
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): August 31, 2016

LM FUNDING AMERICA, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37605
(Commission File Number)

47-3844457
(IRS Employer Identification
No.)

302 Knights Run Avenue, Suite 1000
Tampa, Florida 33602
(Address of principal executive offices, including zip code)

(813) 222-8996
(Registrant's telephone number, including area code)

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))
-
-

Item 5.02. Departure of Directors or Certain Officer; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 31, 2016, LM Funding America, Inc. (the “Company”) issued a press release announcing the departure of its President, Mr. Sean D. Galaris at the end of the year. Mr. Galaris will take a similar position at Condominium Associates, a Tampa based property management company that manages over 300 community associations in Florida. The Company would like to thank Mr. Galaris for his leadership and service to our company and look forward to working with him in the future.

Additionally, pursuant to a cost-cutting initiative by the Company, the employment agreements of Bruce Rodgers, Carrollinn Gould, Dean Akers, Steve Weclaw, and Aaron Gordon have been amended to decrease their annual base salaries to \$269,500, \$84,000, \$140,000, \$140,000, and \$112,500 respectively. The collective total represents more than a 30% decrease to overall executive management base salaries. The respective employment agreement amendments are attached as exhibits to this filing.

Item 7.01. Regulation FD Disclosure.

The Company has issued a press release, dated August 31, 2016, relating to the Purchase Agreement Amendment. The press release is attached to this Current Report on Form 8-K as Exhibit 99.1.

In addition, the Company has implemented a cost-cutting initiative that is expected to reduce expenses by approximately \$2 million annually. The initiative, which is expected to be completed by the beginning of Q4 2016, includes streamlining internal processes, reducing costs and ultimately, enhancing gross margins. These measures include reducing non-sales related back office personnel by 30%, reducing back office wages up to 20% and lowering the company’s executive base compensation by 30%.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment to the Employment Agreement of Bruce M. Rodgers
10.2	Amendment to the Employment Agreement of Carrollinn Gould
10.3	Amendment to the Employment Agreement of R. Dean Akers
10.4	Amendment to the Employment Agreement of Steve Weclaw
10.5	Amendment to the Employment Agreement of Aaron Gordon
99.1	Press Release Dated August 31, 2016

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.

LM FUNDING AMERICA, INC.

By: /s/ Stephen Weclw
Stephen Weclw
Chief Financial Officer, Treasurer and Assistant
Secretary (Principal Accounting Officer and Principal
Financial Officer)

Date: August 31, 2016

AMENDMENT TO EMPLOYMENT AGREEMENT OF BRUCE M. RODGERS

This ("Amendment") is dated August 30, 2016, ("Effective Date") to the Employment Agreement dated as of October 22, 2015, by and between LM Funding America, Inc., Delaware incorporated corporation (the "**Company**"), and Bruce M. Rodgers ("**Executive**").

WHEREAS: Executive has agreed to reduce his or her cash Salary compensation by an amount equal to 30% of the original agreed upon amount pro-rata, commencing on the effective date of this Amendment and continuing thereafter for the duration of the term of the original Employment Agreement at the request of the Board of Directors. This reduction is in connection with cost saving measures and a general reduction of salaries to the Company's senior management.

NOW THEREFORE: Section 3(a) of the Employment Agreement, titled, "Compensation" is hereby deleted in its entirety and hereby substituted with the following, to read:

(a) The Company agrees to pay to Executive a salary in cash (the "**Salary**"), as compensation for the services to be performed by Executive, at the rate of ~~\$385,000~~ \$269,500 per calendar year, paid in accordance with the Company's customary payroll procedures and subject to applicable withholding. Upon completion of the initial public offering, Executive shall be eligible for a bonus as determined by the Board. Based on Executive's performance, Executive will receive a merit increase for calendar year 2016, effective January 1, 2016, in an amount to be determined by the Board in its sole discretion. During the Term, the Board shall have the right to increase, but not decrease, the Salary, except the Board may decrease the Salary in connection with a base salary decrease that is generally applicable to all members of the Company's senior management. Without limiting the generality of the foregoing, Executive will be eligible for additional annual salary merit increases during the Term beginning in 2016 based on the evaluation of Executive's performance as determined by the Board in its sole discretion. Executive's salary as in effect from time to time shall constitute the "**Salary**" for purposes of this Agreement.

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

LM FUNDING AMERICA, INC.

By: /s/ Stephen D. Weclaw

Stephen D. Weclaw, Chief Financial Officer

EXECUTIVE

/s/ Bruce M. Rodgers

Bruce M. Rodgers

AMENDMENT TO EMPLOYMENT AGREEMENT OF CAOLLINN GOULD

This (“Amendment”) is dated August 30, 2016, (“Effective Date”) to the Employment Agreement dated as of October 22, 2015, by and between LM Funding America, Inc., Delaware incorporated corporation (the “Company”), and Carollinn Gould (“Executive”).

WHEREAS: Executive has agreed to reduce his or her cash Salary compensation from the original agreed upon amount pro-rata, commencing on the effective date of this Amendment and continuing thereafter for the duration of the term of the original Employment Agreement at the request of the Board of Directors. This reduction is in connection with cost saving measures and a general reduction of salaries to the Company’s senior management.

