

CrowdGather, Inc.
Form 8-K
October 29, 2010

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): October 25, 2010

CrowdGather, Inc.
(Exact name of registrant as specified in its charter)

Nevada
(State or other
jurisdiction of
incorporation or
organization)

000-52143
(Commission File No.)

20-2706319
(IRS Employee
Identification No.)

20300 Ventura Blvd. Suite 330, Woodland Hills, CA 91364
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (818) 435-2472

(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))

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Item 3.02 Unregistered Sales of Equity Securities.

On October 25, 2010, CrowdGather, Inc. ("Registrant") sold 1,300,000 shares of Series A Preferred Stock ("Shares") to two foreign investors in exchange for \$1,300,000, or \$1.00 per share, pursuant to two subscription agreements ("Subscription Agreements"). A copy of the form of Subscription Agreement is attached hereto as Exhibit 10.1. The designations, preferences and relative rights of the Series A Preferred Stock are specified in the Certificate of Designation of the Relative Rights and Preferences of the Series A Preferred Stock (the "Certificate of Designation"), which was approved by the Registrant's Board of Directors and filed with the Secretary of State of Nevada on October 22, 2010. The Certificate of Designation is attached as Exhibit 3.1 to the Registrant's Current Report on Form 8-K, which was filed on October 28, 2010, and is hereby incorporated by reference. The Certificate of Designation provides, among other things, that: (i) the conversion price for the Shares is \$0.50 per share on or before March 15, 2011, and \$0.33 per share after March 15, 2011, subject to adjustment from time to time for recapitalizations and as otherwise set forth in the Certificate of Designation (the "Conversion Price"); (ii) the Shares are convertible into shares of common stock at the option of the investor at any time after the date of issuance into that number of shares of common stock determined by dividing \$1.00 by the Conversion Price; and (iii) the Shares are automatically converted into shares of common stock at the then effective conversion rate for such share immediately prior to the listing of the Registrant's common stock on the New York Stock Exchange, the American Stock Exchange or a Nasdaq market. The Subscription Agreement also provides that from March 15, 2011 to April 14, 2011 (the "Repurchase Period"), the Registrant shall have an option (the "Repurchase Option") to repurchase all or any portion of the Shares held by the investor at \$1.00 per Share. The Repurchase Option shall automatically terminate upon any conversion of the Shares into common stock pursuant to the conversion provisions specified in the Certificate of Designation. This brief description of the Subscription Agreements is not intended to be complete and is qualified in its entirety by reference to the full text of the Subscription Agreements as attached.

In connection with the sale of Shares, the investors also received warrants to purchase 433,334 shares of the Registrant's common stock at a purchase price of \$0.95 per share. The warrant agreements ("Warrants") provide for an expiration period of three years from the date of the investment. A copy of the form of the Warrants is attached hereto as Exhibit 10.2. This brief description of the Warrants is not intended to be complete and is qualified in its entirety by reference to the full text of the Warrants as attached.

The Shares and Warrants were issued in a transaction which the Registrant believes satisfies the requirements of that exemption from the registration and prospectus delivery requirements of the Securities Act of 1933, which exemption is specified by the provisions of Regulation S promulgated pursuant to that act by the Securities and Exchange Commission.

Item 7.01 Regulation FD Disclosure.

On October 29, 2010, the Registrant intends to issue a press release to announce the Registrant's sale of the Shares of Series A Preferred Stock. A copy of the press release is attached hereto as Exhibit 99.1

The Registrant is furnishing the information in this Current Report on Form 8-K and in Exhibit 99.1 to comply with Regulation FD. Such information shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of the Registrant's filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Item 9.01 Exhibits.

The following exhibits are filed with this report on Form 8-K.

Exhibit

Number Description of Exhibit

<u>10.1</u>	<u>Subscription Agreement</u>
<u>10.2</u>	<u>Warrant to Purchase Shares of Common Stock</u>
<u>99.1</u>	<u>Press Release</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

CrowdGather, Inc.

Date: October 28, 2010

By: /s/ Sanjay Sabnani
Sanjay Sabnani
Chief Executive Officer