

SEAWRIGHT HOLDINGS INC
Form SB-2/A
October 06, 2006

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON OCTOBER 6, 2006
REGISTRATION NO. 333-135810

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 2 to
FORM SB-2/A

REGISTRATION STATEMENT
UNDER THE
SECURITIES ACT OF 1933

SEAWRIGHT HOLDINGS, INC.

(Name of small business issuer in its charter)

Delaware
(State of other jurisdiction
of incorporation)

2086
(Primary Standard
Industrial
Classification Code Number)

54-1965220
(IRS Employer
Identification Number)

600 Cameron Street
Alexandria, Virginia 22314
(703) 340-1629
(Address and telephone number of principal executive offices)

600 Cameron Street
Alexandria, Virginia 22314
(703) 340-1629
(Address of principal place of business or intended principal place of business)

Joel P. Sens, Chief Executive Officer
600 Cameron Street
Alexandria, Virginia 22314
(703) 340-1629
(Name, address and telephone number of agent for service)

Copies of communications to:

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Washington, DC 20036
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Approximate date of proposed sale to the public: as soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered ⁽¹⁾	Proposed Maximum offering price per security ⁽²⁾	Proposed Maximum Amount of Aggregate offering price	Amount of Registration Fee ⁽³⁾
Common stock, no par value per share ⁽⁴⁾	1,000,000	\$ 0.85	\$ 850,000.00	\$ 545.70
Common stock, no par value per share ⁽⁵⁾	1,024,998	\$ 0.85	\$ 871,248.30	\$ 391.48
Common stock, no par value per share ⁽⁶⁾	75,000	\$ 0.85	\$ 63,750.00	\$ 143.25
Common stock, no par value per share ⁽⁷⁾	1,725,882	\$ 0.85	\$ 1,466,999.70	\$ 156.97
Common stock, no par value per share ⁽⁸⁾	887,400	\$ 0.85	\$ 754,290.00	\$ 80.71

(1) Pursuant to Rule 416(a) of the Securities Act of 1933, as amended, this registration statement shall be deemed to cover additional securities that may be offered or issued to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(c). For the purposes of this table, we have used the average of the closing bid and ask prices of the common stock as traded in the over the counter market and reported on the OTC Electronic Bulletin Board on July 14, 2006.

(3) The registration fee was paid in connection with the original filing on July 17, 2006. The number of shares registered has since been reduced, resulting in a reduction of the aggregate fee payable from \$1,318.11 to \$428.67, the \$889.44 difference will remain available for offset against filing fees for subsequent registration statements pursuant to Rule 457(p).

(4) Shares of common stock to be offered in connection with an equity line of credit arrangement.

(5) Shares of common stock being registered for resale that are owned by certain selling shareholders named in the prospectus.

(6) Represents shares of common stock being registered for resale that may be acquired upon the exercise of stock options by certain selling shareholders at exercises prices ranging from \$0.50/share to \$2.00/share.

(7) Represents shares of common stock being registered for resale that have been or may be acquired upon the conversion of Series A Convertible Promissory Notes due 2009 at a conversion price of \$0.85/share issued to certain selling stockholders named in the prospectus.

(8) Represents shares of common stock being registered for resale that have been or may be acquired upon the exercise of common stock purchase warrants at an exercise price of \$0.85/share issued to certain selling stockholders named in the prospectus.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is declared effective. This prospectus is not an offer to sell these securities, and we are not soliciting offers to buy these securities, in any state where the offer or sale is not permitted.

PROSPECTUS

SEAWRIGHT HOLDINGS, INC.

This prospectus relates to the sale of up to 4,713,281 shares of our common stock by our stockholders. We are not selling any securities in this offering and therefore will not receive any proceeds from this offering. We will, however, receive proceeds from the sale of securities under an investment agreement that we have entered into with one of the selling stockholders, Dutchess Private Equities Fund, L.P., which permits us to “put” up to \$5,000,000 in shares of our common stock to Dutchess Private Equities Fund, L.P. Additionally, we may receive funds from the exercise of warrants and options held by certain selling stockholders. All costs associated with this registration will be borne by us.

The shares of common stock are being offered for sale by the selling stockholders at prices established on the Over-the-Counter Bulletin Board or in negotiated transactions during the term of this offering. Our common stock is quoted on the Over-the-Counter Bulletin Board under the symbol “SWRI.OB”. On October 2, 2006, the last reported sale price of our common stock was \$0.65 per share.

