
**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): July 3, 2012

Daktronics, Inc.

(Exact name of registrant as specified in its charter)

South Dakota

(State or other jurisdiction
Incorporation or organization)

0-23246

(Commission
File Number)

46-0306862

(I.R.S. Employer
Identification Number)



**201 Daktronics Drive
Brookings, SD 57006**

(Address of principal executive office) (zip code)

(605) 692-0200

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report.)

This Current Report on Form 8-K (the "Report") contains both historical and forward-looking statements that involve risks, uncertainties and assumptions. The statements contained in this Report that are not purely historical are forward-looking statements that are subject to the safe harbors created under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, including statements regarding our expectations, beliefs, intentions and strategies for the future. These statements appear in a number of places in this Report and include all statements that are not historical statements of fact regarding our intent, belief or current expectations with respect to, among other things: (i) our financing plans; (ii) trends affecting our financial condition or results of operations; (iii) our growth strategy and operating strategy; (iv) the declaration and payment of dividends; (v) the timing and magnitude of future contracts; (vi) parts shortages and longer lead times; (vii) fluctuations in margins; and (viii) the introduction of new products and technology. The words "may," "would," "could," "should," "will," "expect," "estimate," "anticipate," "believe," "intend," "plans" and similar expressions and variations thereof are intended to identify forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, many of which are beyond our ability to control, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors discussed herein, including those discussed in detail in our filings with the Securities and Exchange Commission, including in our Annual Report on Form 10-K for the fiscal year ended April 28, 2012 in the section entitled "Item 1A. Risk Factors"

Section 1 - Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

(a) On July 2, 2012, Daktronics, Inc. (the "Company") entered into a Third Amendment to Loan Agreement (the "Third Amendment") and a related Reaffirmation of and First Amendment to Unlimited Guaranty Agreement (the "First Guaranty Amendment") with Bank of America, N.A. ("BoA"), dated as of July 2, 2012. The Third Amendment amends the Company's Loan Agreement and Revolving Note dated as of December 23, 2010 with BoA (the "Original BoA Loan") as amended by the First Amendment to Loan Agreement dated as of February 1, 2011 (the "First Amendment") and the Second Amendment to Loan Agreement dated as of November 15, 2011 (the "Second Amendment"). (The Original BoA Loan as subsequently amended by the First Amendment, the Second Amendment and the Third Amendment, and the Unlimited Guaranty Agreement dated as of December 23, 2010 (the "Original Guaranty") as amended by the First Guaranty Amendment, are collectively referred to as the "BoA Credit Facility"). The Third Amendment and the First Guaranty Amendment expand the definition of "Foreign Subsidiaries" to include additional non-U.S. subsidiaries of the Company and expand the types of products and services made available under the BoA Credit Facility to the Company's non-U.S. subsidiaries. Under the Third Amendment, the Company restates its representations and warranties to BoA, and under the First Guaranty Amendment, the Company reaffirms its obligations under the Original Guaranty. The Third Amendment and the First Guaranty Amendment were entered into in connection with supporting the Company's credit needs for its European subsidiaries, which are intended to provide facilities for letters of credit, multicurrency borrowings, bank guarantees, international allocation credits, and other products and services from time to time requested by the Company and its non-U.S. subsidiaries on terms acceptable to BoA in its sole discretion. The BoA Credit Facility remains unsecured. As of June 30, 2012, there was approximately \$0.5 million in advances and approximately \$0.0 million in bank guarantees outstanding under the BoA Credit Facility.

The foregoing description of the Third Amendment and the First Guaranty Amendment is qualified in its entirety by reference to such documents, copies of which are filed as Exhibits 10.1 and 10.2 to this Report and incorporated herein by reference.

Section 9 - Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) The following exhibit is furnished as part of this Current Report on Form 8-K:

[10.1 Third Amendment to Loan Agreement dated as of July 2, 2012 by and between BoA and the Company.](#)

[10.2 Reaffirmation of and First Amendment to Unlimited Guaranty Agreement dated as of July 2, 2012 by and between BoA and the Company.](#)

SIGNATURE

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.