NOW THEREFORE: Section 3(a) of the Employment Agreement, titled, “Compensation” is hereby deleted in its entirety and hereby substituted with the following, to read:

(a) The Company agrees to pay to Executive a salary in cash (the “Salary”), as compensation for the services to be performed by Executive, at the rate of ~~\$150,000~~ \$84,000 per calendar year, paid in accordance with the Company’s customary payroll procedures and subject to applicable withholding. Based on Executive’s performance, Executive will receive a merit increase for calendar year 2016, effective January 1, 2016, in an amount to be determined by the Board in its sole discretion. During the Term, the Board shall have the right to increase, but not decrease, the Salary, except the Board may decrease the Salary in connection with a base salary decrease that is generally applicable to all members of the Company’s senior management. Without limiting the generality of the foregoing, Executive will be eligible for additional annual salary merit increases during the Term beginning in 2016 based on the evaluation of Executive’s performance as determined by the Board in its sole discretion. Executive’s salary as in effect from time to time shall constitute the “Salary” for purposes of this Agreement.

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

LM FUNDING AMERICA, INC.

By: /s/ Bruce M. Rodgers

Bruce M. Rodgers, Chief Executive Officer

EXECUTIVE

/s/ Carollinn Gould

Carollinn Gould

AMENDMENT TO EMPLOYMENT AGREEMENT OF R. DEAN AKERS

This (“Amendment”) is dated August 30, 2016, (“Effective Date”) to the Employment Agreement dated as of May 10, 2016, by and between LM Funding America, Inc., Delaware incorporated corporation (the “Company”), and R. Dean Akers (“Executive”).

WHEREAS: Executive has agreed to reduce his or her cash Salary compensation by an amount equal to 30% of the original agreed upon amount pro-rata, commencing on the effective date of this Amendment and continuing thereafter for the duration of the term of the original Employment Agreement at the request of the Board of Directors. This reduction is in connection with cost saving measures and a general reduction of salaries to the Company’s senior management.

NOW THEREFORE: Section 3(a) of the Employment Agreement, titled, “Compensation” is deleted in its entirety and hereby substituted with the following, to read:

(a) The Company agrees to pay to Executive a salary in cash (the “ Salary”), as compensation for the services to be performed by Executive, at the rate of ~~\$200,000~~ \$140,000 per calendar year, paid in accordance with the Company’s customary payroll procedures and subject to applicable withholding. During the Term, the Board shall have the right to increase, but not decrease, the Salary, except the Board may decrease the Salary in connection with a base salary decrease that is generally applicable to all members of the Company’s senior management. Without limiting the generality of the foregoing, Executive will be eligible for additional annual salary merit increases during the Term beginning in 2017 based on the evaluation of Executive’s performance as determined by the Board in its sole discretion. Executive’s salary as in effect from time to time shall constitute the “Salary” for purposes of this Agreement.

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

LM FUNDING AMERICA, INC.

By: /s/ Bruce M. Rodgers

Bruce M. Rodgers, Chief Executive Officer

EXECUTIVE

/s/ R. Dean Akers

R. Dean Akers

AMENDMENT TO EMPLOYMENT AGREEMENT OF STEVE WECLEW

This (“Amendment”) is dated August 30, 2016, (“Effective Date”) to the Employment Agreement dated as of January 4, 2016, by and between LM Funding America, Inc., Delaware incorporated corporation (the “**Company**”), and Steve Weclaw (“**Executive**”).

WHEREAS: Executive has agreed to reduce his or her cash Salary compensation by an amount equal to 30% of the original agreed upon amount pro-rata, commencing on the effective date of this Amendment and continuing thereafter for the duration of the term of the original Employment Agreement at the request of the Board of Directors. This reduction is in connection with cost saving measures and a general reduction of salaries to the Company’s senior management.

NOW THEREFORE: Section 3(a) of the Employment Agreement, titled, “Compensation” is deleted in its entirety and hereby substituted with the following, to read:

(a) The Company agrees to pay to Executive a salary in cash (the “Salary”), as compensation for the services to be performed by Executive, at the rate of ~~\$200,000~~ \$140,000 per calendar year, paid in accordance with the Company’s customary payroll procedures and subject to applicable withholding. During the Term, the Board shall have the right to increase, but not decrease, the Salary, except the Board may decrease the Salary in connection with a base salary decrease that is generally applicable to all members of the Company’s senior management. Without limiting the generality of the foregoing, Executive will be eligible for additional annual salary merit increases during the Term beginning in 2017 based on the evaluation of Executive’s performance as determined by the Board in its sole discretion. Executive’s salary as in effect from time to time shall constitute the “Salary” for purposes of this Agreement.

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

LM FUNDING AMERICA, INC.

