

ROCKY BRANDS, INC.
Form 8-K
February 19, 2019

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): February 13, 2019

ROCKY BRANDS, INC.

(Exact name of registrant as specified in its charter)

Ohio	001-34382	31-1364046
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

39 East Canal Street, Nelsonville, Ohio 45764

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (740) 753-1951

Not Applicable

(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 (see General Instruction A.2. below):

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On February 13, 2019, Rocky Brands, Inc. (the “Company”) entered into a Revolving Credit, Guaranty, and Security Agreement (the “Credit Agreement”) among the Company and certain of its subsidiaries (together with the Company, the “Borrowers”), the lenders party thereto, and The Huntington National Bank as administrative agent for the lenders (the “Agent”) for certain extensions of revolving credit. All capitalized terms not otherwise defined herein are as defined in the Credit Agreement.

The Credit Agreement provides for a new senior secured asset-based revolving credit facility up to a principal amount of \$75 million, which includes a sublimit for the issuance of letters of credit up to \$7.5 million (the “Credit Facility”). The Credit Facility may be increased up to an additional \$25 million at the Borrowers’ request and the Lenders’ option, subject to customary conditions. Proceeds of any loans under the Credit Facility may be used to repay existing indebtedness, for working capital and for general corporate purposes, including capital expenditures, dividends in respect of the Company’s stock, and to make permitted acquisitions.

The Borrowers have granted to the Agent (for the benefit of the Lenders and other secured parties), as collateral security for the obligations under the Credit Facility, security interests and pledges in, and liens on, all inventory, accounts receivable, certain deposit accounts and investment property, and certain other personal property assets of the Company and certain of its subsidiaries, subject to certain Excluded Property.

The applicable margins for interest rates on borrowings under the Credit Agreement are based upon Quarterly Liquidity. Eurodollar Rate Loans bear interest at a rate per annum equal to the sum of an applicable margin, plus the Eurodollar Rate, and Domestic Rate Loans bear interest at a rate per annum equal to the sum of an applicable margin plus the highest of (i) the overnight bank funding rate plus 0.50%, (ii) the Agent’s prime commercial rate in effect, and (iii) the Eurodollar Rate for a period of one month plus 1.0%. Interest for borrowings under the Credit Agreement is payable monthly and at the end of each applicable interest period. A facility fee is payable monthly in arrears on the daily average unused portion of the Credit Facility.

The Credit Agreement matures on February 13, 2024 and requires compliance with conditions precedent that must be satisfied prior to any borrowing as well as ongoing compliance with certain representations and warranties, affirmative and negative covenants, in many cases subject to a material adverse effect. The Credit Agreement also contains various information and reporting requirements and provides for various customary fees to be paid by the Company. In addition, the Credit Agreement contains customary events of default. An event of default may cause the applicable interest rate and fees to increase by 2.0% until such event of default has been cured, waived, or amended.

On February 13, 2019, upon execution of the Credit Agreement, the Company refinanced the amounts under, and terminated the Amended and Restated Revolving Credit, Term Loan, Guaranty, and Security Agreement, dated December 19, 2014, as amended from time to time (the “Former Credit Agreement”), among the Company, certain of the Company’s subsidiaries, the financial institutions listed therein as lenders, and PNC Bank, National Association as

agent for the lenders. The Former Credit Agreement provided for a revolving credit facility of \$75 million and a \$5 million term loan facility, which credit facility was secured by a first priority perfected security interest in substantially all of the personal property of the borrowers under the Former Credit Agreement, subject to specified exceptions.

The foregoing is intended only to be a summary of the Credit Facility and Credit Agreement and is qualified in its entirety by reference to the full text of the Credit Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference.

Item 1.02 Termination of a Material Definitive Agreement.

The information set forth under Item 1.01 is hereby incorporated by reference into this Item 1.02.

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 Item 1.01 is hereby incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
<u>10.1</u>	Revolving Credit, Guaranty, and Security Agreement, dated February 13, 2019, among Rocky Brands, Inc., Lehigh Outfitters, LLC, Lifestyle Footwear, Inc., Rocky Brands US, LLC, Rocky Brands International, LLC, and Rocky Outdoor Gear Store, LLC, as borrowers, the financial institutions party thereto as lenders, and The Huntington National Bank, as agent for the lenders.

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.

Date: February 19, 2019

Rocky Brands, Inc.

/s/ Thomas D. Robertson

Thomas D. Robertson

Executive Vice President, Chief Financial Officer, and Treasurer

ss of the total issued and outstanding shares of the surviving entity. Under other circumstances, depending upon the relative negotiating strength of the parties, prior stockholders may retain substantially less than 20% of the total issued and outstanding shares of the surviving entity. This could result in substantial additional dilution to the equity of those who were stockholders of the Company prior to such reorganization.