DAKTRONICS, INC.

By: /s/ William R. Retterath

William R. Retterath, Chief Financial Officer

Date: July 3, 2012

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Third Amendment to Loan Agreement dated as of July 2, 2012 by and between Bank of America, N.A. and Daktronics, Inc.
10.2	Reaffirmation of and First Amendment to Unlimited Guaranty Agreement dated as of July 2, 2012 by and between Bank of America, N.A and Daktronics, Inc.

**THIRD AMENDMENT
TO
LOAN AGREEMENT**

THIS THIRD AMENDMENT TO LOAN AGREEMENT (this "Third Amendment" or this "Amendment") is made and entered into as of this 2nd day of July, 2012, by and between Daktronics, Inc. ("Borrower") and Bank of America, N.A. ("Lender").

RECITALS

A. The Borrower and the Lender are parties to that certain Loan Agreement dated as of December 23, 2010, as amended by that certain First Amendment dated February 1, 2011 and that certain Second Amendment dated November 15, 2011 (as amended, the "Loan Agreement"), whereby Lender extended certain credit facilities to the Borrower upon the terms and conditions set forth in the Loan Agreement. Capitalized terms not otherwise defined in this Amendment shall have the meanings given them in the Loan Agreement.

B. The parties are in mutual agreement that the Loan Agreement should be amended as provided herein.

NOW, THEREFORE, in consideration of the Recitals and the mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendments to the Loan Agreement. The Loan Agreement is hereby amended as follows:

a. The definition of "Foreign Subsidiaries" in Section 1.1 ("Defined Terms") is hereby amended in its entirety and as so amended is restated as follows:

"Foreign Subsidiaries": The following foreign, wholly owned subsidiaries of Borrower: Daktronics Canada, Inc., Daktronics, GmbH, Daktronics UK, Ltd, Daktronics Hong Kong Ltd, Daktronics Shanghai Co., Ltd, Daktronics France SARL, Daktronics Beijing, Daktronics Australia PTY LTD, Daktronics Japan, Inc., Daktronics FZE, and Daktronics Singapore Pte Ltd, Daktronics International Ltd, Daktronics Trading, Ltd., Daktronics Brazil, Ltd., Daktronics Singapore Pte. Ltd, as well as any other entity created or organized other than under the laws of the United States of America, any of its states, or the District of Columbia, of which a majority of the shares of securities or other interests are beneficially owned, or the management of which is otherwise controlled, directly or indirectly, through one or more intermediaries or both, by the Borrower.

b. Section 2.1 ("Revolving Loan") is hereby amended in its entirety and as so amended is restated as follows:

Section 2.1 Revolving Loan. Upon the terms and subject to the conditions hereof, Lender agrees to make available a revolving loan (the "Revolving Loan") to Borrower of Twenty Million and No/100 Dollars (\$20,000,000.00) (the "Revolving Loan Amount"). Borrower may obtain advances, prepay and obtain new advances under the Revolving Loan, subject to

the prepayment provisions of Section 2.2. Lender also agrees to make available to the Foreign Subsidiaries letters of credit, multicurrency borrowings, bank guarantees, international allocation credits, and other products and services from time to time requested by the Borrower or such Foreign Subsidiaries to be provided to one or more Foreign Subsidiaries, on terms acceptable to Lender in its sole discretion (collectively, "Alternative Borrowing"), in an amount not to exceed the Revolving Loan Amount, it being understood and agreed that the amount available to be borrowed under the Revolving Loan shall be correspondingly reduced by the face amount of all Alternative Borrowing issued. Further, Lender may, from time to time, at the request of Borrower and on terms satisfactory to Lender and Borrower, provide letters of credit to Borrower and its domestic affiliates and subsidiaries ("Domestic Letters of Credit"). The amount available to be borrowed under the Revolving Loan shall be reduced by the aggregate amount available to be drawn under any Domestic Letters of Credit, plus any unreimbursed amounts or letter of credit borrowings. In no event shall the amount outstanding under the Revolving Loan, including amounts outstanding from advances to Borrower or from Alternative Borrowing and Domestic Letters of Credit, exceed the Revolving Loan Amount. Lender shall charge an origination fee equal to a per annum basis of 0.50% of the face amount of any international letters of credit issued hereunder, payable in advance quarterly on the last day of the prior calendar quarter, as well as charge its standard issuance, documentation and examination fees therefore. All Alternative Borrowing shall have an expiration date no later than twenty four (24) months from the date of issuance. Lender shall have no obligation to issue Alternative Borrowing, or to amend, extend, renew or replace any Alternative Borrowing, unless it is in form and substance acceptable to Lender. The Alternative Borrowing shall be guaranteed by Borrower's Guaranty dated December 23, 2010 (as amended), and the reference therein to the Loan in the principal amount of \$10,000,000.00 shall be deemed amended to the \$20,000,000.00 Revolving Loan described herein.

