

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

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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 2, 2012**

**DATARAM CORPORATION**

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(Exact name of registrant as specified in charter)

New Jersey	1-8266	22-18314-09
State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
Route 571, P. O. Box 7258, Princeton, NJ		08543-7528
(Address of principal executive offices)		(Zip Code)

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Registrant's telephone number, including area code: **(609) 799-0071**

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(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))
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Item 1.01 Entry into a Material Definitive Agreement

On March 2, 2012, Dataram Corporation (the "Company") signed Amendment No. 2, dated as of February 9, 2012, to its Loan and Security Agreement executed July 27, 2010 with Crestmark Commercial Capital Lending LLC. In connection with this Amendment No. 2 the Company also executed an Amended and Restated Promissory Note also dated February 9, 2012. Amendment No. 2 calls for a reduction in the credit facility from \$5,000,000 to \$3,500,000 effective immediately. Other provisions of Amendment No. 2 are changes to the Tangible Net Worth covenant, a term of one year from February 9, 2012 and the establishment of an exit fee if certain conditions are met. The Company believes that based on current projections, the Company will be able to borrow the maximum allowed under the formulas provided for in the original agreement and therefore the reduction in credit facility will not affect the Company's borrowing ability. The Amended and Restated Promissory Note reduces the maximum amount due under the note to \$3,500,000 from \$5,000,000. The agreements are filed as exhibits to this Form 8-K.

Section 9 - Financial Statements and Exhibits.

Item 9.01. Exhibits.

10.1 Amendment No. 2, dated as of February 9, 2012, to Loan and Security Agreement by and between Crestmark Commercial Capital Lending LLC and Dataram Corporation.

10.2 Amended and Restated Promissory Note, dated as of February 9, 2012, made by Dataram Corporation in favor of Crestmark Commercial Capital Lending LLC.

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.

DATARAM CORPORATION

By: MARC P. PALKER

Date: March 7, 2012

/s/ Marc P. Palker

Marc P. Palker

Chief Financial Officer

**AMENDMENT NO.2  
TO  
LOAN AND SECURITY AGREEMENT**

This Amendment No. 2 to Loan and Security Agreement is made this 9th day of February, 2012, by and between **CRESTMARK COMMERCIAL CAPITAL LENDING LLC**, a Michigan limited liability company, whose address is 726 Highlandia Drive, Baton Rouge, Louisiana 70810 ("Crestmark") and **DATARAM CORPORATION**, a New Jersey corporation, whose chief executive office is located at 777 Alexander Road, Suite 100, Princeton, New Jersey 08540 ("Borrower"). This Amendment No. 2 amends that certain Loan and Security Agreement executed **July 27, 2010** (as amended, the "Loan Agreement").

**BACKGROUND:**

The parties have executed the Loan Agreement and Loan Documents;

The Borrower is indebted and/or obligated to Crestmark without offset or deduction pursuant to the Loan Agreement and the Loan Documents all of which are in full force and effect; and

Borrower and Crestmark desire to modify and amend certain terms, conditions, covenants and obligations contained in the Loan Agreement and the Loan Documents, including, but not limited to, reducing the Maximum Amount, and changes to the Financial Covenants and Exit Fee.

Accordingly, the parties agree as follows:

**1. INCORPORATION BY REFERENCE:**

All definitions and terms used in the Loan Agreement and the Loan Documents are hereby incorporated in this Amendment No. 2.

**2. AMENDMENT AND MODIFICATION TO LOAN AGREEMENT:**

- A. Section 2 (a) only (Loan; Loan Advances) of the Schedule to the Loan Agreement is hereby deleted in its entirety, and in lieu thereof, the following is inserted:

2. LOAN; LOAN ADVANCES.

Advance Formula: Advances of the Loan may be measured against a percentage of Eligible Accounts.

The Loan Amount may not exceed an amount which is the lesser of:

- (a) Three Million Five Hundred and no/100 Dollars (\$3,500,000.00) ("Maximum Amount"); or

The remaining provisions of Section 2 remain unchanged.

- B. Section 11 E (Borrower's Promises/Financial Covenants) of the Schedule to the Loan Agreement is hereby deleted in its entirety, and in lieu thereof, the following is inserted:

E. FINANCIAL COVENANTS: Borrower will maintain the following Financial Covenants, which will be tested on a quarterly basis:

A minimum **Tangible Net Worth** of at least Two Million Dollars (\$2,000,000.00). "Tangible Net Worth" means, as of the date of determination, total assets less total liabilities less the sum of (i) the aggregate amount of non-trade Accounts Receivable, including Accounts Receivable from affiliated or related Persons but excluding any value added tax receivable; (ii) prepaid expenses; (iii) deposits; (iv) goodwill; and (v) any other asset which would be treated as an intangible asset under GAAP, plus Subordinated Debt. "Subordinated Debt" means any and all indebtedness presently or in the future incurred by Borrower to any creditor of Borrower entering into a written subordination agreement with Crestmark.

