

**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 16, 2021

VROOM, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

001-39315
(Commission
File Number)

901112566
(I.R.S. Employer
Identification No.)

1375 Broadway, Floor 11
New York, New York 10018
(Address of principal executive offices) (Zip Code)

(855) 524-1300
(Registrant's telephone number, including area code)

N/A
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	VRM	The Nasdaq Global Select Market

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 December 16, 2021, Vroom, Inc. (the "Company"), its wholly-owned subsidiary Vroom Automotive, LLC ("Vroom Automotive" and, together with the Company, the "Borrower") and Ally Bank and Ally Financial Inc. (together, "Ally") amended the Inventory and Financing and Security Agreement dated March 6, 2020 (as amended, the "Floor Plan Facility") to (i) increase the line of credit to \$700 million from \$450 million and (ii) amend the LIBOR-based interest rate to a substantially similar rate tied to a prime rate.

The amendment to the Floor Plan Facility (the "Amendment") is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference. The above description of the Amendment is qualified in its entirety by reference to such Exhibit.

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

Item 7.01 Regulation FD Disclosure.

On December 20, 2021, the Company issued a press release announcing the amendment described above. A copy of the press release is attached hereto as Exhibit 99.1.

The information contained in this Item 7.01, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filings, unless expressly incorporated by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Third Amendment to Inventory Financing and Security Agreement, dated December 16, 2021, by and among Ally Bank, Ally Financial, Inc., Vroom Automotive, LLC and Vroom, Inc.
99.1	Press Release, dated December 20, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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.

VROOM, INC.

Date: December 20, 2021

By: /s/ Robert R. Krakowiak

Robert R. Krakowiak

Chief Financial Officer

**THIRD AMENDMENT TO
INVENTORY FINANCING AND SECURITY AGREEMENT**

I. THE PARTIES TO THIS AGREEMENT

This Third Amendment to Inventory Financing and Security Agreement (“Amendment”) is effective as of December 16, 2021, and is made by and among the following parties:

- A. **Ally Bank (Ally Capital in Hawaii, Mississippi, Montana and New Jersey)** (together with its successors and assigns, “Bank”), a Utah state-chartered bank with a local business office currently located at 5851 Legacy Circle, Suite 200, Plano, Texas 75024; and
- B. **Ally Financial Inc.**, a Delaware corporation (“Ally”) with a local business office currently located at 5851 Legacy Circle, Suite 200, Plano, Texas 75024 (together with Bank, the “Ally Parties” and Bank and Ally each being, an “Ally Party”);
- C. **Vroom Automotive, LLC**, a Texas limited liability company, formerly known as Left Gate Property Holding, LLC, doing business as Texas Direct Auto, with its principal executive office currently located at 12053 Southwest Freeway, Stafford, Texas 77477 (“Dealership”); and
- D. **Vroom, Inc.**, a Delaware corporation, with its principal executive office currently located at 1375 Broadway, 11th Floor, New York, New York 10018 (“Vroom”).

II. THE RECITALS

The essential facts relied on by Bank, Ally, Dealership and Vroom as true and complete, and giving rise to this Amendment, are as follows:

- A. The Ally Parties, Dealership and Vroom are parties to an Inventory Financing and Security Agreement, effective as of March 6, 2020, as amended by the First Amendment to Inventory Financing and Security Agreement, effective as of June 19, 2020 and the Second Amendment to Inventory Financing and Security Agreement, effective as of October 1, 2020 (as amended, the “IFSA”).
- B. Left Gate Property Holding, LLC, a Texas limited liability company, changed its name to Vroom Automotive, LLC, effective as of March 1, 2021.
- C. The parties to this Amendment desire to amend the IFSA as outlined in this Amendment.

III. THE AGREEMENT

In consideration of the premises and the mutual promises in this Amendment, which are acknowledged to be sufficient, Bank, Ally, Dealership and Vroom agree to the following:

- A. Capitalized terms used but not defined herein have the meanings given to them in the IFSA.
- B. Effective as of December 16, 2021, Subsection III.A.2 of the IFSA is modified to increase the Credit Line from \$450,000,000 to \$700,000,000.

Certain information has been excluded because it both (i) is not material and (ii) would be competitively harmful if publicly disclosed.

C. Effective as of December 16, 2021, Subsection III.A.8(f) of the IFSA is modified such that the aggregate amount advanced and outstanding from time to time under the Advance Floorplan Accommodation shall not exceed 25% of the Credit Line.

