

**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 29, 2022

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-11596 (Commission File Number)	58-1954497 (IRS Employer Identification No.)
8302 Dunwoody Place, Suite 250, Atlanta, Georgia (Address of principal executive offices)		30350 (Zip Code)

Registrant's telephone number, including area code: (770) 587-9898

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:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, Par Value, \$.001 Per Share	PEFI	NASDAQ Capital Markets

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

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

Section 1 – Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

On March 29, 2022, Perma-Fix Environmental Services, Inc. (the "Company") entered into an amendment to its Amended Loan Agreement (as defined below) with PNC Bank, National Association ("PNC" or "lender") as discussed under Item 2.03 below, 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.

On March 29, 2022, the Company entered into an amendment (the "March 29th Amendment") with PNC to its Second Amended and Restated Revolving Credit, Term Loan and Security Agreement ("Amended Loan Agreement") dated May 8, 2020. The March 29th Amendment provided the following:

- waived the Company's failure to meet the minimum quarterly fixed charge coverage ratio ("FCCR") requirement for the fourth quarter of 2021;
- removes the quarterly FCCR testing requirement for the first quarter of 2022;
- reinstates the quarterly FCCR testing requirement starting for the second quarter of 2022 and revises the methodology to be used in calculating the FCCR for the quarters ending June 30, 2022, September 30, 2022, and December 31, 2022 (with no change to the minimum 1.15:1 ratio requirement for each quarter);
- requires maintenance of a minimum of \$3,000,000 in borrowing availability under the revolving credit until the minimum FCCR requirement for the quarter ended June 30, 2022 has been met and certified to the lender; and
- revises the annual rate used to calculate the Facility Fee (as defined in the Amended Loan Agreement) on the revolving credit, with addition of the capital expenditure line, from 0.375% to 0.500%. Upon meeting the minimum FCCR requirement of 1;15:1 on a twelve month trailing basis, the Facility Fee rate of 0.375% will be reinstated.

In connection with the March 29th Amendment, the Company paid its lender a fee of \$15,000.

All other terms of the Amended Loan Agreement remain principally unchanged.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

(d) *Exhibits.*

Exhibit Description

4.1	Third Amendment to Second Amended and Restated Revolving Credit, Term Loan and Security Agreement and Waiver dated March 29, 2022, by and among Perma-Fix Environmental Services, Inc. and PNC Bank, National Association, as agent and as lender.
104	Cover Page Interactive Data File (embedded within Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

By: /s/ Ben Naccarato

Ben Naccarato
Executive Vice President, Chief Financial Officer and Chief Accounting Officer

Dated: April 4, 2022

THIRD AMENDMENT TO SECOND AMENDED AND RESTATED
REVOLVING CREDIT, TERM LOAN AND SECURITY AGREEMENT AND WAIVER

THIS THIRD AMENDMENT TO SECOND AMENDED AND RESTATED REVOLVING CREDIT, TERM LOAN AND SECURITY AGREEMENT AND WAIVER, dated as of March 29, 2022 (this "Amendment"), relating to the Credit Agreement referenced below, is by and among PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation (the "Borrower"), the lenders identified on the signature pages hereto (the "Lenders"), and PNC Bank, National Association, a national banking association, as agent for the Lenders (in such capacity, the "Agent"). Terms used herein but not otherwise defined herein shall have the meanings provided to such terms in the Credit Agreement.

W I T N E S S E T H

WHEREAS, a credit facility has been extended to the Borrower pursuant to the terms of that certain Second Amended and Restated Revolving Credit, Term Loan and Security Agreement dated as of May 8, 2020 (as amended and modified from time to time, the "Credit Agreement") among the Borrower, the Lenders identified therein, and PNC Bank, National Association, as agent for the Lenders;

WHEREAS, the Borrower has requested certain modifications to the Credit Agreement; and

WHEREAS, the Required Lenders have agreed to the requested modifications on the terms and conditions set forth herein;

NOW, THEREFORE, IN CONSIDERATION of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendments. The Credit Agreement is amended as set forth below:

(a) Section 3.3(b) is amended to read as follows:

“(b) Facility Fee.