The present stockholders of the Company will likely not have control of a majority of the voting securities of the Company following a reorganization transaction. As part of such a transaction, all or a majority of the Company's directors may resign and one or more new directors may be appointed without any vote by stockholders.

In the case of an acquisition, the transaction may be accomplished upon the sole determination of management without any vote or approval by stockholders. In the case of a statutory merger or consolidation directly involving the Company, it will likely be necessary to call a stockholders' meeting and obtain the approval of the holders of a majority of the outstanding securities. The necessity to obtain such stockholder approval may result in delay and additional expense in the consummation of any proposed transaction and will also give rise to certain appraisal rights to dissenting stockholders. Most likely, management will seek to structure any such transaction so as not to require stockholder approval.

It is anticipated that the investigation of specific business opportunities and the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments will require substantial management time and attention and substantial cost for accountants, attorneys and others. If a decision is made not to participate in a specific business opportunity, the costs theretofore incurred in the related investigation might not be recoverable. Furthermore, even if an agreement is reached for the participation in a specific business opportunity, the failure to consummate that transaction may result in the loss to the Registrant of the related costs incurred.

We presently have no employees apart from our management. Our officers and directors are engaged in outside business activities and anticipate that they will devote to our business very limited time until the acquisition of a successful business opportunity has been identified. We expect no significant changes in the number of our employees other than such changes, if any, incident to a business combination.

Item 1A. Risk Factors.

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide this information.

Item 1B. Unresolved Staff Comments.

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide this information.

Item 2. Description of Property.

The Company neither rents nor owns any properties. The Company utilizes the office space and equipment of its management at no cost. Management estimates such amounts to be immaterial. The Company currently has no policy with respect to investments or interests in real estate, real estate mortgages or securities of, or interests in, persons primarily engaged in real estate activities.

Item 3. Legal Proceedings.

There are presently no material pending legal proceedings to which the Company, any of its subsidiaries, any executive officer, any owner of record or beneficially of more than five percent of any class of voting securities is a party or as to which any of its property is subject, and no such proceedings are known to the Company to be threatened or contemplated against it.

Item 4. Removed and Reserved.

PART II

Item 5. Market for Common Equity, Related Stockholder Matters and Small Business Issuer Purchases of Equity Securities.

Common Stock

Our Certificate of Incorporation authorizes the issuance of up to 100,000,000 shares of common stock, par value \$.0001 per share (the "Common Stock"). The Common Stock is not listed on a publicly-traded market. As of March 30, 2011, there were 3 holders of record of the Common Stock.

Preferred Stock

Our Certificate of Incorporation authorizes the issuance of up to 10,000,000 shares of preferred stock, par value \$.0001 per share (the "Preferred Stock"). The Company has not yet issued any of its preferred stock.

Dividend Policy

The Company has not declared or paid any cash dividends on its common stock and does not intend to declare or pay any cash dividend in the foreseeable future. The payment of dividends, if any, is within the discretion of the Board of Directors and will depend on the Company's earnings, if any, its capital requirements and financial condition and such other factors as the Board of Directors may consider.

Securities Authorized for Issuance under Equity Compensation Plans

The Company does not have any equity compensation plans or any individual compensation arrangements with respect to its common stock or preferred stock. The issuance of any of our common or preferred stock is within the discretion of our Board of Directors, which has the power to issue any or all of our authorized but unissued shares without stockholder approval.

Recent Sales of Unregistered Securities

The Company did not sell any equity securities that were not registered under the Securities Act during the year ended December 31, 2010.

No securities have been issued for services. Neither the Registrant nor any person acting on its behalf offered or sold the securities by means of any form of general solicitation or general advertising. No services were performed by any purchaser as consideration for the shares issued.

Issuer Purchases of Equity Securities

None.

Item 6. Selected Financial Data.

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, the Company is not required to provide this information.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operation

The Company was organized as a vehicle to investigate and, if such investigation warrants, acquire a target company or business seeking the perceived advantages of being a publicly held corporation. Our principal business objective for the next 12 months and beyond such time will be to achieve long-term growth potential through a combination with a business rather than immediate, short-term earnings. The Company will not restrict our potential candidate target companies to any specific business, industry or geographical location and, thus, may acquire any type of business.

The Company currently does not engage in any business activities that provide cash flow. During the next twelve months we anticipate incurring costs related to:

- (i) filing Exchange Act reports, and
- (ii) investigating, analyzing and consummating an acquisition.

