

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): **March 28, 2019**

Ondas Holdings Inc.

(Exact name of registrant as specified in its charter)

Nevada
(State or other
jurisdiction
of incorporation)

000-56004
(Commission File
Number)

47-2615102
(IRS Employer
Identification No.)

165 Gibraltar Court, Sunnyvale, California 94089
(Address of principal executive offices) (Zip Code)

(888) 350-9994
Registrant's telephone number, including area code:

N/A
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in 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 checkmark 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 101. Entry into a Material Definitive Agreement.

The information required by this Item 1.01 is incorporated by reference to Item 2.03 of this report.

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

Advance of \$800,000 under Loan and Security Agreement with Energy Capital, LLC

On March 28, 2019, Ondas Holdings Inc. (the "Company") drew down an advance of \$800,000 available (the "Fifth Advance") under the Loan and Security Agreement with Energy Capital, LLC ("Energy Capital") entered into on October 1, 2018 (the "Loan Agreement") by Ondas Holdings and Energy Capital (the "Loan"). The Fifth Advance proceeds will be utilized primarily for inventory and operating capital.

The principal amount outstanding under the Loan bears interest at a per annum rate equal to the greater of (a) 11.25% or (b) 11.25% plus the Prime Rate (as published by the Wall Street Journal (National Edition)), less 3.25%. All amounts outstanding under the Loan are secured by a lien on the Company's assets, subject to terms of outstanding debt obligations, and, as a result of the Amendment (described below), become due and payable on September 30, 2020.

The Loan Agreement contains customary events of default and affirmative and negative covenants for transactions of this nature. Upon an event of default, Energy Capital has the right to require the Company to prepay the outstanding principal amount of the Loan plus all accrued and unpaid interest.

The Loan was completed through a private placement and is exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended. In claiming the exemption under Section 4(2), the Company relied in part on the following facts: (1) the offer and sale involved one purchaser (Energy Capital); (2) the purchaser had access to information regarding the Company; (3) the purchaser represented that it (a) had the requisite knowledge and experience in financial and business matters to evaluate the merits and risk of an investment in the Company; (b) was able to bear the economic risk of an investment in the Company; (c) will acquire the Loan for its own account in a transaction not involving any general solicitation or general advertising, and not with a view to the distribution thereof; and (4) a restrictive legend was placed on the instrument evidencing the Loan.

A copy of the Loan is filed herewith as Exhibit 10.2 and incorporated herein by reference.

First Amendment to Loan and Security Agreement with Energy Capital

On April 2, 2019, the Company and Energy Capital entered into a First Amendment to Loan and Security Agreement (the "First Amendment") to (i) amend the notice provisions of an Advance Request under the Loan Agreement from at least five (5) business days to at least one (1) business day before the Advance Date, (ii) increase the amount of the Advance from up to \$1,000,000 a month to up to \$1,500,000 a month, and (iii) change the definition of the term *Maturity Date* from "the earlier of September 30, 2019 or 10 business days following the date of an Underwritten Public Offering as defined in Section 2.3" to "September 30, 2020." A copy of the First Amendment is filed herewith as Exhibit 10.3 and incorporated herein by reference.

Amendment to Secured Promissory Notes

In addition to the Loan described above, the Company has four outstanding secured promissory notes pursuant to the Loan Agreement for an aggregate principal amount of \$3,300,000. Such secured promissory notes are dated January 29, 2019, February 11, 2019, February 27, 2019 and March 14, 2019 (collectively with the Loan, the "Secured Promissory Notes"). In connection with the First Amendment, on April 2, 2019, the Company and Energy Capital entered into an Amendment to Secured Promissory Notes to amend the term *Maturity Date* in the Secured Promissory Notes from September 30, 2019 to September 30, 2020 (the "Amendment"). A copy of the Amendment is filed herewith as Exhibit 10.4 and incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The information required by this Item 3.02 is incorporated by reference to Item 2.03 of this report.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
<u>10.1</u>	<u>Loan and Security Agreement, by and between the Company and Energy Capital, LLC, dated as of October 1, 2018 filed as Exhibit 10.9 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 4, 2018 (File No. 333-205271).</u>
<u>10.2</u>	<u>Secured Promissory Note issued to Energy Capital, LLC by Ondas Holdings Inc. dated March 28, 2019.*</u>
<u>10.3</u>	<u>First Amendment to Loan and Security Agreement dated April 2, 2019 by and between Ondas Holdings Inc. and Energy Capital, LLC.*</u>
<u>10.4</u>	<u>Amendment to Secured Promissory Notes dated April 2, 2019.*</u>