All of the financial covenants in this Agreement shall be determined in accordance with GAAP, unless otherwise provided.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board that are applicable to the circumstances as of the date of determination and applied on a consistent basis.

- C. The third paragraph entitled Exit Fee of Section 4 (Fees and Expenses) of the Schedule to the Loan Agreement is hereby deleted in its entirety, and in lieu thereof, the following is inserted:

**Exit Fee:** Borrower may elect to prepay the Obligations and/or terminate the Agreement but only upon the payment of all Obligations including the following exit fee ("Exit Fee"), as liquidated damages and not as a penalty: Two percent {2%} of the Maximum Amount stated herein, if termination is requested more than thirty (30) days prior to February 9, 2013. After February 9, 2013, the Exit Fee will be waived so long as Borrower notifies Crestmark in writing within thirty (30) days of Borrower's intention to terminate the Agreement. Notwithstanding the foregoing, the Exit Fee shall be waived if prior to February 9, 2013 (i.) Borrower is able to obtain a line of credit with a competitive bid from another lender and Crestmark is given thirty (30) days from its receipt of the actual competitive bid to match its terms and conditions and Crestmark is not able to match the competitive bid or (ii.) if Borrower's common stock is purchased, transferred or otherwise conveyed resulting in a single holder owning or beneficially owning more than fifty (50%) percent of the outstanding stock of Borrower.

**3. NO WAIVER:**

Borrower acknowledges that the execution of this Amendment No. 2 does not constitute a waiver or cure of any Default, whether matured or otherwise, if any, that previously existed or now exists under the Loan Agreement or any Loan Document. By execution of this Agreement, Crestmark will not be deemed to have waived any of its rights or remedies under the Loan Agreement or any Loan Document.

**4. SURVIVAL, REAFFIRMATION, AND NO DEFENSES:**

Borrower agrees, in all capacities in which the signatory has executed the Loan Agreement or any of the Loan Documents, as follows:

A. That, except as herein expressly modified or amended, all terms, conditions, covenants, representations and warranties contained in the Loan Agreement and the Loan Documents are true and correct, continue to be satisfied in all respects and are legal, valid and binding obligations. The undersigned hereby ratify, agree to and confirm the Loan Agreement and the Loan Documents and consent to and acknowledge the foregoing Amendment No. 2.

B. That payment of the Indebtedness is the valid obligation of Borrower and, as of the date hereof, Borrower has absolutely no defenses, claims, rights of set-off or counterclaims against Crestmark or the payment

of the Indebtedness. This Amendment No. 2 shall not impair the rights, remedies and Collateral given in the Loan Agreement and the Loan Documents.

C. That the liability of the undersigned howsoever arising or provided for in the Loan Agreement and the Loan Documents is hereby reaffirmed.

**5. RELEASE:**

In consideration of Crestmark executing this Amendment No. 2, Borrower does hereby release and discharge Crestmark of and from any and all claims, harm, causes of action, liabilities, injuries, expenses (including attorneys' fees) and damages of any and every kind, known or unknown, legal or equitable, which Borrower has against Crestmark from the date of Borrower's first contact with Crestmark up to the date of this Agreement. Borrower confirms to Crestmark that they have reviewed the effect of this release with legal counsel of their choice, or have been afforded the opportunity to do so, prior to the execution of this Amendment No. 2 and each acknowledges and agrees that Crestmark is relying upon this release in executing this Amendment No. 2,

**6. CONFIRMATION OF LIEN UPON COLLATERAL:**

The Borrower acknowledges and agrees that pursuant to the terms of the Loan Agreement, the obligations of the Borrower and the Indebtedness are secured by a first priority lien and security interest in the Collateral (as defined in the Loan Agreement). The Collateral is and shall remain subject to and encumbered by the lien, charge, and encumbrance of the Loan Agreement, and nothing contained herein shall affect or be construed to affect the lien or encumbrance created by the Loan Agreement or the priority thereof.

**7. NO ORAL MODIFICATION:**

This Amendment No. 2 may only be altered or modified by written instrument duly executed by Borrower and Crestmark.

The parties hereto have executed this Agreement the day and year first appearing above.

**"CRESTMARK"**

Crestmark Commercial Capital Lending LLC, a Michigan limited liability company

By: /s/ Patrick M. Haney  
Patrick M. Haney, Group President

**"BORROWER"**

Dataram Corporation,  
a New Jersey corporation

By: /s/ John H. Freeman  
John H. Freeman, President & CEO

**AMENDED AND RESTATED  
PROMISSORY NOTE**

**Principal Amount \$3,500,000.00**  
**Dated: February 9, 2012**  
**Original Amount:\$5,000,000.00**  
**Original Dated: July 27, 2010**