D. Effective as of December 1, 2021, Subsection III.B.1 of the IFSA is deleted and replaced with the following:

1. Interest Accrual, Rate, and Method of Calculation.

- (a) Wholesale Outstandings owed to the Ally Parties will bear interest on and from the day after each advance or loan through the date of repayment in full. Interest will be at a per annum rate and will be determined using a 365/360 simple interest method of calculation, unless expressly prohibited by law ("Interest").
- (b) The Interest rate is the Prime Rate plus 105 basis points (b.p.) (the "Interest Rate Increment").
- (c) The "Prime Rate" is defined as the per annum rate of interest announced by Bank from time to time as its "prime rate" (it being acknowledged that such announced rate is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate and which may be predicated upon various borrower-specific factors, including the amount of borrower loans and borrower creditworthiness). The Prime Rate and its effective date will be announced on the Ally Dash website or a replacement source designated in a written communication by Bank to Borrower.
- (d) The Prime Rate as of the Ally Parties' execution of this Amendment is 3.25% per annum.
- (e) In no event will the Interest rate under this Agreement exceed the maximum lawful contract rate, which is:
 - i. To the extent that Texas law applies to the Agreement: the quarterly ceiling from time to time in effect under Chapter 303, Tex. Finance Code, and
 - ii. To the extent that state law is preempted by federal law: the maximum rate under federal law and the law of the state in which Ally Bank is located, i.e., Utah.
- (f) To the extent the Prime Rate is more than 10 b.p. different than the U.S. prime rate published by the Wall Street Journal, for a period of at least 7 calendar days, Dealership and the Ally Parties agree to negotiate in good faith regarding whether the Interest Rate Increment should be adjusted.

E. A new Subsection III.B.7(c) is added to the IFSA as follows:

- (c) The Third Amendment Commitment Fee. On or before December 16, 2021, the Dealership shall pay the Ally Parties a "Third Amendment Commitment Fee" of \$_[***].

***[Redacted for confidentiality purposes]

- F. Except as provided above, the IFSA and all other agreements between each of the Ally Parties and Dealership and Vroom remain in full force and effect as written. In the event of a conflict between the terms of the IFSA and this Amendment, the terms of this Amendment prevail. The parties hereto ratify all terms of the IFSA as amended by the Amendment.
- G. If any provision of this Amendment is held to be invalid or unenforceable by a court of competent jurisdiction, all other provisions remain valid and enforceable.
- H. This Amendment:
- a. May be modified only by a writing signed by all parties.
 - b. May be signed in counterparts, each of which is deemed an original, and all of which taken together constitute one and the same agreement. The signatures of the parties, exchanged via fax or e-mail, shall constitute and be deemed original signatures for all purposes.
 - c. Binds and inures to the benefit of the parties and their respective successors and assigns.
 - d. Constitutes the entire agreement of the parties with respect to its subject matter.

Agreed to as of December 16, 2021.

Ally Bank

By: /s/ Stephen B. Gambrel

Name: Stephen B. Gambrel

Title: Authorized Representative

Date: 12/16/2021

Ally Financial Inc.

By: /s/ Stephen B. Gambrel

Name: Stephen B. Gambrel

Title: Authorized Representative

Date: 12/16/2021

Vroom Automotive, LLC

By: /s/ Robert R. Krakowiak

Name: Robert R. Krakowiak

Title: Chief Financial Officer

Date: 12/15/2021

Vroom, Inc.

By: /s/ Robert R. Krakowiak

Name: Robert R. Krakowiak

Title: Chief Financial Officer

Date: 12/15/2021

**Online Automotive Retailer Vroom Announces Amendment of Floorplan
Commitment from Ally Financial**

Amendment Increases Line of Credit to \$700 million

NEW YORK – (BUSINESS WIRE)—Dec. 20, 2021-- Vroom, Inc. (Nasdaq:VRM), a leading ecommerce platform for buying and selling used vehicles (the “Company”), today announced an amendment to its inventory financing agreement with Ally Financial Inc. (NYSE: ALLY), a leading digital financial services company, to increase the line of credit to \$700 million, up from \$450 million previously.

Ally’s extension of additional financing supports Vroom’s continued national growth, which is bringing about enduring change in the used vehicle industry. Ally has provided floor plan financing to Vroom since 2016.

“We’re thrilled to be broadening our financing relationship with Ally, so we can expand our offering of thousands of high quality, affordable vehicles with delivery straight to customers,” said Paul Hennessy, Chief Executive Officer at Vroom. “Car buyers and sellers are turning to ecommerce solutions more than ever, and Vroom is well positioned as we deliver a seamless online experience.”

Since 2012, Vroom has been offering thousands of low-mileage, reconditioned vehicles with delivery directly to consumers through its ecommerce platform. It also arranges financing through leading lenders and offers warranty, insurance and other value-added products that provide convenience for its customers.

About Vroom Inc.:

Vroom is an innovative, end-to-end ecommerce platform designed to offer a better way to buy and a better way to sell used cars. The Company’s scalable, data-driven technology brings all phases of the car buying and selling process to consumers wherever they are and offers an extensive selection of used cars, transparent pricing, competitive financing, and at-home pick-up and delivery. Vroom is based in New York and Houston and also operates the Texas Direct Auto and CarStory brands.

Forward-Looking Statements:

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements. These statements are based on management’s current assumptions and are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. For factors that could cause actual results to differ materially from the

forward-looking statements in this press release, please see the risks and uncertainties identified under the heading “Risk Factors” in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 filed with the U.S. Securities and Exchange Commission (the “SEC”) and our Annual Report on Form 10-K for the year ended December 31, 2020 filed with the SEC, as such factors may be updated from time to time in our other filings with the SEC, which are accessible on the SEC website at www.sec.gov and on our Investor Relations website at ir.vroom.com. All forward-looking statements reflect our beliefs and assumptions only as of the date of this press release. Vroom undertakes no obligation to update forward-looking statements to reflect future events or circumstances.

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