We believe we will be able to meet these costs through use of funds in our treasury, through deferral of fees by certain service providers and additional amounts, as necessary, to be loaned to or invested in us by our stockholders, management or other investors. As of the date of the period covered by this report, the Company has \$462 in its treasury. There are no assurances that the Company will be able to secure any additional funding as needed. Currently, however our ability to continue as a going concern is dependent upon our ability to generate future profitable operations and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Our ability to continue as a going concern is also dependant on our ability to find a suitable target company and enter into a possible reverse merger with such company. Management’s plan includes obtaining additional funds by equity financing through a reverse merger transaction and/or related party advances, however there is no assurance of additional funding being available.

The Company may consider acquiring a business which has recently commenced operations, is a developing company in need of additional funds for expansion into new products or markets, is seeking to develop a new product or service, or is an established business which may be experiencing financial or operating difficulties and is in need of additional capital. In the alternative, a business combination may involve the acquisition of, or merger with, a company which does not need substantial additional capital but which desires to establish a public trading market for its shares while avoiding, among other things, the time delays, significant expense, and loss of voting control which may occur in a public offering.

Any target business that is selected may be a financially unstable company or an entity in its early stages of development or growth, including entities without established records of sales or earnings. In that event, we will be subject to numerous risks inherent in the business and operations of financially unstable and early stage or potential emerging growth companies. In addition, we may effect a business combination with an entity in an industry characterized by a high level of risk, and, although our management will endeavor to evaluate the risks inherent in a particular target business, there can be no assurance that we will properly ascertain or assess all significant risks. Our management anticipates that it will likely be able to effect only one business combination, due primarily to our limited financing and the dilution of interest for present and prospective stockholders, which is likely to occur as a result of our management’s plan to offer a controlling interest to a target business in order to achieve a tax-free reorganization. This lack of diversification should be considered a substantial risk in investing in us, because it will not permit us to offset potential losses from one venture against gains from another.

The Company anticipates that the selection of a business combination will be complex and extremely risky. Because of general economic conditions, rapid technological advances being made in some industries and shortages of available capital, our management believes that there are numerous firms seeking even the limited additional capital which we will have and/or the perceived benefits of becoming a publicly traded corporation. Such perceived benefits of becoming a publicly traded corporation include, among other things, facilitating or improving the terms on which additional equity financing may be obtained, providing liquidity for the principals of and investors in a business, creating a means for providing incentive stock options or similar benefits to key employees, and offering greater flexibility in structuring acquisitions, joint ventures and the like through the issuance of stock. Potentially available business combinations may occur in many different industries and at various stages of development, all of which will make the task of comparative investigation and analysis of such business opportunities extremely difficult and complex.

Liquidity and Capital Resources

As of December 31, 2010, the Company had assets equal to \$462, comprised exclusively of cash. This compares with assets of \$2,408, comprised exclusively of cash, as of December 31, 2009. The Company had no liabilities as of December 31, 2010. This compares with liabilities of \$2,270, comprised exclusively of accounts payable, as of December 31, 2009. The Company can provide no assurance that it can continue to satisfy its cash requirements for at least the next twelve months.

The following is a summary of the Company's cash flows provided by (used in) operating, investing, and financing activities for the years ended December 31, 2010 and December 31, 2009, and for the period from April 27, 2007 (Inception) to December 31, 2010.

	Fiscal Year Ended December 31, 2010	Fiscal Year Ended December 31, 2009	For the Cumulative Period from April 27, 2007 (Inception) to December 31, 2010
Net Cash (Used in) Operating Activities	\$ (18,246)	\$ (16,815)	\$ (61,998)
Net Cash (Used in) Investing Activities	-	-	-
Net Cash Provided by Financing Activities	\$ 16,300	\$ 19,150	\$ 62,450
Net Change in Cash and Cash Equivalents	\$ (1,946)	\$ 2,335	\$ 462

The Company has nominal assets and has generated no revenues since inception. The Company is also dependent upon the receipt of capital investment or other financing to fund its ongoing operations and to execute its business plan of seeking a combination with a private operating company. In addition, the Company is dependent upon certain related parties to provide continued funding and capital resources. If continued funding and capital resources are unavailable at reasonable terms, the Company may not be able to implement its plan of operations.

Results of Operations

The Company has not conducted any active operations since inception, except for its efforts to locate suitable acquisition candidates. No revenue has been generated by the Company from April 27, 2007 (Inception) to December 31, 2010. It is unlikely the Company will have any revenues unless it is able to effect an acquisition or merger with an operating company, of which there can be no assurance. It is management's assertion that these circumstances may hinder the Company's ability to continue as a going concern. The Company's plan of operation for the next twelve months shall be to continue its efforts to locate suitable acquisition candidates.

