

**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 16, 2018

Spindle, Inc.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

000-55151
(Commission File No.)

20-8241820
(IRS Employer
Identification No.)

**1201 S. Alma School Road, Suite 12500
Mesa, AZ 85210**

(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **800-560-9198**

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))
-

ITEM 7.01 REGULATION FD DISCLOSURE

On May 16, 2018, Spindle, Inc. (the “Company”) entered into a non-binding Letter of Intent (the “Letter of Intent”) whereby the Company will enter into a strategic alliance with VyaPay, LLC (“VyaPay”) pursuant to which they would mutually pursue business objectives and share certain business resources. The Letter of Intent replaces the Asset Purchase Agreement dated April 6, 2018 and filed with the Company’s Form 8-K/A on April 12, 2018, which had expired on May 15, 2018. Upon entering into a definitive agreement, Spindle will introduce and market VyaPay Processing Services and other services to Spindle customers. VyaPay shall perform, schedule and staff all VyaPay services. Spindle may provide its products and solutions to VyaPay, to be installed at the VyaPay Processing Center. Upon entering into a definitive agreement, the term is intended to be for twenty-four months and renewable for successive one-year periods upon the written agreement of Spindle and VyaPay. It is intended that Spindle shall enter into a Consulting Agreement with Wain Swapp, VyaPay CEO, to provide advisory and management services to Spindle. Upon execution of a definitive agreement, Spindle shall have a right of first refusal option to acquire substantially all the assets of VyaPay at a discount from the then-current fair market value of the assets subject to certain conditions. The Letter of Intent is attached hereto as Exhibit 10.1 with certain confidential information omitted and submitted to the Securities and Exchange Commission with a confidential treatment request. The Company issued a press release regarding the Letter of Intent which is filed with this Form 8-K as Exhibit 99.1.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
<u>10.1</u>	Letter of Intent dated May 16, 2018*
<u>99.1</u>	Press Release dated May 16, 2018

*Portions of the exhibit have been omitted pursuant to a request for confidential treatment with the Securities and Exchange Commission.

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 thereunto duly authorized.

Date: May 17, 2018

SPINDLE, INC.

By: /s/ Jack Scott
Name: Jack Scott
Title: Chief Executive Officer

LETTER OF INTENT

The intent of this Letter is to provide of written expression of the mutual interest of VyaPay LLC, a Delaware Limited Liability Company (hereinafter referred to as "VyaPay"), and Spindle Inc., a Nevada Corporation (hereinafter referred to as "Spindle"), pursuant to which VyaPay and Spindle would enter into a strategic alliance to mutually pursue business objectives and to share certain business resources. This letter also outlines some of the terms and conditions that a definitive agreement will include.

1. SCOPE OF STRATEGIC ALLIANCE

The parties intend that Spindle may discuss and offer its clients the opportunity to utilize VyaPay's payments platforms (the "Platforms") in conjunction with Spindle's business and in conjunction with this Agreement. The parties shall separately enter into any necessary license or other agreements between themselves or with customers relating to access to the Platforms.

Pursuant to the alliance, Spindle shall, introduce and market VyaPay Processing Services and other services offered by VyaPay (collectively the "Services"), on terms mutually agreeable to Spindle, VyaPay and Spindle's customer. VyaPay shall support and perform its VyaPay Processing Services and payment services (collectively the "VyaPay Services") for Spindle customers and projects referred to VyaPay by Spindle. Any engagement to perform VyaPay Services shall be on such terms and conditions as VyaPay may approve in its sole discretion. VyaPay will perform, schedule, staff and manage all VyaPay Services. Spindle may provide its products and solutions to VyaPay, to be installed at the VyaPay Processing Center.

Revenues generated from business generated through the parties' alliance is intended be shared between the parties, [redacted: business confidential] for business generated by VyaPay and with Spindle retaining [redacted: business confidential] of net revenue for business generated by Spindle. The parties recognize that each party may generate its own individual projects and customers that are not subject to the terms of the contemplated alliance or these revenue sharing provisions.

2. TERM.

The Agreement is intended to be effective for twenty-four (24) months and renewable for successive one-year periods upon the written agreement of the parties. The Agreement may be terminated only upon mutual agreement of the parties, unless for cause including material breach.

3. FEES AND CAPITAL

The parties intend that pursuant to this Agreement, VyaPay shall receive a fee of [redacted: business confidential] in two tranches of [redacted: business confidential] payable within forty-five (45) days and ninety (90) days, respectively, after the signing of a definitive agreement, which fee shall be used to fund software development and integration work associated with business developed by the parties pursuant to this agreement. Additionally, VyaPay shall be issued [redacted: business confidential] shares of Spindle common stock upon the execution of a definitive Agreement.

