this Amendment, Company is not relying on any representation, warranty, covenant or promise of Investor or its officers, directors, members, managers, equity holders, agents or representatives other than as set forth in this Amendment.

7 . Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument. The parties hereto confirm that any electronic copy of another party's executed counterpart of this Amendment (or such party's signature page thereof) will be deemed to be an executed original thereof.

8 . Further Assurances. Each party shall do and perform or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Amendment and the consummation of the transactions contemplated hereby.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date set forth above.

BORROWER:

INPIXON

By: /s/ Nadir Ali
Name: Nadir Ali
Title: Chief Executive Officer

LENDER:

ILIAD RESEARCH AND TRADING, L.P.

By: Iliad Management, LLC,
its General Partner

By: Fife Trading, Inc., its Manager

By: /s/ John M. Fife
John M. Fife, President

[Signature Page to Global Amendment]

FIRST AMENDMENT AGREEMENT

This FIRST AMENDMENT AGREEMENT (this "*First Amendment*") is made and entered into as of February 4, 2019 ("*Amendment Date*") by and between Sysorex, Inc., a Nevada corporation (the "*Company*"), and Inpixon, a Nevada corporation (the "*Purchaser*"). In this First Amendment, the Company and the Purchaser are sometimes referred to singularly as a "party" and collectively as the "parties". Capitalized terms not otherwise defined herein shall have the meanings set forth in the Note (as defined below) or the NPA (as defined below), as applicable.

WHEREAS, pursuant to that certain Note Purchase Agreement, dated as of December 31, 2018 (the "*NPA*"), by and between the Company and the Purchaser, the Company has issued and sold to the Purchaser a secured promissory note in a maximum principal amount up to an aggregate sum of \$3,000,000.00 dated as of December 31, 2018 (the "*Note*"); and

WHEREAS, subject to the terms and conditions herein, the parties desire to amend the NPA and the Note to increase the maximum principal amount that may be outstanding at any time from \$3,000,000.00 to \$5,000,000.00 in accordance with this First Amendment.

NOW, THEREFORE, in consideration of the mutual covenants of the parties as hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

1. Amendment to the NPA and the Note. The reference in paragraph 1 of the NPA to "Three Million Dollars (\$3,000,000)" is hereby deleted and replaced with "Five Million Dollars (\$5,000,000)". The reference to \$3,000,000.00 on the face of the Note is hereby deleted and replaced with \$5,000,000.00 and the reference to "Three Million Dollars (\$3,000,000.00)" in the preamble to the Note is hereby deleted and replaced with "Five Million Dollars (\$5,000,000.00)." There are no other changes to the NPA or Note.

2. Effect on Transaction Documents.

2.1. As of the date hereof, each reference in the NPA to "this Agreement," "hereunder," "hereof" or words of like import referring to the NPA, and each reference in the Note to "the Note Purchase Agreement," "the Agreement," "thereunder," "thereof" or words of like import referring to the NPA shall mean and be a reference to the NPA, as amended by this First Amendment.

2.2. As of the date hereof, each reference in the Note to "this Note," "hereunder," "hereof" or words of like import referring to the Note, and each reference in the NPA to the "Note," "thereunder," "thereof" or words of like import referring to the Note shall mean and be a reference to the Note, as amended by this First Amendment.

2.3. Except as expressly set forth herein, the terms and conditions of the NPA and Note shall remain in full force and effect and each of the parties reserves all rights with respect to any other matters and remedies.

3. **Fees and Expenses.** Each party shall pay the fees and expenses of its advisors, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this First Amendment.

4. **Miscellaneous.**

4.1. This First Amendment, the Note, and the NPA contain the entire agreement of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters. This First Amendment shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. This First Amendment may not be amended, modified or supplemented, and no provision of this First Amendment may be waived, other than by a written instrument duly executed and delivered by the parties.

4.2. It is hereby understood that this First Amendment does not constitute an admission of liability by any party, including any admission of default under the NPA or the Note.

4.3. In all respects, including all matters of construction, validity and performance, this First Amendment shall be governed by, and construed and enforced in accordance with, the laws of the State of Nevada as applicable to contracts made and performed in such State, without regard to principles thereof regarding conflicts or choice of law.

4.4. This First Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same agreement. In the event that any signature is delivered in .pdf by email, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such signature were the original thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed on the day and year first above written.

INPIXON

By: /s/ Nadir Ali
Name: Nadir Ali
Title: Chief Executive Officer

[SIGNATURE PAGE OF THE PURCHASER]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed on the day and year first above written.

SYSOREX, INC.

By: /s/ Zaman Khan
Name: Zaman Khan
Title: Chief Executive Officer

[SIGNATURE PAGE OF THE COMPANY]
