

NORTH BAY RESOURCES INC
Form 8-K
August 03, 2012

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 2, 2012

NORTH BAY RESOURCES INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

000-54213
(Commission File Number)

83-0402389
(IRS Employer Identification No.)

2120 Bethel Road
Lansdale, Pennsylvania 19446
(Address of principal executive offices and Zip Code)

(215) 661-1100
Registrant's telephone number, including area code

N/A
(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)

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- o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-(b))
- o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e -4(c))

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Information included in this Form 8-K may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This information may involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe the Company's future plans, strategies and expectations, are generally identifiable by use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend" or "project" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and there can be no assurance that any projections included in these forward-looking statements will come to pass. The Company's actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. Except as required by applicable laws, the Company undertakes no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

- Item 1.01 Entry Into a Material Definitive Agreement
- Item 2.03 Creation of a Direct Financial Obligation
- Item 3.02 Unregistered Sales of Equity Securities

Effective August 2, 2012, the Registrant issued a \$100,000 Convertible Promissory Note ("the Note") to Tonaquint, Inc. ("Tonaquint", or "the Lender"). The Note carries a \$10,000 original issue discount (the "OID"), as well as \$3,000 in transaction fees, such that the initial Principal Sum due is \$113,000.

The interest rate on the Note is 8% per annum. The Note has a maturity date of nine (9) months from the Effective Date, and has a fixed conversion price of \$0.06. The Note is self-amortizing, such that it may be repaid in cash in three monthly installments of \$37,666.67 plus accrued interest beginning 180 days from the Effective Date. In lieu of cash payments, the Company may elect to convert the note to shares at 70% of the arithmetic average of the three (3) lowest VWAPs of the shares of Common Stock during the ten (10) consecutive Trading Day period immediately preceding the date of such conversion. No conversion can occur prior to 180 days from the Effective Date. In addition, the Company retains the option of pre-paying the Note at any time at an amount equal to 125% of the outstanding principal and the accrued and unpaid interest.

In connection with this transaction, a commission has been paid to Carter Terry & Company, a registered broker-dealer, consisting of \$10,000 in cash and 85,000 restricted Rule 144 shares of common stock.

The Note referred to above (and the shares of common stock underlying them) is exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended.

The above described executed Note and Securities Purchase Agreement are attached hereto and incorporated by reference as Exhibits 10.1 and 10.2.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

- 10.1 Nine Month Convertible Promissory Note with Tonaquint, Inc. dated August 2, 2012
 - 10.2 Securities Purchase Agreement with Tonaquint, Inc. dated August 2, 2012
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SIGNATURES

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.

NORTH BAY RESOURCES INC.
(Registrant)

By: /s/ Perry Leopold
Perry Leopold
Chief Executive Officer

Dated: August 3, 2012