

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): **April 29, 2014**

DATARAM CORPORATION

(Exact name of registrant as specified in charter)

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

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

(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))

Item 1.01. Entry Into a Material Definitive Agreement.

Amendment to Financing Agreement

On April 29, 2014, the Company entered into an amendment (the "Amendment") to that certain Financing Agreement, dated as of November 6, 2013 ("Financing Agreement"), by and between the Company and Rosenthal & Rosenthal, Inc. The Amendment provides for advances against inventory balances based on prescribed formulas of raw materials and finished goods. The maximum borrowing capacity remains at \$3,500,000, which management believes is sufficient for the next twelve months. All other terms of the Financing Agreement remain the same. The Financing Agreement was filed as Exhibit 10.4 to the Current Report on Form 8-K filed by the Company on November 8, 2013. The Amendment is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 1.02. Termination of a Material Definitive Agreement.

The Company used the advances from the Amendment to repay the full amount of approximately \$773,000 due under the Amended and Restated Note and Security Agreement, dated as of October 31, 2013 (the "Note and Security Agreement"), by and between the Company and David Sheerr, an executive officer of the Company. As a result of such repayment, (i) the Note and Security Agreement was terminated, (ii) the Company expects to achieve an increase in cash flow of approximately \$600,000 over the next 23 months, and (iii) the Company lowered its overall interest rate on its outstanding debt. In connection with the foregoing, the Collateral Assignment of Tenant's Interest in Lease, dated as of November 6, 2013 (the "Collateral Assignment"), by and between the Company and David Sheerr was also terminated. The Note and Security Agreement and the Collateral Assignment were filed as Exhibits 10.1 and 10.2, respectively, to the Current Report on Form 8-K filed by the Company on November 8, 2013.

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

The information set forth under Section 1.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 2.03.

Item 9.01. Financial Statements and Exhibits.

No. Description

- | | |
|------|--|
| 10.1 | Form of Amendment to Financing Agreement, dated as of April 29, 2014, by and between the Company and Rosenthal & Rosenthal, Inc. |
| 99.1 | Press Release dated May 1, 2014 |

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

(Registrant)

Date: May 1, 2014

/s/ MARC P. PALKER

(Signature)

Marc P. Palker

Chief Financial Officer

ROSENTHAL & ROSENTHAL, INC.

1370 BROADWAY
NEW YORK, NY 10018

April 29, 2014

Dataram Corporation
777 Alexander Road
Ste. 100
Princeton, NJ 08475

Ladies and Gentlemen:

Reference is made to the Financing Agreement entered into between us dated November 6, 2013, as amended and/or supplemented (the "Financing Agreement").

This will confirm that, effective as of the date hereof, the Financing Agreement is hereby amended as follows:

1. The following is added as a new Section 1.8(a)

"1.8(a) **"Dataram Inventory"** shall mean all Inventory of Borrower, which is not MMB Inventory, separately identified on inventory designations provided to Lender in accordance with Section 6.7 hereof."

"1.8(b) **"MMB Inventory"** shall mean all Inventory of Borrower's MMB division, separately identified on inventory designations provided to Lender in accordance with Section 6.7 hereof.

2. The following is added as a new Section 1.10(a):

"1.10(a) **"Eligible Inventory"** shall mean Inventory owed by Borrower in the ordinary course of its business in which Lender holds a perfected security interest pursuant to the terms hereof, ranking prior to all interests, claims and rights of others, and has received agreements executed by any landlords and bailees where such Inventory may be located in accordance with Section 6.15 hereof, and which is and at all times shall continue to be acceptable to Lender in all respects. Standards of eligibility may be fixed and revised from time to time solely by Lender in its exclusive judgment. In determining eligibility, Lender may, but need not, rely on certificates of inventory and reports furnished by Borrower, but reliance thereon by Lender from time to time shall not be deemed to limit Lender's right to revise standards of eligibility at any time. In general, Inventory shall not be deemed eligible unless it complies in all respects with the representations, covenants and warranties hereinafter set forth, made by Borrower with respect thereto and meets all standards imposed by any governmental agency or authority."

3. The following is added as a new Section 1.15(a):

"1.15(a) **"Inventory Availability"** shall have the meaning given in Section 2.1 hereof."

