

ARC WIRELESS SOLUTIONS INC

Form 8-K

May 21, 2007

**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): May 17, 2007**

**ARC Wireless Solutions, Inc.**

(Exact name of registrant as specified in its charter)

**Utah**

(State or Other Jurisdiction of Incorporation)

**000-18122**

(Commission File Number)

**87-0454148**

(IRS Employer Identification Number)

**10601 West 48th Avenue**

**Wheat Ridge, Colorado 80033**

(Address of principal executive offices including zip code)

**(303) 421-4063**

(Registrant's telephone number, including area code)

**N/A**

(Former address, if changed since last report)

**Item 1.01. Entry into a Material Definitive Agreement.**

On May 17, 2007 the Company renewed its \$1.5 million revolving line of credit agreement (the Credit Facility ) with Citywide Banks that was originally entered into on May 10, 2005. The Credit Facility matures on May 10, 2008, is interest bearing at 1.5% over prime, contains covenants to maintain certain financial statement ratios and is collateralized by essentially all of the assets of ARC Wireless Solutions, Inc ( ARC ) and its wholly owned subsidiary Starworks Wireless Inc.( Starworks ). The borrowing base will be based on a percentage of trade accounts receivable and inventory for ARC and Starworks combined.

**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.

ARC WIRELESS SOLUTIONS, INC.

Date: May 18, 2007

By: /s/ Monty R. Lamirato  
Monty R. Lamirato, Chief Financial Officer