

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

## FORM 8-K

### CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 28, 2013

# HORIZON TECHNOLOGY FINANCE CORPORATION

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**814-00802**  
(Commission File Number)

**27-2114934**  
(I.R.S. Employer Identification No.)

**312 Farmington Avenue**  
**Farmington, CT 06032**

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(860) 676-8654**

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))
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**Section 1**            **Registrant's Business and Operations**  
**Item 1.01**          **Entry into a Material Definitive Agreement.**

On May 28, 2013, Horizon Technology Finance Corporation (the "Company") amended its revolving credit facility ("Credit Facility") with Wells Fargo Capital Finance, LLC ("Wells Fargo"). Effective May 1, 2013, the stated interest rate under the Credit Facility was reduced to one month LIBOR plus 3.25%, a reduction from the current interest rate of one month LIBOR plus 4.00%. The Credit Facility continues to have a LIBOR floor of 1.00%. All other terms of the Credit Facility remain unchanged.

The description above is only a summary of the material provisions of the amendment to the Credit Facility and is qualified in its entirety by reference to copies of the form of Third Amendment to Loan and Security Agreement, which is filed as Exhibit 10.1 to this current report on Form 8-K and by this reference incorporated herein.

On May 28, 2013, the Company issued a press release announcing its amendment of the Credit Facility, a copy of which is attached hereto as Exhibit 99.1.

**Section 9**            **Financial Statements and Exhibits**  
**Item 9.01**          **Financial Statements and Exhibits**

(d) Exhibit.

10.1    Form of Third Amendment to Loan and Security Agreement, dated as of May 28, 2013, by and among Horizon Credit II LLC, as the borrower, the Lenders that are signatories thereto, as the lenders, and Wells Fargo Capital Finance, LLC, as the arranger and administrative agent.

99.1    Press release of the Company dated May 28, 2013.

**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.

Date: May 28, 2013

HORIZON TECHNOLOGY FINANCE CORPORATION

By: /s/ Robert D. Pomeroy, Jr.

Robert D. Pomeroy, Jr.

*Chief Executive Officer and Chairman of the Board*

Exhibit Index

Exhibit No.	Description
10.1	Form of Third Amendment to Loan and Security Agreement, dated as of May 28, 2013, by and among Horizon Credit II LLC, as the borrower, the Lenders that are signatories thereto, as the lenders, and Wells Fargo Capital Finance, LLC, as the arranger and administrative agent
99.1	Press release of the Company dated May 28, 2013

### THIRD AMENDMENT TO LOAN AND SECURITY AGREEMENT

THIS THIRD AMENDMENT TO LOAN AND SECURITY AGREEMENT (this "Third Amendment" or this "Amendment") is entered into as of May 28, 2013, by and among **HORIZON CREDIT II LLC**, a Delaware limited liability company ("Borrower"), the lenders identified on the signature page hereof (such lenders, together with their respective successors and assigns, are referred to hereinafter each individually as a "Lender" and collectively as the "Lenders"), and **WELLS FARGO CAPITAL FINANCE, LLC**, a Delaware limited liability company ("WFCF"), as the arranger and administrative agent for the Lenders (in such capacity, "Agent"), with reference to the following facts, which shall be construed as part of this Third Amendment:

#### RECITALS

A. Borrower, Lenders and Agent have entered into that certain Loan and Security Agreement dated as of July 14, 2011, as amended by that certain First Amendment to Loan and Security Agreement dated as of May 30, 2012 and that certain Second Amendment to Loan and Security Agreement dated as of December 17, 2012 (as amended or modified from time to time, the "Loan Agreement"), pursuant to which Lenders and Agent are providing financial accommodations to or for the benefit of Borrower upon the terms and conditions contained therein. Unless otherwise defined herein, capitalized terms or matters of construction defined or established in the Loan Agreement shall be applied herein as defined or established therein.

B. Borrower has requested that Lenders and Agent agree to amend certain provisions of the Loan Agreement, and Lenders and Agent are willing to do so to the extent provided in, and subject to the terms and conditions of, this Third Amendment.