4. The following is added as a new Section 1.22(a):

5. The first paragraph of Section 2 of the Financing Agreement is amended and restated in its entirety so as to read as follows:

“Lender shall, in its discretion, make loans to Borrower from time to time, at Borrower's request, which loans in the aggregate shall not exceed the lesser of (A) the Maximum Credit Facility; or (B) the Loan Availability, which means the (a) Receivable Availability equal to (x) ninety percent (90%) of the Net Amount of Eligible Receivables arising out of sales made to customers located in the United States of America and Canada; and (y) up to (i) fifty percent (50%) of the Net Amount of Eligible Receivables arising out of sales to Customers located outside of the United States and Canada which are subject to a credit insurance policy assigned and satisfactory to us, issued by an insurer satisfactory to us or (ii) \$500,000; plus (b) the Inventory Availability, which means, advances on Eligible Inventory up to the lesser of (I) (x) (a) forty percent (40%) of Dataram Inventory that is finished goods, calculated at the lower of cost or market or (b) \$600,000; plus (y)(a) twenty five percent (25%) of Dataram Inventory that is raw material or (b) \$600,000; plus (z)(a) twenty five percent (25%) of MMB Inventory or (b) \$600,000 and (II) \$600,000, minus such reserves as Lender may deem, in its sole discretion, to be necessary from time to time.

6. Section 3.1 is amended and restated in its entirety so as to read as follows:

“3.1 Borrower agrees to pay to Lender each month interest (computed on the basis of the actual number of days elapsed over a year of 360 days) (a) on that portion of the average daily balances in the Loan Account during the preceding month that does not exceed the sum of the Receivable Availability, at a rate per annum equal to the Prime Rate plus the Margin (the “**Effective Rate**”); (b) on the Inventory Availability, at a rate per annum equal to the Prime Rate plus three and three quarters percent (3.75%) (the “**Inventory Rate**”); and (c) on the amount of Over-advances, if any, at a rate of 3% per annum in excess of the Inventory Rate. Any change in the effective interest rates due to a change in the Prime Rate shall take effect on the date of such change in the Prime Rate provided, that, with respect to Lender’s charges, no decrease in the Prime Rate below 4% per annum shall be given any effect.”

Except as hereinabove specifically set forth, all of the terms and conditions of the Financing Agreement shall remain in full force and effect and shall continue unmodified.

Very truly yours,

ROSENTHAL & ROSENTHAL, INC.

By: _____
Thomas D. Lauria, Senior Vice President

Agreed:

DATARAM CORPORATION

By: _____
John H. Freeman, CEO



PRESS RELEASE

Dataram Contact:

Marc P. Palker
Chief Financial Officer
609-799-0071
info@dataram.com

DATARAM ANNOUNCES THE AMENDMENT OF ITS REVOLVING CREDIT LINE AND THE REPAYMENT OF RELATED PARTY DEBT

PRINCETON, N.J. May 1, 2014— Dataram Corporation (NASDAQ: DRAM) announced today it has signed an amendment (the “Amendment”) to its financing agreement (the “Financing Agreement”) with Rosenthal & Rosenthal, Inc. The Amendment allows the Company to borrow against its inventory balances based on prescribed formulas. The maximum borrowing capacity under the Financing Agreement remains at \$3,500,000. Management believes the \$3,500,000 will be sufficient for the next twelve months. The loans under the Financing Agreement mature on November 30, 2016 unless the Financing Agreement is either earlier terminated or renewed. Loans outstanding under the Financing Agreement will bear interest at a rate equal to the Prime Rate (as defined in the Financing Agreement) plus 3.25%, or on Over-advances (as defined in the Financing Agreement), if any, at a rate equal to 6.25%.

The additional advances available under the Financing Agreement were used to pay off the remaining balance of approximately \$773,000 due under the Amended and Restated Note and Security Agreement (the “Note and Security Agreement”) payable to David Sheerr, an executive of the Company. As a result of such repayment, (i) the Note and Security Agreement was terminated, (ii) the Company expects to achieve an increase in cash flow of approximately \$600,000 over the next 23 months, and (iii) the Company lowered its overall interest rate on its outstanding debt. In addition, the collateral assignment to David Sheerr of the Company’s interest in its lease in Montgomeryville, Pennsylvania was terminated.

John H. Freeman, Dataram’s President and CEO commented, “These are steps we are taking in a program to strengthen our balance sheet, reduce expenses and have working capital available to support larger orders and to position Dataram for future growth.”

ABOUT DATARAM CORPORATION

Founded in 1967, Dataram is a worldwide leader in the manufacture of high-quality computer memory, storage and software products. Our products and services deliver IT infrastructure optimization, dramatically increase application performance and deliver substantial cost savings. Dataram solutions are deployed in 70 Fortune 100 companies and in mission-critical government and defense applications around the world. For more information about Dataram, visit www.dataram.com.

The information provided in this press release may include forward-looking statements relating to future events, such as the development of new products, pricing and availability of raw materials or the future financial performance of the Company. Actual results may differ from such projections and are subject to certain risks including, without limitation, risks arising from: changes in the price of memory chips, changes in the demand for memory systems, increased competition in the memory systems industry, order cancellations, delays in developing and commercializing new products and other factors described in the Company's most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission, which can be reviewed at <http://www.sec.gov>.