**Baton Rouge, Louisiana**

This Amended and Restated Promissory Note ("Note") is made by the Borrower who has signed this Note. The Borrower promises to pay to the order of CRESTMARK COMMERCIAL CAPITAL LENDING LLC, a Michigan limited liability company ("Crestmark"), ON DEMAND, the principal sum of Three Million Five Hundred Thousand and no/100 Dollars (\$3,500,000) or the aggregate unpaid principal amount of all Advances made by Crestmark to Borrower under the Loan and Security Agreement dated July 27, 2010, as amended from time to time between Borrower and Crestmark ("Agreement"), plus interest, fees and expenses, as hereinafter provided. Any capitalized terms used in this Note, if not defined in this Note, will have the meanings assigned to such terms in the Agreement. Payment shall be made to Crestmark at its offices located at 726 Highlandia Drive, Baton Rouge, Louisiana 70810 or at such other place as Crestmark or the person that then holds this Note designates in writing, the principal amount set forth above or such lesser or greater amount as may then be due under the Agreement, plus interest, fees and expenses as hereinafter provided. All payments that are made must be made in lawful money of the United States of America in immediately available funds. Borrower does not have any right to offset, deduction, or counterclaim from the amount due.

This Note is referred to in and was delivered pursuant to the Agreement under which Advances, repayment and further Advances may be made from time to time, pursuant to and in accordance with the terms of the Agreement. Reference is made to the Agreement for additional terms relating to this Note and the security given for this Note.

The Borrower acknowledges that this Note matures upon issuance and that Crestmark, at any time and without reason, may demand that this Note be immediately paid in full or in part, provided that if Borrower is not in Default beyond the expiration of the applicable cure period at the time Crestmark demands payment or anytime thereafter, Borrower shall have ninety (90) days to find replacement financing or otherwise pay the Indebtedness in full. Notwithstanding anything contained herein the contrary, Crestmark may pursue all remedies under the Loan Documents and applicable law if there is an event of Default, subject to any applicable cure period, before or after demand for payment. The demand nature of this Note is not modified by reference to a Default in this Note or in the Agreement or other Loan Documents. To the extent that there is reference to a Default, such reference is for the purpose of permitting Crestmark to receive interest at the Extra Rate provided in this Note.

The outstanding principal balance of this Note will bear interest based upon a year of 360 days with interest being charged for each day the principal amount is outstanding including the date of actual payment. The interest rate will be a rate which is equal to two (2%) percentage points in excess of that rate shown in the Wall Street Journal as the prime rate (the "Effective Rate"). Interest on this Note will change with each change in the prime rate so published. If at any time Crestmark either abandons the use of the Wall Street Journal prime rate or the Wall Street Journal prime rate is no longer published, then Crestmark will establish a similar replacement rate in its sole discretion. Notwithstanding the foregoing, at no time will the Effective Rate be less than five and one quarter (5.25%) percent per annum.

Borrower must pay interest on the principal amount which is outstanding each month in arrears commencing on the first day of the month following the funding of the transaction, and continuing on the first day of each month thereafter until the Obligations are fully paid. If the Agreement so provides, interest will also be payable at the same rate on all other sums constituting Obligations. If any payment is due on a day which Crestmark is not open for business, then payments will be made on the next business day. Payments will be

applied in the manner provided in the Agreement. If Borrower at any time pays less than the amount then due, Crestmark may accept such payment, but the failure to pay the entire amount due is a Default. The (i) failure of Borrower to comply with the provisions of the Agreement or (ii) failure to pay the Obligations following demand will permit Crestmark to charge the Extra Rate. The "Extra Rate" shall mean the Effective Rate plus eight (8%) percent per annum.

Should Borrower make any payment by mail, the payment must be actually received by Crestmark before the payment is credited but payment is still subject to the Clearance Days as defined in the Schedule to the Agreement. Borrower assumes all risk resulting from non-delivery or delay, in delivery of any payment no matter how the payment is delivered.

If Borrower elects to prepay this Note and/or terminate the Agreement, Borrower may do so, but only upon payment of all the Obligations, including the Exit Fee set forth in the Schedule.

It is the intent of the parties that the rate of interest and other charges to Borrower under this Note shall be lawful; therefore, if for any reason the interest or other charges payable hereunder are found by a court of competent jurisdiction, in a final determination, to exceed the limit Crestmark may lawfully charge Borrower, then the obligation to pay interest or other charges shall automatically be reduced to such limit and, if any amount in excess of such limit shall have been paid, then such amount shall be credited to the outstanding principal balance of this Note, or if no such amount is outstanding, refunded to Borrower.

Borrower waives any obligation of Crestmark to present this Note for payment or to give any notice of nonpayment or notice of protest and any other notices of any kind. The liability of the Borrower is absolute and unconditional, without regard to the liability of any other party.

This Note amends and restates in its entirety a certain Promissory Note dated July 27, 2010, from Borrower to Crestmark. This Note does not constitute a novation or extinguishment of the existing indebtedness evidenced by said promissory note and said indebtedness is still outstanding.

If this Note is signed by two or more parties, the obligations and undertakings under this Note shall be that of all and any two or more jointly and also each severally.

**DATARAM CORPORATION,**  
a New Jersey corporation

By: /s/ John H. Freeman  
John H. Freeman, President & CEO