For the fiscal year ended December 31, 2010, the Company had a net loss of \$15,976, consisting of legal, accounting, audit, and other professional service fees incurred in relation to the filing of the Company's periodic reports.

For the fiscal year ended December 31, 2009, the Company had a net loss of \$16,836, comprised exclusively of legal, accounting, audit, and other professional service fees incurred in relation to the preparation and filing of the Company's periodic reports.

For the cumulative period from April 27, 2007 (Inception) to December 31, 2010, the Company had a net loss of \$61,988, comprised exclusively of legal, accounting, audit, and other professional service fees incurred in relation to the formation of the Company, the filing of the Company's Registration Statement on Form 10-SB in September of 2007, and the filing of the Company's periodic reports.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Contractual Obligations

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide this information.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide this information.

Item 8. Financial Statements and Supplementary Data.

Audited financial statements begin on the following page of this report.

INNOVATIVE ACQUISITIONS CORP.
(A Development Stage Company)

INDEX TO FINANCIAL STATEMENTS

	Page
Report of Independent Registered Public Accounting Firm	F-2
Financial Statements:	
Balance Sheets	F-3
Statements of Expense	F-4
Statement of Changes in Stockholders' Equity (Deficit)	F-5
Statements of Cash Flows	F-6
Notes to Financial Statements	F-7

F-1

Report of Independent Registered Public Accounting Firm

To the Board of Directors
Innovative Acquisitions Corp
(A Development Stage Company)
Cumberland, Rhode Island

We have audited the balance sheet of Innovative Acquisitions Corp. (the "Company") as of December 31, 2010 and 2009, and the related statements of operations, shareholders' equity (deficit), and cash flows for the years then ended and the period from April 27, 2007 (inception) through December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedules based on our audit.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Innovative Acquisitions Corp. as of December 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended and the period from April 27, 2007 (inception) through December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that Innovative Acquisitions Corp. will continue as a going concern. As discussed in Note 2 to the financial statements, Innovative Acquisitions Corp. suffered losses from operations, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note 2. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

/s/MaloneBailey, LLP
www.malonebailey.com
Houston, Texas

March 30, 2011

INNOVATIVE ACQUISITIONS CORP.

(A Development Stage Company)
BALANCE SHEETS

	December 31, 2010	December 31, 2009
Assets		
Current assets		
Cash	\$462	\$2,408
Total assets	\$462	\$2,408
Liabilities and Stockholders' Equity (Deficit)		
Liabilities		
Accounts payable	\$-	\$2,270
Total liabilities	-	2,270
Stockholders' equity (deficit)		
Preferred stock, 10,000,000 shares authorized, no shares issued or outstanding	-	-
Common stock, \$0.0001 par, 100,000,000 shares authorized; 3,000,000 and 3,000,000 shares issued and outstanding, respectively	300	300
Additional paid-in capital	62,150	45,850
Deficit accumulated during development stage	(61,988)	(46,012)
Total stockholders' equity (deficit)	462	138
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$462	\$2,408

The accompanying notes are an integral part of these financial statements.

INNOVATIVE ACQUISITIONS CORP.
(A Development Stage Company)
STATEMENTS OF EXPENSES

	Year ended December 31, 2010	Year ended December 31, 2009	April 27, 2007 (Inception) through December 31, 2010
General and administrative expenses	\$ (15,976)	\$ (16,836)	\$ (61,988)
Net loss	\$ (15,976)	\$ (16,836)	\$ (61,988)
Weighted average number of common shares outstanding – basic and diluted	3,000,000	3,000,000	n/a
Net loss per share – basic and diluted	\$ (0.01)	\$ (0.01)	n/a

The accompanying notes are an integral part of these financial statements.

INNOVATIVE ACQUISITIONS CORP.
(A Development Stage Company)
STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
For the period from April 27, 2007 (inception) through December 31, 2010

	Common Shares	Amount	Additional Paid-in Capital	Deficit Accumulated During Development Stage	Total Equity (Deficit)
Common shares issued for cash at inception at \$0.004 per share	3,000,000	\$ 300	\$ 11,700	\$ -	\$ 12,000
Capital contribution by existing stockholders	-	-	4,500	-	4,500
Net loss				(15,093)	(15,093)
Balance, December 31, 2007	3,000,000	300	16,200	(15,093)	1,407
Capital contribution by existing stockholders	-	-	10,500	-	10,500
Net loss	-	-	-	(14,083)	(14,083)
Balance, December 31, 2008	3,000,000	300	26,700	(29,176)	(2,176)
Capital contribution by existing stockholders	-	-	19,150	-	19,150
Net loss	-	-	-	(16,836)	(16,836)
Balance, December 31, 2009	3,000,000	300	45,850	(46,012)	138
Capital contribution by existing stockholders	-	-	16,300	-	16,300
Net loss	-	-	-	(15,976)	(15,976)
Balance, December 31, 2010	3,000,000	300	62,150	(61,988)	462

The accompanying notes are an integral part of these financial statements.