2. Representations. The Borrower represents and warrants to the Lender as follows: (i) the covenants, representations and warranties of the Borrower as set forth in the Loan Agreement are hereby made again as of the date hereof and are true and correct in all respects as of the date hereof, except to the extent such covenants, representations and warranties relate solely to an earlier date, in which case such covenants, representations and warranties were true and correct in all respects as of such date, (ii) as of the date hereof, there is no Event of Default in existence, or any other act, omission, matter or other occurrence whatsoever which, with the giving of notice or the passage of time, or both, would give rise to or constitute an Event of Default; (iii) the Borrower has (a) full power, authority and legal right to own and operate all of its properties and assets and to carry on its respective business as now conducted and as proposed to be conducted; and (b) all requisite corporate power and authority to execute, deliver and fully perform all of the terms and conditions of this Amendment and all other agreements, documents and instruments contemplated hereby; and (vi) the Borrower shall (a) ensure, and cause all of its Subsidiaries to ensure, that no person who owns a controlling interest in or otherwise controls the Borrower, any guarantor or any subsidiary of any of them is or shall be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the Office of Foreign Assets Control ("OFAC"), the Department of the Treasury or included in any Executive Orders, (b) not use or permit the use of the proceeds of any loans to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto, and (c) comply, and cause any subsidiary to comply, with all applicable Bank Secrecy Act laws and regulations, as amended. All representations and warranties contained in this Amendment shall survive the execution and delivery hereof and any investigation made by the Lender or its agents or representatives.