* Filed herewith.

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: April 3, 2019

ONDAS HOLDINGS INC.

By: /s/Eric A. Brock

Eric A. Brock
Chief Executive Officer

SECURED TERM PROMISSORY NOTE

\$800,000

Advance Date: March 28, 2019

Maturity Date: September 30, 2019

FOR VALUE RECEIVED, Ondas Holdings Inc., a Nevada corporation, for itself and each of its Subsidiaries (the "Borrower") hereby promises to pay to the order of Energy Capital, LLC, a Florida limited liability company, or the holder of this Note (the "Lender") at Lender's address listed in Loan Agreement, or such other place of payment as the holder of this Secured Term Promissory Note (this "Promissory Note") may specify from time to time in writing, in lawful money of the United States of America, the principal amount of Eight Hundred Thousand Dollars (\$800,000) or such lesser principal amount as Lender has advanced to Borrower, together with interest as set forth in that certain Loan and Security Agreement dated October 1, 2018, by and among Borrower, its Domestic Subsidiaries party thereto and Lender (as the same may from time to time be amended, modified or supplemented in accordance with its terms, the "Loan Agreement").

This Promissory Note is the Term Note referred to in, and is executed and delivered in connection with, the Loan Agreement, and is entitled to the benefit and security of the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement), to which reference is made for a statement of all of the terms and conditions thereof. All payments shall be made in accordance with the Loan Agreement. All terms defined in the Loan Agreement shall have the same definitions when used herein, unless otherwise defined herein. An Event of Default under the Loan Agreement shall constitute an Event of Default under this Promissory Note.

Borrower waives presentment and demand for payment, notice of dishonor, protest and notice of protest under the UCC or any applicable law. Borrower agrees to make all payments under this Promissory Note without setoff, recoupment or deduction and regardless of any counterclaim or defense. This Promissory Note has been negotiated and delivered to Lender and is payable in the State of Florida. This Promissory Note shall be governed by and construed and enforced in accordance with, the laws of the State of Florida, excluding any conflicts of law rules or principles that would cause the application of the laws of any other jurisdiction.

BORROWER FOR ITSELF AND ON BEHALF OF ITS SUBSIDIARIES:

ONDAS HOLDINGS INC.

By: /s/ Eric A. Brock

Eric A. Brock, Chief Executive Officer

FIRST AMENDMENT TO LOAN AND SECURITY AGREEMENT

FIRST AMENDMENT TO LOAN AND SECURITY AGREEMENT (this "Amendment"), dated as of April 2, 2019, is entered into by and between ONDAS HOLDINGS INC., fka Zev Ventures Incorporated, a Nevada corporation (together with its subsidiaries hereinafter referred to as the "Borrower"), and ENERGY CAPITAL, LLC, a Florida limited liability company, and its successors and assigns (hereinafter referred to as "Lender").

WITNESSETH

WHEREAS the Borrower and the Lender have entered into that certain Loan and Security Agreement dated as of October 1, 2018 (the "Loan Agreement");

WHEREAS the Borrower has requested that the Lender agree to (i) amend the notice provisions of an Advance Request, (ii) increase the monthly Advance, and (iii) extend the Maturity Date; and

WHEREAS the Lender is willing to make such amendments to the Loan Agreement upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE I.
DEFINITIONS**

1.1 Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Amendment, including its preamble and recitals, have the meanings provided in the Loan Agreement.

