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MICROFINANCIAL INC  
Form 8-K  
June 15, 2004

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

CURRENT REPORT

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

Date of Report (date of earliest event reported): June 10, 2004  
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MICROFINANCIAL INCORPORATED  
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(Exact name of registrant as specified in its charter)

MASSACHUSETTS  
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(State or other jurisdiction of incorporation)

1-14771  
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04-2962824  
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(Commission file number) (IRS Employer Identification Number)

10-M Commerce Way, Woburn, MA 01801  
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(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (781) 994-4800  
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Item 5. Other Events.  
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On June 10, 2004, TimePayment Corp. LLC, a wholly-owned subsidiary of the Registrant, signed a credit agreement with Acorn Capital Group, LLC. The credit agreement provides for a secured line of credit of up to \$8 million. On the same date, TimePayment signed a note purchase agreement with Ampac Capital Solutions, LLC. The note purchase agreement provides for a loan to TimePayment of up to \$2 million. Each facility was guaranteed on a conditional, subordinated basis by the Registrant. In connection with these agreements, the Registrant issued warrants to the lenders to purchase up to an aggregate of 402,342 shares of common stock of the Registrant, and agreed to register the shares underlying the warrants with the Securities and Exchange Commission. The Registrant issued a press release announcing these transactions on June 14, 2004, a copy of which is attached as exhibit 99.1. The details of the transaction are set forth in the Credit Agreement, the Note Purchase Agreement, and the other documents which are attached as exhibits to this Current Report. The description of the transaction

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in this Current Report is qualified in its entirety by reference to such agreements and the other exhibits hereto.

### Item 7. Financial Statements and Exhibits.

| Exhibit<br>----- | Exhibit Title<br>-----  |
|------------------|---|
| Exhibit 10.1     | Credit Agreement dated as of June 10, 2004, by and between TimePayment Corp. LLC and Acorn Capital Group, LLC   |
| Exhibit 10.2     | Note dated June 10, 2004 to Acorn Capital Group, LLC by TimePayment Corp. LLC   |
| Exhibit 10.3     | Conditional Guaranty dated June 10, 2004, by MicroFinancial Incorporated and Leasecomm Corporation in favor of Acorn Capital Group, LLC                         |
| Exhibit 10.4     | Pledge and Security Agreement dated June 10, 2004 by TimePayment Corp. LLC in favor of Acorn Capital Group, LLC   |
| Exhibit 10.5     | Conditional Pledge and Security Agreement dated June 10, 2004 by MicroFinancial Incorporated and Leasecomm Corporation in favor of Acorn Capital Group, LLC     |
| Exhibit 10.6     | Note Purchase Agreement dated as of June 10, 2004, by and between TimePayment Corp. LLC and Ampac Capital Solutions, LLC  |
| Exhibit 10.7     | Subordinated Promissory Note dated June 10, 2004, to Ampac Capital Solutions, LLC by TimePayment Corp. LLC  |
| Exhibit 10.8     | Subordinated Conditional Guaranty dated June 10, 2004, by MicroFinancial Incorporated in favor of Ampac Capital Solutions, LLC                                  |
| Exhibit 10.9     | Warrant Certificate to purchase 100,000 shares of Common Stock, dated June 10, 2004 issued to Acorn Capital Group, LLC by MicroFinancial Incorporated           |
| Exhibit 10.10    | Warrant Certificate to purchase up to 191,685 shares of Common Stock, dated June 10, 2004 issued to Ampac Capital Solutions, LLC by MicroFinancial Incorporated |
| Exhibit 10.11    | Warrant Certificate to purchase up to 110,657 shares of Common Stock, dated June 10, 2004 issued to Ampac Capital Solutions, LLC by MicroFinancial Incorporated |
| Exhibit 10.12    | Registration Rights Agreement dated June 10, 2004 by and among MicroFinancial Incorporated, Acorn Capital Group, LLC and Ampac Capital Solutions, LLC           |
| Exhibit 99.1     | Press Release dated June 14, 2004   |

### SIGNATURES

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

MICROFINANCIAL INCORPORATED  
Registrant

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By: /s/ James Jackson

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James Jackson  
Vice President and Chief Financial Officer

Dated: June 14, 2004

EXHIBIT INDEX

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