Borrower shall pay to Agent a fee for the ratable benefit of Lenders in an amount equal to (i)(x) until the first day of the month in which the Agent receives Borrower’s Compliance Certificate showing a Fixed Charge Coverage Ratio of not less than 1.15 based on a trailing twelve months (the “Step Down Date”), 0.50% per annum and (y) after the Step Down Date, 0.375% per annum, multiplied by (ii) (x) the amount by which the sum of the Maximum Revolving Advance Amount plus the Maximum Equipment Loan Amount exceeds (y) the sum of the daily unpaid balance of the Revolving Advances plus the daily unpaid balance of the Equipment Loans plus the aggregate amount of any outstanding Letters of Credit that are available to be drawn during each calendar quarter. Such fee shall be payable to Agent in arrears on the first day of each calendar quarter with respect to the previous calendar quarter.”

(b) Section 6.5(b) is amended to read as follows:

“(b) Fixed Charge Coverage Ratio.

Cause to be maintained a Fixed Charge Coverage Ratio of not less than 1.15 to 1.0 for (i) the one quarter period ending as of June 30, 2022; (ii) the two quarter period ending as of September 30, 2022; (iii) the three quarter period ending as of December 31, 2022; and (iv) the four quarter period ending as of March 31, 2023 and for each fiscal quarter thereafter.”

(c) Section 6.5(c) is amended to read as follows:

“(c) Minimum Undrawn Availability.

Maintain Undrawn Availability of at least \$3,000,000 at all times until receipt by Agent of Borrower’s June 30, 2022 Compliance Certificate.”

(d) Exhibit 1.2(a) is deleted in its entirety and replaced with a new Exhibit 1.2(a) attached hereto and incorporated herein by reference.

2. Waiver. The Agent and the Required Lenders waive the Event of Default resulting from Borrowers’ failure to comply with Section 6.5(b) (Fixed Charge Coverage Ratio) for the fiscal quarter ended as of December 31, 2021.

3. Conditions Precedent. This Amendment shall be effective as of the date hereof upon satisfaction of the following conditions:

(a) the execution of this Amendment by the Borrower, the Required Lenders and the Agent, and

(b) receipt by the Agent of an amendment fee of \$15,000.

4. Representations and Warranties. The Borrower hereby represents and warrants in connection herewith that as of the date hereof (after giving effect hereto) (i) the representations and warranties set forth in Article V of the Credit Agreement are true and correct in all material respects (except those which expressly relate to an earlier date), and (ii) no Default or Event of Default has occurred and is continuing under the Credit Agreement.

5. Acknowledgments, Affirmations and Agreements. The Borrower (i) acknowledges and consents to all of the terms and conditions of this Amendment and (ii) affirms all of its obligations under the Credit Agreement and the Other Documents.

6. Credit Agreement. Except as expressly modified hereby, all of the terms and provisions of the Credit Agreement remain in full force and effect.

7. Expenses. The Borrower agrees to pay all reasonable costs and expenses in connection with the preparation, execution and delivery of this Amendment, including the reasonable fees and expenses of the Agent’s legal counsel.

8. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original. It shall not be necessary in making proof of this Amendment to produce or account for more than one such counterpart.

9. Governing Law. This Amendment shall be deemed to be a contract under, and shall for all purposes be construed in accordance with, the laws of the State of New

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

BORROWER:

PERMA-FIX ENVIRONMENTAL
SERVICES, INC.

By : /s/Ben Naccarato

Name : Ben Naccarato

Title : CFO

AGENT AND LENDER:

PNC BANK, NATIONAL ASSOCIATION,
in its capacity as Agent and as Lender

By : /s/Scott Goldstein

Name : Scott Goldstein

Title : Senior Vice President

Third Amendment to Second Amended and Restated
Revolving Credit, Term Loan and Security Agreement
Perma-Fix

Exhibit 1.2(a)

[Letterhead of Company]

COMPLIANCE CERTIFICATE _____, 20__

PNC Bank, National Association, as Agent
One Piedmont Town Center
4720 Piedmont Row Drive
Suite 300
Charlotte, NC 28210
Attention: Scott Goldstein