**ARTICLE II.
AMENDMENTS**

2.1 Amendments. Upon satisfaction of the conditions set forth in Article III hereof, the Loan Agreement is hereby amended as follows:

(a) Section 1.1 (Definitions) of the Loan Agreement is hereby amended by adding, or amending and restating in their entirety, as applicable, the following definitions in alphabetical order:

"**Maturity Date**" means September 30, 2020."

The definition for "**Underwritten Public Offering**" is deleted in its entirety, as well as all references thereto throughout the Loan Documents.

(b) Section 2.1(a) (Advances) of the Loan Agreement is hereby amended and restated in its entirety as follows:

"(a) Advances. Subject to the terms and conditions of this Agreement, Lender will make an Advance of up to \$1,000,000 after the Closing Date of the Merger upon request of the Borrower ("First Advance"); provided that (i) the \$10,000,000 Loan to Ondas from Steward Capital Holdings, LLC has been fully funded, (ii) the Borrower's cash on hand is less than \$250,000, and (iii) no Event of Default shall have occurred and is continuing. Borrower may request additional Advances in an amount up to \$1,500,000 per month under the same terms as mentioned hereinabove in this paragraph ("**Advance**")."

(c) Section 2.1(b) (Advance Request) of the Loan Agreement is hereby amended and restated in its entirety as follows:

"(b) Advance Request. To obtain an Advance, Borrower shall complete, sign and deliver an Advance Request (at least one (1) business day before the Advance Date) to Lender; provided that the Advance Request related to the First Advance may be delivered on the Closing Date related thereto. Lender shall fund the Advance in the manner requested by the Advance Request provided that each of the conditions precedent to such Advance is satisfied as of the requested Advance Date."

(d) Section 2.3 (Underwritten Public Offering) of the Loan Agreement is hereby deleted in its entirety and replaced as follows:

"Section 2.3 [Reserved.]"

(e) Section 7.1(a) and (b) (Financial Reports) of the Loan Agreement – all references to "the Underwritten Public Offering" and "such Underwritten Public Offering" in Section 7.1 (a) and (b) (*Financial Reports*) of the Loan Agreement are hereby deleted and replaced with "an underwritten public offering of Borrower's common stock."

ARTICLE III. CONDITIONS TO EFFECTIVENESS

This Amendment shall become effective (the "Closing") on the date (the "First Amendment Effective Date") all of the conditions set forth in this Article III shall have been satisfied (or waived by the Lender in its sole discretion):

3.1 Representations and Warranties. Both prior to and after giving effect to this Amendment, each representation and warranty by each Party hereto or in any other Loan Document to which such Party is a party, shall be true and correct in all material respects on and as of the First Amendment Effective Date.

3.2 Event of Default. Both prior to and giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing, and no Default or Event of Default shall result from the execution and delivery of this Amendment and the consummation of the transactions contemplated herein.

3.3 No Material Adverse Effect. Since October 1, 2018, no event or occurrence shall have occurred that has resulted or could reasonably be expected to result in a Material Adverse Effect.

**ARTICLE IV.
REPRESENTATIONS AND WARRANTIES**

4.1 Representations and Warranties of Loan Parties. In order to induce the Lender to enter into this Amendment, the Borrower hereby represents and warrants to the Lender that as of the date hereof, both prior to and after giving effect to this Amendment:

(a) Organization. Borrower is a corporation validly existing and in good standing under the laws of the State of Nevada; and each of its Subsidiaries is duly organized, validly existing and in good standing (as applicable) under the laws of the jurisdiction of its incorporation or organization. Borrower has all power and authority and all material governmental approvals required for the ownership and operation of its properties and the conduct of its business as now conducted and as proposed to be conducted and is qualified to do business, and is in good standing (as applicable), in every jurisdiction where, because of the nature of its activities or properties, such qualification is required, except for such jurisdictions where the failure to so qualify could not reasonably be expected to have a Material Adverse Effect.