C. As of the date hereof, WFCF is the sole Lender under the Loan Agreement.

#### AGREEMENT

NOW, THEREFORE, in consideration of the continued performance by Borrower of its promises and obligations under the Loan Agreement and the other Loan Documents, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Lenders and Agent hereby agree as follows:

1. Ratification of Existing Loan Documents. Each of the parties acknowledges, confirms, and ratifies the provisions of the Loan Agreement and the other Loan Documents, which shall be unmodified and shall continue to be in full force and effect in accordance with their terms except as expressly provided under this Third Amendment.

2. Amendments to the Loan Agreement. The Loan Agreement is hereby amended as follows:

2.1 Addition of New Definition. **Section 1.1** of the Loan Agreement is amended by adding in appropriate alphabetical order the following new definition of the term "Third Amendment":

“Third Amendment” means the Third Amendment to Loan and Security Agreement, dated as of May 28, 2013, by and among Lenders, Agent and Borrower.

2.2 Amendment to LIBOR Rate Margin. **Section 1.1** of the Loan Agreement is amended by deleting the existing text of the definition of the term “LIBOR Rate Margin,” and replacing it with the following amended and restated version thereof:

“LIBOR Rate Margin” means (a) from July 14, 2011, through and including April 30, 2013, four percent (4.00%) and (b) from May 1, 2013 through and including the Maturity Date, three and one-quarter of one percent (3.25%).

2.3 Amendment to List of Approved Third-Party Lenders. **Schedule A-1** to the Loan Agreement is amended by deleting the existing text thereof and replacing it with the amended and restated version thereof attached as **Exhibit A** to this Third Amendment.

3. Conditions Precedent. Notwithstanding any other provision of this Third Amendment, this Third Amendment shall be of no force or effect, and Lenders and Agent shall not have any obligations hereunder, unless and until each of the following conditions have been satisfied:

3.1 Third Amendment and other Documents in Connection therewith. Agent shall have received this Third Amendment, duly executed by Borrower, each Lender, and Agent; and

3.2 No Default or Event of Default. No Default or Event of Default shall have occurred and be continuing.

4. Representations and Warranties regarding Loan Agreement. Borrower hereby represents and warrants that the representations and warranties contained in the Loan Agreement were true and correct in all material respects when made and, except to the extent that (a) a particular representation or warranty by its terms expressly applies only to an earlier date, or (b) Borrower has previously advised Agent in writing as contemplated under the Loan Agreement, are true and correct in all material respects as of the date hereof. Borrower hereby further represents and warrants that no event has occurred and is continuing, or would result from the transactions contemplated under this Third Amendment, that constitutes or would constitute a Default or an Event of Default.

5. Miscellaneous.

5.1 Headings. The various headings of this Third Amendment are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Third Amendment or any provisions hereof.

5.2 Counterparts. This Third 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 together shall be deemed to be one and the same instrument. Delivery of an executed counterpart of a signature page to this Third Amendment by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Third Amendment. Any party delivering an executed counterpart of this Third Amendment by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Third Amendment but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Third Amendment.

5.3 Interpretation. No provision of this Third Amendment shall be construed against or interpreted to the disadvantage of any party hereto by any court or other governmental or judicial authority by reason of such party's having or being deemed to have structured, drafted or dictated such provision.

5.4 Complete Agreement. This Third Amendment, together with the other Loan Documents, constitutes the complete agreement between the parties with respect to the subject matter hereof, and supersedes any prior written or oral agreements, writings, communications or understandings of the parties with respect thereto.

5.5 **GOVERNING LAW. THIS THIRD AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE.**

5.6 Effect. Upon the effectiveness of this Third Amendment, each reference in the Loan Agreement to "this Agreement," "hereunder," "hereof" or words of like import shall mean and be a reference to the Loan Agreement as amended hereby and each reference in the other Loan Documents to the Loan Agreement, "thereunder," "thereof," or words of like import shall mean and be a reference to the Loan Agreement as amended hereby.

5.7 Conflict of Terms. In the event of any inconsistency between the provisions of this Third Amendment and any provision of the Loan Agreement, the terms and provisions of this Third Amendment shall govern and control.

