

ASTA FUNDING INC
Form 8-K
January 07, 2009

**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): January 5, 2009

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

Delaware (State or other Jurisdiction of Incorporation)	0-26906 (Commission File Number)	22-3388607 (IRS Employer Identification No.)
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210 Sylvan Avenue, Englewood Cliffs, New Jersey (Address of Principal Executive Offices)	07632 (Zip Code)
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Registrant's telephone number, including area code: **201-567-5648**

(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 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On January 5, 2009, Asta Funding, Inc (the Company) received a staff determination letter from the Nasdaq Stock Market stating that the Company was not in compliance with its rules for continued listing, Rule 4310(c)(14), because it has not timely filed its Annual Report on Form 10-K for the year ended September 30, 2008. The Nasdaq letter indicated that the Company has 60 days, until March 6, 2009 to submit a plan to regain compliance. If such a plan is timely submitted by the Company, the Nasdaq Staff can grant the Company up to 180 calendar days from the due date of the Form 10-K (or June 29, 2009) to regain compliance.

As disclosed in the Company s Form 12b-25, Notification of Late Filing, filed with the Securities and Exchange Commission (the SEC) on December 15, 2008 and again on Form 8-K filed on December 31, 2008, as senior management has been engaged in negotiating various bank amendments and related documents, the Company was unable to timely file its annual report on Form 10-K for the year ended September 30, 2008.

The Company currently expects to resolve the issues with its lenders and to file its Form 10-K within the next two weeks and thereby regain compliance with Nasdaq s rules for continued listing. If, for any reason it is unable to file the Form 10-K prior to March 6, 2009, the Company would then submit a plan to regain compliance to the Nasdaq Listing Qualifications Department no later than March 6, 2009. No assurance can be given that Nasdaq will grant an exception for the full 180-day period contemplated in the Nasdaq Marketplace Rules, if at all. Under Nasdaq s rules, the Company s common stock will continue to be listed on Nasdaq until March 6, 2009, and for any exception period that may be granted to the Company by the Nasdaq Listing Qualifications Department. However, until the Company regains compliance, quotation information for the Company s common stock will include an indicator of the Company s non-compliance and the Company will be included in a list of non-compliant companies on the Nasdaq website.

Except for historical information contained herein, the matters set forth in this Form 8-K, including its ability to resolve issues with its lenders and file its Form 10-K within the next two weeks, may be forward-looking statements (as defined in the Private Securities Litigation Reform Act of 1995.) Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, there can be no assurance that its expectations will be realized. Forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from the Company s expectations. Factors that could contribute to such differences include those identified in the Company s Form 10-K and Form 10-K/A for the fiscal year ended September 30, 2007, Form 10-Q for the quarter ended June 30, 2008 and those described from time to time in the Company s other filings with the Securities and Exchange Commission, news releases and other communications.

On January 7, 2009, the Company issued a press release announcing its receipt of the Nasdaq letter. A copy of the Company's press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 Press Release dated January 7, 2009

SIGNATURE

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

ASTA FUNDING, INC.

Date: January 7, 2009

By: /s/ Mitchell Cohen

Mitchell Cohen

Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated January 7, 2009