INNOVATIVE ACQUISITIONS CORP.

(A Development Stage Company)
STATEMENTS OF CASH FLOWS
For the year ended December 31, 2010

	Year ended December 31, 2010	Year ended December 31, 2009	April 27,2007 (Inception) through December 31, 2010
Operating Activities			
Net loss	\$ (15,976)	\$ (16,836)	\$ (61,988)
Adjustments to reconcile net loss to net cash used in operating activities:			
Changes in operating assets and liabilities:			
Accounts payable	(2,270)	21	-
Net cash used in operating activities	(18,246)	(16,815)	(61,988)
Financing Activities			
Proceeds from sale of common shares		-	12,000
Contributions of capital	16,300	19,150	50,450
Net cash provided by financing activities	16,300	19,150	62,450
Net increase (decrease) in cash	(1,946)	2,335	462
Cash at beginning of period	2,408	73	-
Cash at end of period	\$ 462	\$ 2,408	\$ 462
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest	\$ -	\$ -	\$ -
Income taxes	-	-	-

The accompanying notes are an integral part of these financial statements.

INNOVATIVE ACQUISITIONS CORP.

(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

NOTE 1 – BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization and Business Operations

Innovative Acquisitions Corp (“the Company”) was organized on April 27, 2007 as a Delaware corporation. The Company is a shell with no real business activity and whose purpose is to seek out and attract partners for possible merger or acquisition.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers deposits that can be redeemed on demand and investments that have original maturities of less than three months, when purchased, to be cash equivalents.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax bases of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Basic and Diluted Net Loss per Share

Basic and diluted net loss per share calculations are presented in accordance with Accounting Standard Codification ASC 260 and are calculated on the basis of the weighted average number of common shares outstanding during the year. They include the dilutive effect of common stock equivalents in years with net income. Basic and diluted loss per share are the same due to the absence of common stock equivalents.

Recently Issued Accounting Pronouncements

Innovative Acquisitions Corp. does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company’s results of operations, financial position or cash flow.

Note 2 – Going Concern

These financial statements have been prepared on a going concern basis. The Company has not generated any revenue since inception and is unlikely to generate revenue in the immediate or foreseeable future. The continuation of the Company as a going concern is dependent upon financial support from its shareholders, the ability to obtain necessary equity financing and the attainment of profitable operations. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 3 – Income Taxes

The Company uses the liability method, where deferred tax assets and liabilities are determined based on the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial and income tax reporting purposes. During fiscal years 2010 and 2009, the Company incurred net losses and, therefore, has no tax liability. The net deferred tax asset generated by the loss carry-forward has been fully reserved based on management's assessment of the ability to recognize the benefit of the net operating losses in the future. The effective tax rate for fiscal 2010 and 2009 is 34%. The cumulative net operating loss carry-forward is approximately \$33,000 at December 31, 2010, and will expire beginning in the year 2029. At December 31, 2010 and 2009, deferred tax assets consisted of the following:

	2010	2009
Deferred tax assets:		
Net operating losses	\$ 11,484	\$ 10,512
Less: valuation allowance	(11,484)	(10,512)
Net deferred tax asset	\$ -	\$ -

Note 4 – Common Stock

Company received \$16,300 additional cash capital contributions from its directors during the year ended December 31, 2010, and received \$50,450 cash capital contribution from its directors from April 27, 2007 (inception) to December 31, 2010. No additional shares of common stock were issued as a result of these capital contributions.

Note 5 – Commitments

The Company's principal office is located at 12 Georgiana Drive, Cumberland, RI pursuant to a verbal agreement on a rent-free month-to-month basis.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

There are not and have not been any disagreements between the Company and its accountants on any matter of accounting principles, practices or financial statement disclosure.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The Company's management is responsible for establishing and maintaining a system of disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive officer or officers and principal financial officer or officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

In accordance with Exchange Act Rules 13a-15 and 15d-15, an evaluation was completed under the supervision and with the participation of the Company's management, including the Company's President, Principal Financial Officer and Secretary, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of the end of the period covered by this Annual Report. Based on that evaluation, the Company's management including the President, Principal Financial Officer and Secretary, concluded that the Company's disclosure controls and procedures were effective in providing reasonable assurance that information required to be disclosed in the Company's reports filed or submitted under the Exchange Act was recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms.

Evaluation of Internal Controls and Procedures

Our management is also responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Our internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of the Company's management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

As of December 31, 2010, we carried out an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control-Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2010.