5.8 No Novation or Waiver. Except as specifically set forth in this Third Amendment, the execution, delivery and effectiveness of this Third Amendment shall not (a) limit, impair, constitute a waiver by, or otherwise affect any right, power or remedy of, Agent or Lenders under the Loan Agreement or any other Loan Document, (b) constitute a waiver of any provision in the Loan Agreement or in any of the other Loan Documents or of any Default or Event of Default that may have occurred and be continuing, or (c) alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Loan Agreement or in any of the other Loan Documents, all of which are ratified and affirmed in all respects and shall continue in full force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to Loan and Security Agreement as of the day and year first above written.

**HORIZON CREDIT II LLC,**

a Delaware limited liability company, as Borrower

By: /S/Robert D. Pomeroy, Jr.

Name: Robert D. Pomeroy, Jr.

Title: Chief Executive Officer

**WELLS FARGO CAPITAL FINANCE, LLC,**

a Delaware limited liability company,

as Agent and as a Lender

By: /S/Randy Allemang

Name: Randy Allemang

Title: Vice President



**EXHIBIT A**  
**to**  
**THIRD AMENDMENT TO LOAN AND SECURITY AGREEMENT**



## **Horizon Technology Finance Reduces Pricing on Revolving Credit Facility to LIBOR plus 3.25%**

**Lowers Interest Rate by 0.75%**

**FARMINGTON, Conn., May 28, 2013** – Horizon Technology Finance Corporation (NASDAQ: HRZN) ("Horizon"), a leading specialty finance company that provides secured loans to venture capital and private equity backed development-stage companies in the technology, life science, healthcare information and services, and clean-tech industries, today announced an amendment to its \$75.0 million revolving credit facility (the "Credit Facility") with Wells Fargo Capital Finance ("Wells Fargo"), part of Wells Fargo & Company (NYSE: WFC).

Effective May 1, 2013, the stated interest rate under the Credit Facility was reduced to one month LIBOR plus 3.25%, a reduction from the current interest rate of one month LIBOR plus 4.00%. The Credit Facility will continue to have a LIBOR floor of 1.00%. All other terms of the Credit Facility remain unchanged.

"We are pleased to significantly improve a key term of our credit facility with Wells Fargo," said Christopher M. Mathieu, SVP and Chief Financial Officer of Horizon. "The Credit Facility, as amended, reduces Horizon's borrowing costs which will have a positive impact on our net income. We appreciate the ongoing support of Wells Fargo and look forward to utilizing the Credit Facility to further fund our business."

### **About Horizon Technology Finance**

Horizon Technology Finance Corporation is a business development company that provides secured loans to development-stage companies backed by established venture capital and private equity firms within the technology, life science, healthcare information and services, and clean-tech industries. The investment objective of Horizon Technology Finance is to maximize total risk-adjusted returns by generating current income from a portfolio of directly originated secured loans as well as capital appreciation from warrants to purchase the equity of portfolio companies. Headquartered in Farmington, Connecticut, with regional offices in Walnut Creek, California and Reston, Virginia, the Company is externally managed by its investment advisor, Horizon Technology Finance Management LLC. Horizon's common stock trades on the NASDAQ Global Select Market under the ticker symbol, "HRZN." In addition, the Company's 7.375% Senior Notes due 2019 trade on the New York Stock Exchange under the ticker symbol "HTF." To learn more, please visit [www.horizontechnologyfinancecorp.com](http://www.horizontechnologyfinancecorp.com).

### **About Wells Fargo Capital Finance**

Wells Fargo Capital Finance is the trade name for certain asset-based lending, accounts receivable and purchase order finance services of Wells Fargo & Company and its subsidiaries, and provides traditional asset-based lending, specialized senior secured financing, accounts receivable financing, purchase order financing and channel financing to companies across the United States and Canada. Dedicated teams within Wells Fargo Capital Finance provide financing solutions for companies in specific industries such as retail, software publishing and high-technology, commercial finance, staffing, government contracting and others. For more information, visit [www.wellsfargocapitalfinance.com](http://www.wellsfargocapitalfinance.com).

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**Forward-Looking Statements**

*Statements included herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in our filings with the Securities and Exchange Commission. The Company undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this press release.*

**Contact:**

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