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ACCESSPOINT CORP /NV/
Form 8-K
July 07, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Amendment to Application or Report filed
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report: July 7, 2003

Accesspoint Corporation
(Exact name of registrant as specified in its charter)

| | | |
|--|-----------------------------|--------------------------------------|
| Nevada | 000-29217 | 95-4721385 |
| ----- | ----- | ----- |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| | |
|--|------------|
| 6171 W. Century Blvd. Suite 200 LA, CA | 90045 |
| ----- | ----- |
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: (310) 846-2500

Not Applicable
(Former name or former address, if changed since last report.)

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Item 1. Changes in Control of Registrant

None.

Item 2. Acquisition or Disposition of Assets

None.

Item 3. Bankruptcy or Receivership

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None.

Item 4. Changes in Accountants

None.

Item 5. Other Events and Regulation FD Disclosure

In mediation on July 2, 2003, the registrant settled two inter-related claims, one lawsuit and one arbitration claim arising out of a dispute over a contract whereby the registrant agreed to purchase certain merchant accounts from Northwest Systems, LLC ("NWS"). The first case (lawsuit) sought to recover damages of \$300,000 for alleged breach of the contract to purchase, while the second case (arbitration) claimed that NWS has not been paid all residual payments due it under its agency contract with the registrant. In May 2003, an award in the arbitration claim in the amount of \$149,000 was made for the benefit of the plaintiff. The registrant had accrued the entire amount of the judgment plus earned, but unpaid, residuals due to NWS under its agency agreement, which were in contention.

While not all terms of the settlement can be disclosed, the registrant will record other income in the form of a gain on the forgiveness of debt, in the amount of \$270,836 in the quarter ended September 30, 2003. The settlement also calls for the conversion/transfer of all merchants accounts associated with NWS effective, July 1, 2003. While no accurate forecast can be made as to the amount and timing of the anticipated conversion, NWS merchants accounted for approximately 10% of the registrant's gross processing revenue for the quarter ended March 31, 2003. The settlement also calls for a mutual release on both parties of all and any current or contemplated actions arising from their business relationship.

Item 6. Resignation of Directors

None.

Item 7. Financial Statements Pro Forma Financial & Exhibits

None.

Item 8. Changes In Fiscal Year

None.

Item 9. Regulation FD Disclosures

See Items 1, 5 and 6, above.

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 thereunto duly authorized.

Date: July 7, 2003

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By: S/s Becky Takeda

Becky Takeda
Chief Executive Officer, President

A. EXHIBITS

None.