By: /s/ Bruce M. Rodgers

Bruce M. Rodgers, Chief Executive Officer

EXECUTIVE

/s/ Steve Weclaw

Steve Weclaw

AMENDMENT TO EMPLOYMENT AGREEMENT OF AARON GORDON

This (“Amendment”) is dated August 30, 2016, (“Effective Date”) to the Employment Agreement dated as of January 4, 2016, by and between LM Funding America, Inc., Delaware incorporated corporation (the “**Company**”), and Aaron Gordon (“**Executive**”).

WHEREAS: Executive has agreed to reduce his or her cash Salary compensation from the original agreed upon amount pro-rata, commencing on the effective date of this Amendment and continuing thereafter for the duration of the term of the original Employment Agreement at the request of the Board of Directors. This reduction is in connection with cost saving measures and a general reduction of salaries to the Company’s senior management.

NOW THEREFORE: Section 3(a) of the Employment Agreement, titled, “Compensation” is deleted in its entirety and hereby substituted with the following, to read:

(a) The Company agrees to pay to Executive a salary in cash (the “Salary”), as compensation for the services to be performed by Executive, at the rate of ~~\$125,000~~ \$112,500 per calendar year, paid in accordance with the Company’s customary payroll procedures and subject to applicable withholding. During the Term, the Board shall have the right to increase, but not decrease, the Salary, except the Board may decrease the Salary in connection with a base salary decrease that is generally applicable to all members of the Company’s senior management. Without limiting the generality of the foregoing, Executive will be eligible for additional annual salary merit increases during the Term beginning in 2017 based on the evaluation of Executive’s performance as determined by the Board in its sole discretion. Executive’s salary as in effect from time to time shall constitute the “Salary” for purposes of this Agreement.

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

LM FUNDING AMERICA, INC.

By: /s/ Bruce M. Rodgers

Bruce M. Rodgers, Chief Executive Officer

EXECUTIVE

/s/ Aaron Gordon

Aaron Gordon



FOR IMMEDIATE RELEASE

LM Funding Implements Cost Cutting Initiative

Tampa, Fla. – August 31, 2016 – LM Funding America, Inc. (NASDAQ:LMFA) (NASDAQ:LMFAW), a specialty finance company offering unique funding solutions to community associations, has implemented a cost cutting initiative that is expected to reduce expenses by approximately \$2 million annually.

The initiative, which is expected to be completed by the beginning of Q4 2016, includes streamlining internal processes, reducing costs and ultimately, enhancing gross margins. These measures include reducing non-sales related back office personnel by 30%, reducing back office wages up to 20% and lowering the company's executive base compensation by 30%.

"One of the challenges in this business is predicting when accounts will pay off, as we have little control over the speed of the court system and other variables," said Bruce Rodgers, founder and CEO of LM Funding. "We have experienced a decline in the number of paid off accounts in the last two quarters although the average payoff amount continues to increase. Due to the somewhat unpredictable nature of our revenues and the ever-present need for cash to purchase new accounts, it is imperative that we manage our general administrative overhead as efficiently as possible.

"We have redeployed some of the cost savings toward strengthening our sales organization in terms of personnel and geographic focus on our most lucrative markets. The balance of these cost savings will ensure that the company has sufficient cash on hand to purchase accounts generated by our strengthened sales force in the multi-billion-dollar community association receivables market."

In addition to the announced cost savings, LM Funding's president Sean Galaris will be leaving the company at year-end to take a similar position at Condominium Associates, a Tampa based property management company that manages over 300 community associations in Florida. LM Funding does not have any ownership interest in Condominium Associates.

"We would like to thank Sean for his leadership and service to our company and look forward to working with him in the future, as we assist Condominium Associates' community association clients with their delinquent accounts receivable," Rodgers added.

In addition to the cost cuts and management changes, LM Funding has recently listed several of its REO properties for sale in the South Florida market.

"We believe the values of some of our REO holdings have peaked and it is time to realize the profits from these properties and redeploy the cash to purchase more accounts," Rodgers stated.

About LM Funding America

LM Funding America, Inc., together with its subsidiaries, is a specialty finance company that provides funding to nonprofit community associations (Associations) primarily located in the state of Florida, as well as in the states of Washington, Colorado and Illinois. The company offers funding to Associations by purchasing a certain portion of the Associations' rights to delinquent accounts that are selected by the Associations arising from unpaid Association assessments. It is also involved in the business of

purchasing delinquent accounts on various terms tailored to suit each Association's financial needs, including under its New Neighbor Guaranty™ program. The company was founded in 2008 and is based in Tampa, Florida. The company's common shares and warrants trade on the NASDAQ Capital Market under the symbols "LMFA" and "LMFAW".

Forward-Looking Statements

This press release may contain forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Words such as "anticipate," "estimate," "expect," "intend," "plan," and "project" and other similar words and expressions are intended to signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various risks and uncertainties. Some of these risks and uncertainties are identified in the company's filings with the SEC. The occurrence of any of these risks and uncertainties could have a material adverse effect on the company's business, financial condition, and results of operations.

Company Contact:

Bruce M. Rodgers
Chairman and CEO
LM Funding America, Inc.
Tel (813) 222-8996
investors@lmfunding.com

Investor Relations Contact:

Michael Koehler
Liolios Group, Inc.
Tel (949) 574-3860
LMFA@liolios.com

###