(b) Due Authorization. The execution, delivery and performance of this Amendment, and the performance of its obligations under the Loan Agreement as amended hereby, have been duly authorized by all necessary action on the part of each Party that is a party hereto.

(c) No Conflict. The execution, delivery and performance of this Amendment by each Party that is a party hereto and the consummation of the transactions contemplated hereby do not and will not (a) require any consent or approval of, or registration or filing with or any other action by, any Governmental Authority (other than any consent or approval which has been obtained and is in full force and effect), (b) conflict with (i) any provision of material Applicable Law, (ii) the charter, by-laws, limited liability company agreement, partnership agreement or other organizational documents of any Party or (iii) any material agreement, indenture, instrument or other document, or any judgment, order or decree, which is binding upon any Party or any of their respective properties or (c) require, or result in, the creation or imposition of any Lien on any asset of the Borrower or any other Party (other than Liens in favor of Steward Capital created pursuant to that certain Loan and Security Agreement dated March 9, 2018).

(d) Incorporation of Representations and Warranties from Loan Documents. Each representation and warranty by each Party hereto contained in the Loan Agreement or in any other Loan Document to which such Party is a party, is true and correct in all material respects (without duplication of any materiality qualifier contained therein) as of the date hereof (or as of a specific earlier date if such representation or warranty expressly relates to an earlier date).

(e) No Default. Both prior to and after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing, and no Default or Event of Default will result from the execution and delivery of this Amendment and the consummation of the transactions contemplated herein.

(f) No Material Adverse Effect. Since October 1, 2018, no event or occurrence has occurred that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(g) Validity; Binding Nature. This Amendment has been duly executed by each Party hereto, and each of (i) this Amendment and (ii) the Loan Agreement as amended hereby is the legal, valid and binding obligation of each Party hereto, enforceable against such Party in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally and to general principles of equity.

**ARTICLE V.
MISCELLANEOUS**

5.1 Loan Document. This Amendment is a Loan Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated therein) be construed, administered and applied in accordance with the terms and provisions of the Loan Agreement.

5.2 Effect of Amendment. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect, the rights and remedies of the parties to the Loan Agreement and shall not alter, modify, amend or in any way affect any of the terms or conditions contained therein, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any Party to any future consent with respect to, or waiver, amendment, modification or other change of, any of the terms or conditions contained in the Loan Agreement in similar or different circumstances. Except as expressly stated herein, the Lender reserves all rights, privileges and remedies under the Loan Documents. All references in the Loan Agreement and the other Loan Documents to the Loan Agreement shall be deemed to be references to the Loan Agreement as modified hereby.

5.3 Reaffirmation. The Borrower hereby reaffirms its obligations under each Loan Document to which it is a party and further ratifies and reaffirms the validity and enforceability of all of the liens and security interests heretofore granted, pursuant to and in connection with the Loan Agreement or any other Loan Document, to the Lender, as collateral security for the obligations under the Loan Documents in accordance with their respective terms, and acknowledges that all of such liens and security interests, and all Collateral heretofore pledged as security for such obligations, continue to be and remain collateral for such obligations from and after the date hereof.

5.4 Counterparts. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. Delivery of an executed signature page of this Amendment by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

5.5 Construction; Captions. Each party hereto hereby acknowledges that all parties hereto participated equally in the negotiation and drafting of this Amendment and that, accordingly, no court construing this Amendment shall construe it more stringently against one party than against the other. The captions and headings of this Amendment are for convenience of reference only and shall not affect the interpretation of this Amendment.

5.6 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns (as permitted under the Loan Agreement).

5.7 GOVERNING LAW. THIS AMENDMENT, THE RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO, AND ANY CLAIMS OR DISPUTES RELATING THERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF FLORIDA WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES.