This annual report does not include an attestation report of our registered public accounting firm regarding our internal controls over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to Section 404(c) of the Sarbanes-Oxley Act that permits us to provide only management's report in this annual report.

Changes in Internal Controls over Financial Reporting

There have been no significant changes to the Company's internal controls over financial reporting that occurred during our last fiscal quarter of the year ended December 31, 2010, that materially affected, or were reasonably likely to materially affect, our internal controls over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers, Promoters and Control Persons; Compliance With Section 16(a) of the Exchange Act.

(a) Identification of Directors and Executive Officers. The following table sets forth certain information regarding the Company's directors and executive officers:

Robert Johnson	40	President and Director
Faraaz Siddiqi	40	Secretary and Director
Kapil Munjal	39	Director

The Company's officers and directors are elected annually for a one year term or until their respective successors are duly elected and qualified or until their earlier resignation or removal.

Robert Johnson has served as the Company's President and director since inception. Mr. Johnson is currently a Strategic and Developmental Consultant for PhD Productions, a film production company, and has served as such since November 2004. Also, since May 2003, he has been an entrepreneur in the in-home private education industry. Previously, from September 1999 to April 2003, Mr. Johnson worked as an attorney at the law firm of Ropes & Gray LLP in Boston, Massachusetts. At Ropes & Gray LLP, he managed the initial public offerings of six closed-end municipal bond funds (\$3.3b, aggregate), advised publicly-traded companies in connection with debt offerings and private placements, and counseled start-up companies in connection with initial rounds of financing. From 1993 to 1996, he worked at Smith Barney, Inc. in New York City as an Associate in the Health Care Services Research Group. As a member of the leading health care services research team on Wall Street, Mr. Johnson evaluated the investment potential of publicly-traded health care services companies by analyzing their financials, business models, and industry characteristics. Mr. Johnson graduated magna cum laude from Princeton University in 1992, receiving an Artium Baccalaureus in Psychology; he is a member of Phi Beta Kappa. Mr. Johnson also holds a Juris Doctor, which he received from Harvard Law School in 1999.

Faraaz Siddiqi has served as the Company's Secretary and director since inception. Since October 2006, Mr. Siddiqi has been self-employed as a freelance consultant. He provides advice on various issues relating to international business and trade. From April 2003 to October 2006, Mr. Siddiqi worked for the Office of the U.S. Trade Representative in the Executive Office of the President (White House) where he attained the rank of Deputy Assistant U.S. Trade Representative. His responsibilities included coordinating efforts to build the capacity of developing

countries to implement and enforce international trade obligations. Mr. Siddiqi served as U.S. lead for trade capacity building discussions in the World Trade Organization Doha negotiations, the U.S.-Thailand Free Trade Agreement negotiations, and the U.S.-Southern African Customs Union Free Trade Agreement negotiations. He was also significantly involved in the Dominican Republic-Central America-United States Free Trade Agreement, the African Growth and Opportunity Act, and other initiatives. From January 2000 to April 2003, Mr. Siddiqi worked in the General Counsel's Office of the U.S. Department of Commerce as a senior attorney for the Commercial Law Development Program where he managed a multi-million dollar project in the Middle East and Africa promoting legal reform to improve the environment for business. Prior to this, Mr. Siddiqi was an associate at the law firm of Robins, Kaplan, Miller & Ciresi, LLP, in Boston, Massachusetts, where his practice focused on intellectual property law, transactional law, and insurance law. He also worked at the World Bank and coauthored one of the initial Bank working papers on Child Labor. Mr. Siddiqi received a Bachelor of Arts degree in Psychology from McGill University in 1993 and a Juris Doctor degree from the Boston University School of Law in 1997.

Kapil Munjal has served as a director of the Company since its inception. Since June 1999, Mr. Munjal has been an independent real estate investor, involved in all aspects of real property acquisition, management, and disposition. His primary focus has been on building real estate portfolios comprised primarily of residential multi-family housing investments in the city of Los Angeles. Currently, Mr. Munjal manages approximately 300 apartment units, worth in excess of \$80 million. Additionally, he has partnered with major financial institutions such as Fannie Mae, Freddie Mac, Citibank, Washington Mutual and Prudential Financial to secure favorable, low-interest financing for his real estate transactions. From 1997-1999, Mr. Munjal served as an Assistant District Attorney for the Bronx County in the city of New York where he was a member of the Criminal Courts Bureau. Mr. Munjal has also held positions at the Los Angeles County District Attorney's Office and the Administrative Office of the United States Courts. Mr. Munjal received a Bachelor of Arts degree in Political Science/Rhetoric from the University of California at Berkeley in 1993 and a Juris Doctor degree from the Boston University School of Law in 1997.