Dutchess Private Equities Fund, L.P. and Jones, Byrd and Attkisson, Inc. are “underwriters” within the meaning of the Securities Act of 1933, as amended, in connection with the resale of common stock under the investment agreement. Dutchess will pay us 95% of the lowest closing best bid price of the common stock during the five trading days immediately following the date of our notice to them of our election to put shares pursuant to the investment agreement.

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD PURCHASE SECURITIES ONLY IF YOU CAN AFFORD A COMPLETE LOSS. SEE “RISK FACTORS” BEGINNING ON PAGE 11.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

SUBJECT TO COMPLETION, THE DATE OF THIS PROSPECTUS IS OCTOBER 5, 2006

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SUMMARY

The following summary is qualified in its entirety by the more detailed information and financial statements, including the notes thereto, appearing elsewhere in this prospectus. Because it is a summary, it does not contain all of the information you should consider before making an investment decision. References in this prospectus to “we,” “us,” and “our” refer to Seawright Holdings, Inc. and its direct and indirect subsidiaries. References to “Seawright Holdings” refer to Seawright Holdings, Inc. and its subsidiaries.

Seawright Holdings, Inc.

Seawright Holdings, Inc. was incorporated in the State of Delaware in October 1999 under the name Pre-Settlement Funding Corporation. In September 2003 we changed our name to Seawright Holdings, Inc. to re-focus our business plan and enter the business of producing and selling spring water.

Our principal executive offices are located at 600 Cameron Street, Alexandria, Virginia 22314. Our telephone number is (703) 340-1629.

The Offering

On September 12, 2005, we entered into an investment agreement with Dutchess Private Equities Fund, L.P., or Dutchess, that provides us with an Equity Line of Credit. The investment agreement provides that, following notice to Dutchess, we may require Dutchess to purchase, or put, up to \$5,000,000 in shares of our common stock for a purchase price equal to 95% of the lowest closing best bid price of our common stock on the Over-the-Counter Bulletin Board, or the OTCBB, during the five trading days following that put notice. We may, at our election, require Dutchess to purchase an amount equal to no more than either (a) 200% of the average daily volume of our common stock for the 10 trading days prior to the put notice date, multiplied by the average of the three daily closing bid prices immediately preceding the put notice date or (b) \$100,000; provided that in no event will the amount Dutchess is required to purchase exceed \$1,000,000 with respect to any single put. We are obligated to register for resale the shares of common stock issuable pursuant to the investment agreement pursuant to a registration rights agreement dated as of September 12, 2005, between Dutchess and us.

In addition to the shares issued pursuant to the investment agreement, shares will also be offered by our current stockholders. The majority of our stockholders acquired their securities through a private offering we closed in February 2005. This offering, sold to 78 accredited investors, consisted of 999 units at a price of \$3,000 per unit. Each unit consisted of the following:

- 2,500 shares of our common stock;
- \$1,500 of 11% convertible promissory notes, Series A, maturing on September 1, 2009, and convertible into shares of common stock at an exercise price of \$0.85 per share any time after six months from the date of issuance; and
- A warrant to purchase 300 shares of our common stock that is exercisable for a period of five years from issuance at \$0.85 per share.

As compensation for its services as placement agent of the private offering, Jones, Byrd and Attkisson received 594,000 warrants exercisable for 594,000 shares of common stock. Those warrants were then transferred to Ronald Attkisson, one of our directors, and John Pope Jones, and are being registered under this registration statement.

Other selling stockholders include Joel Sens, our president and chief executive officer, Stafford Street Capital LLC, a company wholly-owned by Joe Sens, National Financial Communications Corp., which acquired options to acquire 75,000 shares of common stock pursuant to a consulting agreement entered into with us on May 1, 2006, and Michael Donohue, Michael Fitzgerald and the William T. Stephens Jr. Revocable Trust, each of which acquired shares of our common stock in a private transactions with us on April 27, 2006.