The undersigned, the **[Chief Executive Officer][President][Chief Financial Officer][Controller]** of **Perma-Fix Environmental Services, Inc.**, a Delaware corporation, gives this certificate to **PNC Bank, National Association**, as Agent (in such capacity, the "Agent"), in accordance with the requirements of **Section 9.7 and 9.8** (Annual and Quarterly Financial Statements) of that certain Second Amended and Restated Revolving Credit, Term Loan and Security Agreement dated as of May 8, 2020, among the Borrower, the financial institutions which are parties thereto as Lenders, and the Agent (the "Loan Agreement").

Capitalized terms used in this Certificate, unless otherwise defined herein, shall have the meanings ascribed to them in the Loan Agreement.

1. Based upon my review of the financial statements of the Company for the [Fiscal Year/Quarter] ending _____, 20__, copies of which are attached hereto, I hereby certify that:

- (a) Section 6.5(a), the Tangible Adjusted Net Worth is [satisfied / not satisfied] at \$ _____ when compared to the required amount of at least \$27,000,000.
- (b) Section 6.5(b), the Fixed Charge Coverage Ratio is [satisfied / not satisfied] at _____ to 1.0 when compared to the required **1.15 to 1.0** for (i) the one quarter period ending as of June 30, 2022; (ii) the two quarter period ending as of September 30, 2022; (iii) the three quarter period ending as of December 31, 2022; and (iv) the four quarter period ending as of March 31, 2023 and as of the end of each fiscal quarter thereafter.
- (c) Section 6.5(c), Minimum Undrawn Availability is [satisfied/not satisfied] of \$ _____ when compared to the required \$3,000,000.
- (d) Sections 7.4, Investments are [satisfied/not satisfied] as there are \$xx,xxx (if none, so state) outstanding.
- (e) Sections 7.5(a), Loans are [satisfied/not satisfied] as no advances, loans or extensions of credit have been made except for extensions of trade credit in connection with the sale of Inventory in the Ordinary Course of Business and Section 7.5(b), Loans to employees in the Ordinary Course of Business in the amount of \$xx,xxx (if none, so state) are [less/more] than the allowable amount of \$1,000,000 in the aggregate.

- (f) Sections 7.6, Capital Expenditures are [satisfied/not satisfied] as \$xx,xxx is [less/more] than the allowable amount of \$6,000,000 for any fiscal year.
- (g) Sections 7.7, Dividends and Distributions are [satisfied/not satisfied] as the payment of all dividends and distributions comply with the provisions of Section 7.7.
- (h) Sections 7.8, Create additional Indebtedness is [satisfied/not satisfied] as such additional Indebtedness complies with the provisions of Section 7.8.
- (i) Sections 7.11, Leases are [satisfied/not satisfied] as \$xx,xxx is [less/ more] when compared to the annual rental payments for all property of \$1,000,000.

2. No Default exists on the date hereof, other than: _____ [if none, so state]; and

3. No Event of Default exists on the date hereof, other than _____ [if none, so state].

4. As of the date hereof, if applicable, Borrower is current in all material respects in payment of all accrued rent, warehouse fees, and other charges to Persons who own or lease any premises where any of the Collateral is located, and there are no pending disputes or claims regarding Borrowers' failure to pay or delay in payment of any such rent or other charges.
5. Additionally, as of the date hereof, as required by Section 9.3, to the best of my knowledge, Borrower is in compliance in all material respects with all federal, state and local laws relating to environmental protection and control and occupational safety and health, or if such is not the case, specifying in all areas of material non-compliance of which such officer has actual knowledge and the proposed action Borrower will implement in order to achieve compliance in all material respects unless full compliance is otherwise required.
6. The financial statements attached hereto are complete and accurate in all respects and were prepared in accordance with GAAP, consistently applied, except for the absence of footnotes and subject to year end audit adjustments, and except as may be disclosed in such financial statements.

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

_____ as **[Chief Executive Officer] [President] [Chief Financial Officer]**
[Controller]

Dated _____

Spreadsheet