(b) Significant Employees.

As of the date hereof, the Company has no significant employees.

(c) Family Relationships.

There are no family relationships among directors, executive officers, or persons nominated or chosen by the issuer to become directors or executive officers.

(d) Involvement in Certain Legal Proceedings.

There have been no events under any bankruptcy act, no criminal proceedings and no judgments, injunctions, orders or decrees material to the evaluation of the ability and integrity of any director, executive officer, promoter or control person of Registrant during the past ten years.

Compliance with Section 16(a) of the Exchange Act

Section 16(a) of the Exchange Act requires the Company's directors and officers, and persons who beneficially own more than 10% of a registered class of the Company's equity securities, to file reports of beneficial ownership and changes in beneficial ownership of the Company's securities with the SEC on Forms 3, 4 and 5. Officers, directors and greater than 10% stockholders are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on the Company's review of the copies of the forms received by it during the fiscal year ended December 31, 2010 and written representations that no other reports were required, the Company believes that no person who, at any time during such fiscal year, was a director, officer or beneficial owner of more than 10% of the Company's common stock failed to comply with all Section 16(a) filing requirements during such fiscal years.

Code of Ethics

On December 31, 2007, Company adopted a formal code of ethics statement for senior officers and directors (the “Code of Ethics”) that is designed to deter wrongdoing and to promote ethical conduct and full, fair, accurate, timely and understandable reports that the Company files or submits to the Securities and Exchange Commission and others.

A form of the Code of Ethics was filed with the Company’s Form 10-KSB filed with the SEC on March 31, 2008. Requests for copies of the Code of Ethics should be sent in writing to c/o Faraaz Siddiqi, 12 Georgiana Drive, Cumberland, Rhode Island 02864.

Nominating Committee

We have not adopted any procedures by which security holders may recommend nominees to our Board of Directors.

Audit Committee

The Board of Directors acts as the audit committee. The Company does not have a qualified financial expert at this time because it has not been able to hire a qualified candidate. Further, the Company believes that it has inadequate financial resources at this time to hire such an expert. The Company intends to continue to search for a qualified individual for hire.

Item 11. Executive Compensation.

The following table sets forth the cash and other compensation paid by the Company to its President and all other executive officers who earned annual compensation exceeding \$100,000 for services rendered during the fiscal year ended December 31, 2009 and December 31, 2008.

Name and Position	Year	Salary	Bonus	Option Awards	All Other Compensation	Total
Robert Johnson, President and Director	2010	None	None	None	None	None
	2009	None	None	None	None	None
Faraaz Siddiqi, Secretary and Director	2010	None	None	None	None	None
	2009	None	None	None	None	None
Kapil Munjal, Director	2010	None	None	None	None	None
	2009	None	None	None	None	None

The following compensation discussion addresses all compensation awarded to, earned by, or paid to the Company’s named executive officers. The Company’s officers and directors have not received any cash or other compensation since inception. They will not receive any compensation until the consummation of an acquisition. No compensation of any nature has been paid for on account of services rendered by a director in such capacity. Our officers and directors intend to devote very limited time to our affairs.

It is possible that, after the Company successfully consummates a business combination with an unaffiliated entity, that entity may desire to employ or retain members of our management for the purposes of providing services to the surviving entity.

No retirement, pension, profit sharing, stock option or insurance programs or other similar programs have been adopted by the Company for the benefit of its employees.

There are no understandings or agreements regarding compensation our management will receive after a business combination.

Compensation Committee and Insider Participation

The Company does not have a standing compensation committee or a committee performing similar functions, since the Board of Directors has determined not to compensate the officers and directors until such time that the Company completes a reverse merger or business combination.

Compensation Committee Report

The Company does not have a standing compensation committee or a committee performing similar functions; therefore, it does not have a compensation committee report.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

(a) The following tables set forth certain information as of March 30, 2011, regarding (i) each person known by the Company to be the beneficial owner of more than 5% of the outstanding shares of Common Stock, (ii) each director, nominee and executive officer of the Company and (iii) all officers and directors as a group.

Name and Address	Amount and Nature of Beneficial Ownership	Percentage of Class
Robert Johnson (1) Innovative Acquisitions Corp. c/o Faraaz Siddiqi 12 Georgiana Drive Cumberland, Rhode Island 02864	1,000,000	33.33%
Faraaz Siddiqi (2) Innovative Acquisitions Corp. c/o Faraaz Siddiqi 12 Georgiana Drive Cumberland, Rhode Island 02864	1,000,000	33.33%
Kapil Munjal (3) Innovative Acquisitions Corp. c/o Faraaz Siddiqi 12 Georgiana Drive Cumberland, Rhode Island 02864	1,000,000	33.33%
All Directors and Officers as a Group (3 individuals)	3,000,000	100%

- (1) Robert Johnson is President and Director of the Company.
- (2) Faraaz Siddiqi is Secretary and Director of the Company.
- (3) Kapil Munjal is Director of the Company.