The selling stockholders consist of:

Stockholder	# of Shares
Dutchess Private Equities Fund, L.P.	1,000,000 ⁽¹⁾
Joel Sens	650,000 ⁽²⁾
Ron Attkisson	300,000 ⁽³⁾
John Pope Jones	294,000 ⁽⁴⁾
RBC Dain Rauscher Cust William Dunn IRA	267,796 ⁽⁵⁾
RBC Dain Rauscher Cust Eugenia Medlock IRA	258,667 ⁽⁶⁾
RBC Dain Rauscher Cust James T. Lewis IRA	238,886 ⁽⁷⁾
IFS Holdings, Inc.	203890 ⁽⁸⁾
RBC Dain Rauscher Cust Cynthia Lee McDonald IRA	197,804 ⁽⁹⁾
RBC Dain Rauscher Cust Barry Dunn SEP/IRA	181,067 ⁽¹⁰⁾
Stafford Street Capital LLC	175,000 ⁽¹¹⁾
Matthew K. Becksteadd TTEE Matthew K. Beckstead Revocable Trust	152,157 ⁽¹²⁾
John R. Velky	152,157 ⁽¹³⁾
RBC Dain Rauscher Cust Nancy Kines IRA	147,592 ⁽¹⁴⁾
RBC Dain Rauscher Cust Louis Mulherin Jr. IRA	136,941 ⁽¹⁵⁾
RBC Dain Rauscher Cust Horace G. Blalock IRA	130,855 ⁽¹⁶⁾
Jana S. Pine	117,161 ⁽¹⁵⁾
RBC Dain Rauscher Cust Kenneth D. Simpson IRA	114,118 ⁽¹⁷⁾
RBC Dain Rauscher Cust Henry Alperin IRA	106,509 ⁽¹⁸⁾
Echols J. Martin DMD PSP	106,509 ⁽¹⁸⁾
RBC Dain Rauscher Cust Caroline T. Richardson IRA	97,380 ⁽¹⁹⁾
RBC Dain Rauscher Cust Charles Daniel IRA	94,338 ⁽²⁰⁾
RBC Dain Rauscher Cust Robert Edmond IRA	82,165 ⁽²¹⁾
RBC Dain Rauscher Cust Jackie Brooks Roth IRA	80,643 ⁽²²⁾
RBC Dain Rauscher Cust John R. Velky IRA	79,121 ⁽²³⁾
Henry Alperin	77,600 ⁽²⁴⁾
National Financial Communications Corp.	75,000 ⁽²⁵⁾
Kimberly S. Sligh	73,035 ⁽²⁶⁾
Michael Donohue	66,666 ⁽²⁷⁾
Michael Fitzgerald	66,666 ⁽²⁷⁾
William T. Stephens Jr. Revocable Trust	66,666 ⁽²⁷⁾
Thomas D. Thompson	60,862 ⁽²⁸⁾
RBC Dain Rauscher Cust J. Lavern McCullough IRA	56,298 ⁽²⁹⁾
RBC Dain Rauscher Cust Ted A. Poor IRA	48,691 ⁽³⁰⁾

