**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) **January 7, 2025**

**ATLANTIC INTERNATIONAL CORP.**
(Exact name of registrant as specified in charter)

| **Delaware** | **001-40760** | **46-5319744** |
|---|---|---|
| (State or other Jurisdiction of Incorporation or Organization) | (Commission File Number) | (IRS Employer Identification No.) |

| **270 Sylvan Avenue, Suite 2230**<br>**Englewood Cliffs, NJ** | **07632** |
|---|---|
| (Address of Principal Executive Offices) | (zip code) |

**(201) 899-4470**
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Securities registered or to be registered as pursuant to Section 12(b) of the Act: None

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of 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(b) under the Exchange Act (17 CFR 240.14a-12(b))

☐ 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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 January 7, 2024, Atlantic International Corp. ("Atlantic" or the "Company") entered into a First Amendment (the "Amendment") to Agreement and Plan of Merger (the "Merger Agreement"), a copy of which has been filed as Exhibit 2.1 to this Form 8-K. The Merger Agreement was entered into as of November 1, 2024 and was filed on Form 8-K on November 7, 2024.

The Amendment provides for:

1. The elimination of dissenters' rights as the Merger is now a share-for-share exchange and has eliminated the payment by the Company of any cash consideration.

2. The definition of "Merger Consideration" has been revised to include the conversion of Staffing 360 Solutions Inc ("STAF") Series H Preferred Shares and Series I Preferred Shares into shares of the Company's Common Stock at their respective Exchange Ratios.

3. The agreement with Jackson Investment Group ("JIG") shall provide for the conversion of all accrued interest and the principal amount of indebtedness to JIG into 5,600,000 shares of Series I Preferred Stock which is convertible into an equal number of shares of Atlantic Common Stock.

4. The agreements to convert Earned Certain Cash Payments into 5,000,000 shares of Series H Preferred Stock of STAF which, in turn, are converted into 3,500,000 shares of Atlantic Common stock and shall waive any interest/dividends or payments due related solely to Series H Shares.

5. The period of exclusivity for the Merger was deleted.

6. The number of shares of Atlantic Common Stock increased from 50,146,738 to 57,338,135 and the number of restricted stock units increased from 1,803,583 to 4,903,052, or an aggregate of 62,241,187 shares of Common Stock.

7. The Termination Date fee the Merger was extended from December 31, 2024, to March 31, 2025.

8. The definition of Exchange Ratio expanded from1.202 for STAF 360 Common Stock to add 0.25 for Series H Preferred Stock and 1.00 for Series I Preferred Stock.

9. Except as expressly provided in the Amendment, the Merger Agreement remains in full force and effect.

**Forward-Looking Statements Regarding the Merger**

This Current Report on Form 8-K, along with the exhibits attached hereto, contains certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the "***Securities Act***"), and Section 21E of the Exchange Act. All statements other than statements of historical fact contained in this Current Report on Form 8-K, including statements regarding the benefits of the Merger, the anticipated timing of the completion of the Merger, the services offered Atlantic and the markets in which Atlantic plans to operate, the advantages of Atlantic's services, Atlantic's competitive landscape and positioning, and Atlantic's growth plans and strategies, are forward-looking statements. Some of these forward-looking statements can be identified by the use of forward-looking words, including "may," "should," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "plan," "targets," "projects," "could," "would," "continue," "forecast" or the negatives of these terms or variations of them or similar expressions. All forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. All forward-looking statements are based upon estimates, forecasts and assumptions that, while considered reasonable by Atlantic and its management, and STAF and its management, as the case may be, are inherently uncertain and many factors may cause the actual results to differ materially from current expectations which include, but are not limited to:

- the occurrence of any event, change or other circumstance that could give rise to the termination of the Merger;
- the outcome of any legal proceedings that may be instituted against Atlantic or STAF related to the Merger;
- failure of Atlantic and STAF to realize the anticipated benefits of the Merger;
- the risk that the price of shares subsequent to the Merger may be volatile due to a variety of factors, including changes in the highly competitive industry in which Atlantic operates, variations in performance across competitors, changes in laws and regulation that may impose additional costs and compliance burdens on Atlantic's operations, macro-economic and social environments affecting Atlantic's business and changes in the combined capital structure; and
- the inability to implement business plans, forecasts, and other expectations after the completion of the Merger.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

| Exhibit No. | Description |
|---|---|
| 2.1 | First Amendment to Agreement and Plan of Merger dated as of January 7, 2025 by and among Atlantic International Corp, A 36 Merger Sub, Inc. and Staffing 360 Solutions, Inc. |
| 2.2 | Agreement and Plan of Merger dated as of November 1, 2024, by and among Atlantic International Corp, A36 Merger Sub Inc and Staffing 360 Solutions Inc. is incorporated by reference to Exhibit 2.1 to Form 8-K filed by the Registrant on November 7, 2024 |
| 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.