(b) The Company currently has not authorized any compensation plans or individual compensation arrangements.

Item 13. Certain Relationships and Related Transactions.

The Company received \$16,300 additional cash capital contributions from its directors during the year ended December 31, 2010, and received \$50,450 cash capital contribution from its directors from April 27, 2007 (inception) to December 31, 2010. No additional shares of common stock were issued as a result of these capital contributions.

The Company utilizes the office space and equipment of its management at no cost. Management estimates such amounts to be immaterial. The Company currently has no policy with respect to investments or interests in real estate, real estate mortgages or securities of, or interests in, persons primarily engaged in real estate activities.

Except as otherwise indicated herein, there have been no related party transactions, or any other transactions or relationships required to be disclosed pursuant to Item 404 of Regulation S-K.

Director Independence

The Company is not a listed issuer whose securities are listed on a national securities exchange, or an inter-dealer quotation system which has requirements that a majority of the board of directors be independent. Under NASDAQ Rule 5605(a)(2)(A), a director is not considered to be independent if he or she also is an executive officer or employee of the corporation. Under such definition, our directors, Robert Johnson and Faraaz Siddiqi would not be considered independent as they also serve as executive officers of the Company. Our director Kapil Munjal would be considered independent.

Item 14. Principal Accounting Fees and Services

Malone and Bailey, P.C. ("Malone & Bailey") is the Company's independent registered public accounting firm.

Audit Fees

The aggregate fees billed by Malone & Bailey for professional services rendered for the audit of our annual financial statements and review of financial statements included in our quarterly reports on Form 10-Q or services that are normally provided in connection with statutory and regulatory filings were \$7,500 for the fiscal year ended December 31, 2010 and \$8,500 for the period ended December 31, 2009.

Audit-Related Fees

There were no fees billed by Malone & Bailey for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements for the fiscal year ended December 31, 2010 and for the period ended December 31, 2009.

Tax Fees

There were no fees billed by Malone & Bailey for professional services for tax compliance, tax advice, and tax planning for the fiscal year ended December 31, 2010 and for the period ended December 31, 2009.

All Other Fees

There were no fees billed by Malone & Bailey for other products and services for the fiscal year ended December 31, 2010 and for the period ended December 31, 2009.

Audit Committee's Pre-Approval Process

The Board of Directors acts as the audit committee of the Company, and accordingly, all services are approved by all the members of the Board of Directors.

Part IV

Item 15. Exhibits, Financial Statement Schedules

(a) We set forth below a list of our audited financial statements included in Item 8 of this annual report on Form 10-K.

Statement	Page*
Index to Financial Statements	F-1
Report of Independent Registered Public Accounting Firm	F-2
Balance Sheets	F-3
Statements of Expenses	F-4
Statement of Changes in Stockholder's Equity (Deficit)	F-5
Statements of Cash Flows	F-6
Notes to Financial Statements	F-7

*Page F-1 follows page 11 to this annual report on Form 10-K.

(b) Index to Exhibits required by Item 601 of Regulation S-K.

Exhibit	Description
	*3.1 Certificate of Incorporation
*3.2	By-laws
31.1	

Edgar Filing: ROCKY BRANDS, INC. - Form 8-K

Certification of the Company's Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Annual Report on Form 10-K for the year ended December 31, 2010

31.2 Certification of the Company's Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Annual Report on Form 10-K for the year ended December 31, 2010

32.1 Certification of the Company's Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002

32.2 Certification of the Company's Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002

*Filed as an exhibit to the Company's registration statement on Form 10-SB, as filed with the Securities and Exchange Commission on September 14, 2007 and incorporated herein by this reference.

SIGNATURES

In accordance with Section 13 or 15(d) 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.

INNOVATIVE ACQUISITIONS CORP.

Dated: March 30, 2011

By: /s/ Robert Johnson
Robert Johnson
President and Director
Principal Executive Officer
Principal Financial Officer

Dated: March 30, 2011

By: /s/ Faraaz Siddiqi
Faraaz Siddiqi
Secretary

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

	Title	Date
/s/ Robert Johnson Robert Johnson	President and Director	March 30, 2011
/s/ Faraaz Siddiqi Faraaz Siddiqi	Secretary and Director	March 30, 2011
/s/ Kapil Munjal Kapil Munjal	Director	March 30, 2011