

APPLIANCE RECYCLING CENTERS OF AMERICA INC /MN
Form 8-K
January 05, 2005

**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): **December 31, 2004**

Appliance Recycling Centers of America, Inc.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)

000-19621
(Commission
File Number)

41-1454591
(IRS Employer
Identification No.)

7400 Excelsior Blvd., Minneapolis, MN
(Address of principal executive offices)

55426-4517
(Zip Code)

Registrant's telephone number, including area code: **(952) 930-9000**

(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)

- o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

 - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

 - o 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 December 31, 2004, Appliance Recycling Centers of America, Inc. (the Company) sold 1,150,000 shares (the Shares) of its common stock in a private placement at a price of \$3.00 per share.

Lantern Investments, Inc. (the Placement Agent) acted as placement agent in the private placement. The Company paid the Placement Agent a cash commission of eight percent (8%) of the gross proceeds from the sale of the Shares, and reimbursed the Placement Agent for its accountable expenses in connection with the transaction.

The Shares have not been registered under the Securities Act of 1933, as amended (the Act), and were offered and sold in reliance upon exemptions from the registration requirements of Section 5 of the Act, pursuant to Section 4(2) of the Act and Rule 506 promulgated thereunder as a transaction not involving any public offering. The Shares were sold exclusively to accredited investors as defined by Rule 501(a) under the Act.

In connection with the sale of the Shares, the Company has agreed to prepare and file with the Securities and Exchange Commission a registration statement covering the resale of the Shares. If such registration statement is not filed within the required time frame, or does not become effective within the required time frame, the Company has agreed to pay to the investors in the private placement a fee of one-and-one-half percent (1.5%) of the purchase price of the Shares, and an additional one-and-one-half percent (1.5%) for each 30-day period thereafter until the registration statement is filed and becomes effective.

On January 3, 2005, the Company issued a press release announcing the sale of the Shares. A copy of the press release is attached hereto as Exhibit 99.1.

ITEM 9.01: FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits

Exhibit Number	Description
99.1	Press Release dated January 3, 2005
99.2	Form of Securities Purchase Agreement

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.

APPLIANCE RECYCLING CENTERS OF
AMERICA, INC.

Date: January 3, 2005

/s/ Linda Koenig
Linda Koenig, Vice President of Finance