Date: January 13, 2025

**ATLANTIC INTERNATIONAL CORP.**

By: /s/ Jeffrey Jagid
Jeffrey Jagid
Chief Executive Officer

**Exhibit 2.1**

**FIRST AMENDMENT TO AGREEMENT AND PLAN OF MERGER**

**This First Amendment** (this "First Amendment") to the Merger Agreement (as defined below) is made and entered into as of January 7, 2025, by and Atlantic International Corp a Delaware corporation ("Atlantic"), A36 Merger Sub Inc., a Delaware corporation ("Merger Sub"), and Staffing 360 Solutions, Inc. a Delaware corporation (the "Company"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Merger Agreement (defined below).

**WHEREAS,** Atlantic, Merger Sub, and the Company have entered into that certain Agreement and Plan of Merger, dated as of November 1, 2024 (the "Merger Agreement")

**WHEREAS,** the Parties desire to amend the terms and conditions of the Merger Agreement to, among other things: (i) clarify the treatment of certain preferred stock of the Company; and (ii) removal of dissenter and appraisal rights consistent with Delaware Law.

**NOW, THEREFORE**, for and in consideration of the mutual covenants contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party hereto, the Parties agree as follows:

1. **Amendment to Agreement**. The Agreement is hereby amended as follows:

a. Recital (D) of the Merger Agreement is deleted in its entirety and replaced with the following:

" D. Upon completion of the Merger, each share of the issued and outstanding common stock of the Company ("Company Common Stock") immediately prior to the Effective Time, other than Excluded Shares, will be canceled and converted into the right to receive the Merger Consideration.

b. Section 2.2(a) of the Merger Agreement is deleted in its entirety and replaced with the following:

" (a) Conversion of Shares. Each: (i) share of Company Common Stock; (ii) share of Series H Preferred Shares; and (iii) share of Series I Preferred Shares issued and outstanding immediately prior to the Effective Time (each a "Share" and collectively, the "Shares"), other than any Excluded Shares, shall be cancelled and shall cease to exist and shall be converted automatically into the right to receive the Merger Consideration. "Merger Consideration" means (i) a number of shares of validly issued, fully paid and nonassessable shares of common stock of Atlantic, par value of $.00001 per share (the "Atlantic Common Stock"), equal to their respective Exchange Ratio, with any resulting fractional shares to be rounded to the nearest whole share."

c. Section 2.2(d) of the Merger Agreement is deleted in its entirety and replaced with the following:

"(d) Exchange Agent. On or prior to the Closing Date, Atlantic will select a transfer agent or another reputable bank or trust company reasonably acceptable to Company to act as exchange agent in connection with the Merger (the "Exchange Agent"). Promptly after the Effective Time, Atlantic shall cause each person who was, at the Effective Time, a holder of record of Shares entitled to receive the Merger Consideration pursuant hereto instructions for use in effecting the surrender of the non-certificated Company Common Stock represented by book-entry in exchange for the Merger Consideration. The holder of such Share shall be entitled to receive in exchange therefor the Merger Consideration, pursuant to the Exchange Ratio and the terms of this Agreement. Until surrendered as contemplated by this Section 2.2(d), each book-entry share shall be deemed at all times after the Effective Time to represent only the right to receive upon such surrender the Merger Consideration to which holder of such book-entry share is entitled to."

d. Section 2.3 is hereby deleted in its entirety and replaced with the following:

"[Reserved]"

e. Section 2.4 is hereby deleted in its entirety and replaced with the following:

"[Reserved]"

f. Section 3.2(f) is hereby deleted in its entirety and replaced with the following:

"(f) a signed settlement agreement with the appropriate Jackson Investment ("Jackson") party converting the Company's indebtedness with the appropriate Jackson party whereby (i) all interest accrued and payable to appropriate Jackson party will be waived or forgiven; (ii) the principal amount of the Loan will be converted into 5,600,000 shares of Series I Preferred Stock and lock-up agreement such that the Merger Consideration for all of the Series I Preferred Stock are subject to a lock up for the one (1) year after the Closing;"

g. Section 3.2(g) is hereby deleted in its entirety and replaced with the following:

