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SCIENTIFIC INDUSTRIES INC

Form 8-K

June 16, 2011

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): June 14, 2011

SCIENTIFIC INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	000-6658	04-2217279
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer No.)

70 Orville Drive
Bohemia, New York 11716

(Address of principal executive offices)

(631) 567-4700

Registrant's telephone number, including area code

Not Applicable

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

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On June 14, 2011, the Company and JPMorgan Chase Bank, N.A. (the "Bank") entered into a Business Loan Agreement pursuant to which the Bank granted the Company a \$700,000 line of credit for the period ending June 13, 2013. Advances are to bear interest at 3.08 percentage points over the LIBOR Index, currently 3.25% per annum and are to be secured by a pledge of Collateral consisting of the inventory, accounts, chattel paper, equipment and general intangibles of the Company. Principal along with interest are payable at maturity.

Maturity of principal and interest accelerate upon the occurrence of an event of default. The events specified include failure to pay outstanding obligations under the Note, a material adverse change in the Company's financial condition or prospects and acts of insolvency. During the period of default the interest rate increase by 3% per annum.

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The Company is required to reduce the outstanding principal balance to zero during the 30 day period ending on the anniversary date of the Note.

The facility replaces the Company's existing agreement relating to \$500,000 with its former bank, Capital One Bank, N.A.

ITEM 9.01 Financial Statements and Exhibits

(a) and (b) not applicable

(c) Exhibits

Exhibit No.	Exhibit
99.1	Business Loan Agreement
99.2	Promissory Note
99.3	Commercial Security Agreement

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.

SCIENTIFIC INDUSTRIES, INC.
(Registrant)

Date: June 16, 2011

By: /s/ Helena R. Santos

Helena R. Santos,
President and Chief Executive
Officer