3. Effective Time. This Amendment shall be effective as of the date hereof upon signature by all parties hereto.

4. Continuing Effect; Inconsistency. All of the terms and conditions of the Loan Agreement and the other loan documents remain in full force and effect, as amended hereby. Without limiting the foregoing, the Borrower acknowledges and agrees that each of the loan documents remains in full force and effect and the rights and remedies of the Lender, and the obligations of the parties thereunder and shall not be affected, impaired or discharged by reason of this Amendment or the transactions contemplated hereby. In the event there is determined to be any inconsistency between the terms and conditions of the existing loan documents and the terms and conditions of this Amendment, the terms and conditions of this Amendment shall govern to the full extent of such inconsistency.
5. Cross Default; Remedies. Any breach of warranty, misrepresentation or nonfulfillment of any agreement on the part of the Borrower under any one or more of the existing loan documents, this Amendment or any agreement, document or instrument contemplated hereby, shall be and constitute a breach and default under each and all of the loan documents, this Amendment and all other agreements, documents and instruments. The Lender shall have all rights and remedies available under the loan documents, this Amendment and all agreements, documents and instruments contemplated hereby, and all other rights and remedies available to it at law, in equity or otherwise, upon any such breach of warranty, misrepresentation or nonfulfillment of agreement by the Borrower.
6. No Waiver. Nothing herein is intended or shall be construed as a waiver by the Lender of any breach, default or other nonfulfillment by the Borrower under the Loan Agreement or any of the other loan documents.
7. Waiver of Claims. THE BORROWER COVENANTS, REPRESENTS AND WARRANTS TO THE LENDER THAT THE NOTE, THE LOAN AGREEMENT AND OTHER LOAN DOCUMENTS ARE NOT SUBJECT TO ANY CREDITS, CHARGES, CLAIMS, OR RIGHTS OF OFFSET OR DEDUCTION OF ANY KIND OR CHARACTER WHATSOEVER; AND HEREBY RELEASES AND DISCHARGES THE LENDER, THEIR OFFICERS, DIRECTORS, ATTORNEYS, AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS FROM ANY AND ALL CLAIMS AND CAUSES OF ACTION OF ANY KIND AND CHARACTER, WHETHER KNOWN OR UNKNOWN AND WHETHER NOW EXISTING OR HEREAFTER ARISING, WHETHER LIQUIDATED OR UNLIQUIDATED, FIXED, CONTINGENT, DIRECT OR INDIRECT, INCLUDING WITHOUT LIMITATION, ANY ACTION IN LAW OR EQUITY, THAT HAVE AT ANY TIME BEEN OWNED, OR THAT ARE HEREAFTER OWNED, BY THE BORROWER AND THAT ARISE OUT OF ANY ONE OR MORE CIRCUMSTANCES OR EVENTS THAT OCCURRED PRIOR TO THE DATE OF THIS AMENDMENT. MOREOVER, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE BORROWER WAIVES ANY AND ALL CLAIMS NOW OR HEREAFTER ARISING FROM OR RELATED TO ANY DELAY BY THE LENDER IN EXERCISING ANY RIGHTS OR REMEDIES UNDER THE LOAN DOCUMENTS.
8. Costs. All attorneys' fees and expenses incurred by Lender with respect to the preparation of this Third Amendment shall be paid by Borrower.
9. Acknowledgment. Borrower hereby acknowledges receipt of a copy of this Third Amendment.
10. No Future Obligation to Amend. The Borrower hereby expressly recognizes and agrees that the Lender was in no way obligated or required to enter into this Amendment, and that the Lender has not agreed

to and are not obligated or required to, in the future, waive, revise, alter or amend any of the terms or conditions of the Loan Agreement or any of the other loan documents, or to provide Borrower with any additional credit facilities or other funds or credit.

11. Headings and Captions. The titles or captions of sections and paragraphs in this Amendment are provided for convenience of reference only, and shall not be considered a part hereof for purposes of interpreting or applying this Amendment, and such titles or captions do not define, limit, extend, explain or describe the scope or extent of this Amendment or any of its terms or conditions.
12. Further Documents and Actions. The Borrower agrees to execute and deliver to the Lender such additional documents and to take all such further actions as the Lender may reasonably require in order to reflect the amendments to the Loan Agreement effected by this Amendment.
13. Counterparts and Facsimile Signatures. This Amendment may be executed in any number of counterparts, each of which shall constitute one and the same instrument. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof. Electronic records of the executed Amendment shall be deemed to be originals thereof.
14. Recitals. The Recitals set forth in the forepart of this Amendment are true and correct and are an integral part of this Amendment.
15. Binding Effect on Successors and Assigns. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, legal representatives and permitted assigns.

[SIGNATURE PAGE TO FOLLOW]

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

IN WITNESS WHEREOF, the parties have caused this Third Amendment to be duly executed as of the date first written above.

BORROWER:

Daktronics, Inc.

By: /s/ William R. Retterath

Name: William R. Retterath

Title: CFO

By: /s/ James B. Morgan

Name: James B. Morgan

Title: President and CEO

BANK:

Bank of America, N.A.

By:

Name: Michael T. Letsch

Title: Vice President

[SIGNATURE PAGE TO THIRD AMENDMENT TO LOAN AGREEMENT]

**REAFFIRMATION OF AND FIRST AMENDMENT TO
UNLIMITED GUARANTY AGREEMENT**

This Reaffirmation and First Amendment to Unlimited Guaranty Agreement (this "Amendment"), dated as of the 2nd day of July, 2012, is made by and between Daktronics, Inc., a South Dakota corporation (the "Borrower") and Bank of America, N.A. (the "Bank").