"(g) signed agreements to be mutually agreed to by the Parties whereby the applicable parties shall: (i) convert any amounts owed in Earned Contingent Cash Payment into five million (5,000,000) Series H Preferred Shares of the Company and waive any interest/dividends or other payments due from the Company related to the Series H Preferred Shares; and (ii) lock-up agreements such that the Merger Consideration for all of the Series H Preferred are; (A) subject to a lock up for the 6 months after Closing as follows; (B) 1,750,000 shares of Atlantic Common Stock are subject to a lock-up for the period starting on 6 months after Closing until 9 months after Closing; (C) 875,000 shares of Atlantic Common Stock are subject to a lock-up for the period starting on 9 months after Closing until 12 months after Closing; and (D) the lock-up shall terminate 12 months after Closing and (E) the lock-up shall not apply to the extent shares of Atlantic Common Stock must be sold to pay any taxes from such applicable holder;"

h. Section 3.9(c) is hereby deleted in its entirety and replaced with the following:

"[Reserved]"

i. Section 5.5(a) of the Merger Agreement is deleted in its entirety and replaced with the following:

"(a) The authorized capital stock of Atlantic consists of 300,000,000 shares of Atlantic Common Stock $.00001 par value of which 57,338,135 shares are issued and outstanding as of the date of this First Amendment and 4,903,052 shares are issuable upon the exercise of RSUs, for an aggregate of 62,241,187 shares of common stock. All outstanding shares of Atlantic Common Stock are duly authorized, validly issued, fully paid, and non-assessable and were issued in compliance with all applicable federal and state securities laws;"

j. Section 8.1(d) of the Merger Agreement is deleted in its entirety and replaced with the following:

"(d) by Atlantic or the Company if the transactions contemplated by this Agreement shall not have been consummated on or prior to March 31, 2025 (the "Termination Date"); provided that (i) the right to terminate this Agreement pursuant to this Section 8.1(d) shall not be available to Atlantic if Atlantic's breach of any of its covenants or obligations under this Agreement shall have proximately caused the failure to consummate the transactions contemplated by this Agreement on or before the Termination Date, (ii) the right to terminate this Agreement pursuant to this Section 8.1(d) shall not be available to the Company if the Company's breach of its covenants or obligations under this Agreement shall have proximately caused the failure to consummate the transactions contemplated by this Agreement on or before the Termination Date; and (iii) the right to terminate this Agreement pursuant to this Section 8.1(d) shall not be available to any party if such party's breach of any of its covenants or obligations under this Agreement shall have proximately caused the failure to consummate the transactions contemplated by this Agreement on or before the Termination Date; or"

k. The definition for "***Earned Contingent Cash Payment***" is hereby added as follows:

" "***Earned Contingent Cash Payment***" means the Contingent Payment (as defined in that certain Stock Purchase Agreement between the Company, Headway Workforce Solutions, Inc. and Chapel Hill Partners, LP) due from the Company pursuant to the Stock Purchase Agreement between the Company, Headway Workforce Solutions, Inc. and Chapel Hill Partners, LP."

l. The definition for "***Exchange Ratio***" is hereby deleted in its entirety and replaced with the following:

" "***Exchange Ratio***" means with respect to the conversion of: (i) Company Common Stock, 1.202; (ii) Series H Preferred Stock, 0.25 and (iii) Series I Preferred Stock, 1.00."

2. **No Other Changes**. Except as expressly provided in this Amendment, the Agreement shall remain in full force and effect upon its original terms. This Amendment and the Agreement constitute an integrated agreement with respect to the subject matter hereof and thereof. This Amendment may be amended, modified, and supplemented only in accordance with the terms of the Agreement.

3. **Governing Law**. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and performed in such State, without reference to such State's or any other state's or other jurisdiction's principles of conflict of laws.

4. **Counterparts**. This Amendment may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

**[*SIGNATURE PAGE FOLLOWS*]**

**IN WITNESS WHEREOF,** the Parties hereto have caused this Amendment to be executed as of the date first written above by their respective officers thereunto duly authorized.

**COMPANY**
**STAFFING 360 SOLUTIONS, INC.**

By: /s/ Brendan Flood
Name: Brendan Flood
Title: Chief Executive Officer

**MERGER SUB**
**A36 MERGER SUB INC.**

By: /s/ Jeffrey Jagid
Name: Jeffrey Jagid
Title: Chief Executive Officer

**ATLANTIC**
**ATLANTIC INTERNATIONAL CORP.**

By: /s/ Jeffrey Jagid
Name: Jeffrey Jagid
Title: Chief Executive Officer