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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or Section 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 28, 2019 (May 23, 2019)

BioDelivery Sciences International, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-31361
(Commission
File Number)

35-2089858
(IRS Employer
Identification No.)

4131 ParkLake Ave., Suite #225
Raleigh, NC
(Address of principal executive offices)

27612
(Zip Code)

Registrant's telephone number, including area code: 919-582-9050

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 to 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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001	BDSI	The Nasdaq Capital Market

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.

On May 23, 2019 (the “Closing Date”), BioDelivery Sciences International, Inc. (the “Company”) and its subsidiaries entered into a Loan Agreement (the “Loan Agreement”) with BioPharma Credit plc (“Pharmakon”), for a senior secured credit facility consisting of a term loan of sixty million dollars (\$60,000,000) (the “Term Loan”), with the ability to draw an additional twenty million dollars (\$20,000,000) within twelve months of the Closing Date. The Loan Agreement replaced the Company’s existing Term Loan Agreement (the “Original Loan Agreement”) with CRG Servicing LLC and the Term Loan was used to repay in full all of the outstanding term loans under the Original Loan Agreement.

The facility carries a 72-month term with interest only payments on the term loan for the first 36 months. The Term Loan will mature in May 2025 and bears an interest rate of 7.5% plus the LIBOR rate. The Term Loan is subject to mandatory prepayment provisions that require prepayment upon change of control.

The obligations under the Loan Agreement are guaranteed by the Company’s subsidiaries and are secured by a first priority security interest in and a lien on substantially all of the assets of the Company and the subsidiary guarantors, subject to certain exceptions.

The Loan Agreement contains certain customary representations and warranties, affirmative and negative covenants and events of default applicable to the Company and its subsidiaries. The Company is required to comply at certain times with a financial covenant consisting of a minimum net sales test. If an event of default occurs and is continuing, Pharmakon may, among other things, accelerate the loans and foreclose on the collateral.

The foregoing description of the Loan Agreement does not purport to be complete and is qualified in its entirety by reference to the Loan Agreement, which will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.

Item 1.02 Termination of a Material Definitive Agreement.

The information in Item 1.01 above with respect to the Original Loan Agreement is incorporated by reference into this Item 1.02.

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

The information in Item 1.01 above with respect to the Loan Agreement is incorporated by reference into this Item 2.03.

Item 7.01 Regulation FD Disclosure.

On May 28, 2019, the Company and Pharmakon issued a press release announcing the execution of the Loan Agreement. A copy of the press release is attached as Exhibit 99.1 hereto.

The information set forth under Item 7.01 and in Exhibit 99.1 is intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed 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 filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 [Press release, dated May 28, 2019, announcing the Loan Agreement between the Company and Pharmakon.](#)

SIGNATURES

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

May 28, 2019

BIODELIVERY SCIENCES INTERNATIONAL, INC.

By: /s/ Mary Theresa Coelho

Name: Mary Theresa Coelho

Title: Chief Financial Officer and Treasurer



BioDelivery Sciences Strengthens Financial Position with Debt Refinancing

New Agreement is Cash Flow Accretive, Lowers Cost of Capital and Extends Debt Maturity

Reduces Annual Interest Costs by Approximately \$1.5 million

Increases Flexibility to Continue Growth Trajectory

Raleigh, North Carolina – May 28, 2019 – BioDelivery Sciences International, Inc. (Nasdaq: BDSI) (“BDSI”) today announced that it has successfully completed the refinancing of its existing debt agreement with a new facility from BioPharma Credit plc (“BPCR”). The new facility consists of a \$60.0 million term loan and will generate an estimated \$1.5 million in annual interest cost savings compared to the previous debt facility.

“We are pleased to announce this debt re-financing with BPCR, an investment fund managed by Pharmakon Advisors, LP, a leading financing partner in the healthcare space,” commented Terry Coelho, Chief Financial Officer for BDSI. “Following our recent equity raise of \$50 million, this new and lower cost debt facility further strengthens our balance sheet and provides BDSI with added flexibility to continue to drive the transformation of BDSI into a successful commercial-stage specialty pharmaceutical company. Additionally, this new facility is cash flow accretive, extends our debt maturity and lowers our overall cost of capital.”

The new facility carries a 72-month term with interest only payments for the first 36 months. The interest rate on the term loan is 7.5% plus the LIBOR rate, which at the closing resulted in a rate of 10.0%. An additional feature of the new facility is the flexibility to draw an additional \$20.0 million within the first 12 months of the agreement. BDSI will have a total debt balance of \$60 million after closing.

Proceeds from this financing, along with available cash on hand, were used to repay and retire the company’s existing term loan with CRG Servicing LLC which had an outstanding balance of \$61.8 million, an interest rate of 12.5% as well as a back-end facility fee, and a maturity date of December 2022.

ABOUT BIODELIVERY SCIENCES INTERNATIONAL, INC.

BioDelivery Sciences International, Inc. (NASDAQ: BDSI) is a commercial-stage specialty pharmaceutical company dedicated to patients living with chronic conditions. BDSI has built a portfolio of products that includes utilizing its novel and proprietary BioErodible MucoAdhesive (BEMA[®]) technology to develop and commercialize, either on its own or in partnership with third parties, new applications of proven therapies aimed at addressing important unmet medical needs. BDSI’s marketed products and those in development address serious and debilitating conditions such as chronic pain, breakthrough cancer pain, opioid dependence and opioid induced constipation.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This press release and any statements of employees, representatives, and partners of BDSI related thereto contain, or may contain, among other things, certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve significant risks and uncertainties. Such statements may include, without limitation, statements



with respect to the BDSI's plans, objectives, projections, expectations and intentions and other statements identified by words such as "projects," "may," "will," "could," "would," "should," "believes," "expects," "anticipates," "estimates," "intends," "plans," "potential" or similar expressions. These statements are based upon the current beliefs and expectations of the BDSI's management and are subject to significant risks and uncertainties, including those detailed in the BDSI's filings with the Securities and Exchange Commission. Actual results (including, without limitation, the estimated annual interest cost savings) may differ materially from those set forth or implied in the forward-looking statements. These forward-looking statements involve certain risks and uncertainties that are subject to change based on various factors (many of which are beyond the BDSI's control) including those set forth in our 2018 annual report on Form 10-K filed with the US Securities and Exchange Commission and subsequent filings. BDSI undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future presentations or otherwise, except as required by applicable law.

CONTACT:

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