Recitals

A. The Borrower and the Lender are parties to that certain Loan Agreement dated as of December 23, 2010, as amended by that certain First Amendment to Loan Agreement dated February 1, 2011, that certain Second Amendment to Loan Agreement dated November 15, 2011, and that certain Third Amendment to Loan Agreement of even date herewith (as amended, the "Loan Agreement"), whereby Lender extended certain credit facilities to the Borrower upon the terms and conditions set forth in the Loan Agreement.

B. Section 2.1 of the Loan Agreement provides that Bank agrees to make available to Borrower's Foreign Subsidiaries, certain Alternative Borrowing, provided that, among other conditions, the credit available to Borrower under the Loan Agreement would be reduced dollar-for-dollar by the amount of the Alternative Borrowing, and provided further that Borrower agrees to unconditionally and without limitation guarantee such Alternative Borrowing pursuant to the terms of an Unlimited Guaranty Agreement dated December 23, 2010, as amended by the Second Amendment to Loan Agreement (changing the principal amount referenced in paragraph "A" of the Recitals from \$10,000,000 to \$20,000,000) (as amended, the "Guaranty"). Capitalized terms used herein without definition shall have the meanings ascribed in the Loan Agreement and Guaranty.

C. The parties are in mutual agreement that the Guaranty should be further amended as provided herein, the effect of which, among other things, includes an expansion of the Guaranty to cover additional Foreign Subsidiaries as well as an expansion of the types of products and services included as Alternative Borrowing.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, it is agreed as follows:

1. Amendments to Guaranty. The Guaranty is hereby amended as follows

(a) Paragraph "B" of the Recitals is hereby amended in its entirety and as so amended is restated as follows:

"Section 2.1 of the Loan Agreement provides that Bank agrees to make Alternative Borrowing (as this term is defined in the Loan Agreement) available to Borrower's Foreign Subsidiaries (as this term is defined in the Loan Agreement, and each of the Foreign Subsidiaries shall be individually known as a "Foreign Subsidiary"), provided that, among other conditions, the credit available to Borrower under the Loan Agreement would be reduced dollar-for-dollar by the amount of the Alternative Borrowing, and provided further that Borrower agrees to unconditionally and without limitation guarantee such Alternative Borrowing."

(b) Paragraph “C” of the Recitals is amended by deleting the paragraph in its entirety and replacing with the following:

“[Intentionally Omitted]”

2. No Other Changes. Except as explicitly amended by this Amendment, all of the terms and conditions of the Guaranty shall remain in full force and effect.

3. Reaffirmation. Borrower hereby ratifies and reaffirms all of the terms, conditions, provisions, agreements, requirements, promises, obligations, duties, covenants and representations applicable to it in the Guaranty, as amended above, and that the Guaranty remains in full force and effect and is valid, binding and fully enforceable in accordance with its terms.

4. Representations and Warranties. Borrower hereby represents and warrants as follows:

(a) it has the corporate power and authority to execute, deliver and perform the terms and provisions of this Amendment and each other loan documents, including the Guaranty, to which it is a party and has taken all necessary corporate action to authorize the execution, delivery and performance by it of this Amendment and each such other loan documents;

(b) it has duly executed and delivered this Amendment and each other loan document to which it is a party, and this Amendment and each such other loan document constitute its legal, valid and binding obligations, enforceable in accordance with their terms, except to the extent that the enforceability hereof or thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors’ rights and by equitable principles (regardless of whether enforcement is sought in equity or at law);

(c) all of the representations and warranties contained in the Guaranty are correct on and as of the date hereof as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

5. Miscellaneous. This Amendment may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

[SIGNATURE PAGE TO FOLLOW]

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

IN WITNESS WHEREOF, the parties have caused this Third Amendment to be duly executed as
of the date first written above.

BORROWER:

Daktronics, Inc.

By: /s/ William R. Retterath

Name: William R. Retterath

Title: CFO

By: /s/ James B. Morgan

Name: James B. Morgan

Title: President and CEO

BANK:

Bank of America, N.A.

By:

Name: Michael T. Letsch

Title: Vice President

[SIGNATURE PAGE TO REAFFIRMATION OF AND FIRST AMENDMENT TO UNLIMITED GUARANTY AGREEMENT]