Carolyn H. Byrd	48,690 ⁽³⁰⁾
RBC Dain Rauscher Cust William A. Smith IRA	47,168 ⁽³¹⁾
RBC Dain Rauscher Cust Robert J. Ferrara IRA	45,647 ⁽³²⁾
RBC Dain Rauscher Cust Pamela K. Richardson Roth IRA	45,647 ⁽³²⁾
RBC Dain Rauscher Cust Geraldine N. Videtto IRA	45,647 ⁽³²⁾
RBC Dain Rauscher Cust Jack T. Williams IRA	45,647 ⁽³²⁾
Robert C. Wilson	45,647 ⁽³²⁾
RBC Dain Rauscher Cust Burgess M. Allen Jr. Roth IRA	39,561 ⁽³³⁾
RBC Dain Rauscher Cust Sonan L. Ashley Roth IRA	38,039 ⁽³⁴⁾
Valerie Biskey	38,039 ⁽³⁴⁾
Robert L. Bower	38,039 ⁽³⁴⁾
RBC Dain Rauscher Cust Nancy Locklear IRA	38,039 ⁽³⁴⁾
M. Dixon McKay	38,039 ⁽³⁴⁾
RBC Dain Rauscher Cust Hilton E. Vaughn Sr. IRA	38,039 ⁽³⁴⁾
Tammy Corley	32,714 ⁽³⁵⁾
William D. Corley	32,714 ⁽³⁵⁾
RBC Dain Rauscher Cust A. Louis Hook Jr. IRA	30,432 ⁽³⁶⁾
RBC Dain Rauscher Cust Dorth G. Falls IRA	27,388 ⁽³⁷⁾
RBC Dain Rauscher Cust Robert F. Heishman IRA	27,388 ⁽³⁷⁾
RBC Dain Rauscher Cust Patsy A. Fisher Roth IRA	25,867 ⁽³⁸⁾
RBC Dain Rauscher Cust Phillip R. Mason IRA	25,867 ⁽³⁸⁾
RBC Dain Rauscher Cust Joseph H. May IRA	25,867 ⁽³⁸⁾
RBC Dain Rauscher Cust Kenneth J. Remington IRA	24,345 ⁽³⁹⁾
Robert L. Abshire	22,824 ⁽⁴⁰⁾
RBC Dain Rauscher Cust Barbara Sue Bramlett IRA	22,824 ⁽⁴⁰⁾
Furman Terry Richardson	22,824 ⁽⁴⁰⁾
Stuart R. Wilson	22,824 ⁽⁴⁰⁾
Waymon E. Ragan and Lorena B. Ragan Jt. Ten./WROS	22,824 ⁽⁴⁰⁾
RBC Dain Rauscher Cust Joanne I. Leonard IRA	16,738 ⁽⁴¹⁾
Bryan Coats	15,215 ⁽⁴²⁾
RBC Dain Rauscher Cust Faye S. Jennings IRA	15,215 ⁽⁴²⁾
James R. Kelley	15,215 ⁽⁴²⁾
Alice McCoy	15,215 ⁽⁴²⁾
RBC Dain Rauscher Cust Thomas D. Thompson IRA	15,215 ⁽⁴²⁾
Ken Wilson	15,215 ⁽⁴²⁾
A Boardman Co LLC	13,694 ⁽⁴³⁾
RBC Dain Rauscher Cust Lawrence E. Mobley III SEP/IRA	13,694 ⁽⁴³⁾
Michael C. Rogers & Pam K. Roger Jt. Ten.	13,694 ⁽⁴³⁾
RBC Dain Rauscher Cust Ken Wilson Roth IRA	12,172 ⁽⁴⁴⁾
RBC Dain Rauscher Cust Verda Elrod Roth IRA	9,129 ⁽⁴⁵⁾
Gerry Rhodes	9,129 ⁽⁴⁵⁾
RBC Dain Rauscher Cust Phoebe Tuten IRA	9,129 ⁽⁴⁵⁾
Mark D. Anderson	7,608 ⁽⁴⁶⁾
RBC Dain Rauscher Cust Milton O. Dickson Sr. Roth IRA	7,608 ⁽⁴⁶⁾

Kevin Fogarty & Michelle Fogarty Jt. Ten.	7,608 ⁽⁴⁶⁾
Randall Redmond	7,608 ⁽⁴⁶⁾
George M. Willson & Crystal J. Willson	6,086 ⁽⁴⁷⁾
RBC Dain Rauscher Cust Franklin D. Hart Jr. Roth IRA	4,565 ⁽⁴⁸⁾
RBC Dain Rauscher Cust Wanda Hart Roth IRA	4,565 ⁽⁴⁸⁾
Elisabeth T. Keller	4,565 ⁽⁴⁸⁾
T. Barrett Trotter	4,565 ⁽⁴⁸⁾

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- (1) Consists of 1,000,000 of the shares that may be issued pursuant to the Equity Line of Credit.
- (2) Consists of 650,000 shares of common stock.
- (3) Consists of 300,000 shares that may be acquired at \$0.85 per share upon exercise of warrants
- (4) Consists of 294,000 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (5) Includes 103,529 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 17,600 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (6) Includes 100,000 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 17,000 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (7) Includes 92,353 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 15,700 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (8) Includes 78,823 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 13,400 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (9) Includes 76,471 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 13,000 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (10) Includes 70,000 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 11,900 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (11) Consists of 175,000 shares of common stock.
- (12) Includes 58,824 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 10,000 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (13) Includes 57,059 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 9,700 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (14) Includes 52,941 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 9,000 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (15) Includes 50,588 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 8,600 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (16)

Includes 45,294 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 7,700 shares that may be acquired at \$0.85 per share upon exercise of warrants.

- (17) Includes 44,118 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 7,500 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (18) Includes 41,176 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 7,000 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (19) Includes 37,647 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 6,400 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (20) Includes 36,471 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 6,200 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (21) Includes 31,765 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 5,400 shares that may be acquired at \$0.85 per share upon exercise of warrants.
- (22) Includes 31,176 shares that may be acquired upon conversion of convertible promissory notes at \$0.85 per share and 5,300 shares that may be acquired at \$0.85 per share upon exercise of warrants.