5.8 Severability. The illegality or unenforceability of any provision of this Amendment or any instrument or agreement required hereunder shall not in any way affect or impair the legality or enforceability of the remaining provisions of this Amendment or any instrument or agreement required hereunder.

5.9 Release of Claims. In consideration of the Lender's agreements contained in this Amendment, Borrower hereby releases and discharges the Lender and its affiliates, subsidiaries, successors, assigns, employees, agents, consultants and attorneys (each, a "Released Person") of and from any and all other claims, suits, actions, investigations, proceedings or demands, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law of any kind or character, known or unknown, which Borrower ever had or now has against Lender or any other Released Person which relates, directly or indirectly, to any acts or omissions of the Lender or any other Released Person relating to the Loan Agreement or any other Loan Document on or prior to the date hereof.

[Signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be duly executed and delivered as of the date first above written.

BORROWER:

ONDAS HOLDINGS INC.,
a Nevada corporation

By: /s/ Eric A. Brock
Name: Eric A. Brock
Title: Chief Executive Officer

LENDER:

ENERGY CAPITAL, LLC

By: /s/ Robert J. Smith
Name: Robert J. Smith
Title: Sole Managing Member

FIRST AMENDMENT TO SECURED TERM PROMISSORY NOTES

FIRST AMENDMENT TO SECURED TERM PROMISSORY NOTES (this "Amendment"), dated as of April 2, 2019, is entered into by ONDAS HOLDINGS INC., fka Zev Ventures Incorporated, a Nevada corporation (together with its subsidiaries hereinafter referred to as the "Borrower"), in favor of ENERGY CAPITAL, LLC, a Florida limited liability company, and its successors and assigns (hereinafter referred to as "Lender").

WITNESSETH

WHEREAS the Borrower and the Lender have entered into that certain Loan and Security Agreement dated as of October 1, 2018 and that certain First Amendment to the Loan and Security Agreement, dated as of the date hereof (collectively, the "Loan Agreement");

WHEREAS, in connection with the Loan Agreement, the Borrower has executed in favor of Lender (i) that certain Secured Term Promissory Note, dated as of January 29, 2019, in the original principal amount of \$1,000,000; (ii) that certain Secured Term Promissory Note, dated as of February 11, 2019, in the original principal amount of \$650,000; (iii) that certain Secured Term Promissory Note, dated as of February 27, 2019, in the original principal amount of \$750,000; (iv) that certain Secured Term Promissory Note, dated as of March 14, 2019, in the original principal amount of \$900,000; and (v) that certain Secured Term Promissory Note, dated as of March 28, 2019, in the original principal amount of 800,000; (collectively, the "Notes");

WHEREAS the Borrower has requested that the Lender agree to extend the Maturity Date of each of the Notes upon the terms set forth herein; and

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1.1 Amendment. Each Note is hereby amended so that the Maturity Date for each Note shall be September 30, 2020.

1.2 Effect of Amendment. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect, the rights and remedies of the parties to the Notes and shall not alter, modify, amend or in any way affect any of the terms or conditions contained therein, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any Party to any future consent with respect to, or waiver, amendment, modification or other change of, any of the terms or conditions contained in the Notes in similar or different circumstances. Except as expressly stated herein, the Lender reserves all rights, privileges and remedies under the Notes. All references in the Loan Agreement and the other Loan Documents to the Notes shall be deemed to be references to the Notes as modified hereby.

1.3 Counterparts. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. Delivery of an executed signature page of this Amendment by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

[Signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be duly executed and delivered as of the date first above written.

BORROWER:

ONDAS HOLDINGS INC.,
a Nevada corporation

By: /s/ Eric A. Brock
Name: Eric A. Brock
Title: Chief Executive Officer

LENDER:

ENERGY CAPITAL, LLC

By: /s/ Robert J. Smith
Name: Robert J. Smith
Title: Sole Managing Member