The parties further agree that pursuant to a definitive Agreement, VyaPay shall receive the amount of [redacted: business confidential], to be dedicated to a project that is the subject of an existing subcontract between the parties, of which [redacted: business confidential] shall have been raised at the time of execution of a definitive Agreement, [redacted: business confidential] within thirty (30) days after execution of the Agreement, and [redacted: business confidential] within sixty (60) days after execution of the Agreement.

4. CONSULTING AGREEMENT.

The parties intend that Spindle shall enter into a consulting agreement with Wain Swapp (“Swapp”), under which Swapp will provide advisory and/or management services to Spindle during some, or all, of the remaining portion of the term of this Agreement. Pursuant to such agreement, Swapp will receive compensation as to be mutually agreed by the parties depending on the services to be provided.

5. RIGHT OF FIRST OPTION TO PURCHASE.

During the eighteen (18) months immediately following the execution of the definitive Agreement, the parties intend to provide Spindle with a right of first option to acquire substantially all of the assets of VyaPay at a [redacted: business confidential] discount from the then-current fair market value of the assets (determined through a methodology mutually agreeable to the parties), at terms and conditions to be agreed by the parties, and subject to customary due diligence, representations and warranties.

6. CONFIDENTIAL INFORMATION.

The parties acknowledge and agree that in the course of the performance of the Agreement and the client services rendered thereto, that each may be given access to, or come into possession of, confidential information of the other Party (and/or of customers or other third parties), which shall be governed by an existing non-disclosure agreement between the parties.

7. INDEMNIFICATION.

The parties intend that they shall each indemnify, defend and hold the other, its partners, shareholders, directors, officers, employees, and agents harmless from and against any and all third-Party suits, actions, investigations and proceedings, and related costs and expenses (including reasonable attorney's fees) resulting solely and directly from the indemnifying Party's negligence or willful misconduct, and that neither party shall be required hereunder to defend, indemnify or hold harmless the other and/or its partners, shareholders, directors, officers, directors, employees and agents, or any of them, from any liability resulting from the negligence or wrongful acts of the Party seeking indemnification or of any third-Party. Each Party further agrees to cooperate with the other in the defense of any such claim or other matter.

8. INTELLECTUAL PROPERTY

The parties intend that pursuant to a definitive Agreement, each Party is to be granted a royalty-free, non-exclusive, non-transferrable license during the Term of the Agreement to use the name and trademarks of the other (in forms provided by the Party owning such name or trademark) in conjunction with promoting or providing the services contemplated by this Agreement.

Work performed on engagements pursuant to the Agreement by either VyaPay and/or Spindle, and information, materials, products and deliverables developed in connection with engagements pursuant to the Agreement shall be the property of the respective parties performing the work or creating the information. All underlying methodology utilized by Spindle and VyaPay respectively which was created and/or developed by either prior to the definitive Agreement and utilized in the course of performing engagements pursuant to the Agreement shall not become the property of the other.

9. NON-BINDING AGREEMENT.

The provisions of this Letter of Intent are for informational purposes only and are nonbinding on all Parties. The transaction contemplated herein will require preparation and execution of a final and definitive agreement; the parties shall not be contractually bound to the alliance contemplated herein until they enter into a written definitive agreement in a form satisfactory to both parties. Each party shall bear its own expenses associated with the negotiation and preparation of a definitive Agreement.

10. TERMINATION OF LETTER.

The parties intend to complete and execute a definitive agreement within 30 days from the date the last signature is affixed hereto, unless mutually extended by the Parties. This Letter shall terminate if execution of the agreement has not occurred within 30 days (or within the period of any subsequent extension) and no further extension has been entered into, or if either party provides written notice of termination. The parties' obligations of confidentiality shall survive any termination of this Letter.

11. AUTHORITY.

The parties signing this letter affirm that they are an authorized representative of their respective business entity and have authority to enter into this Letter of Intent.

12. GOVERNING LAW.

This letter shall be governed by the laws of the State of Nevada.

Accepted and Agreed to by:

VyaPay LLC

Spindle, Inc.

By: _____

By: _____

Name: _____

Name: _____

Date: _____

Date: _____

Spindle and VyaPay Announce Letter of Intent to Form Strategic Alliance

Alliance Would Yield Majority of Benefits of Previously Announced Acquisition Absent Significant Dilution

MESA, AZ--(GLOBE NEWSWIRE – May 16, 2018) - Spindle, Inc. (OTCQB: SPDL) ("Spindle" or "Company"), a provider of payment processing services, today announced that it has entered into non-binding Letter of Intent ("LOI") to form a strategic alliance with VyaPay. The transaction would supplant the previously anticipated acquisition of VyaPay yielding many of the anticipated benefits and synergies, absent significant new share issuance which would have resulted in material dilution to current shareholders.

Benefits of the alliance are expected to include but are not limited to:

- Use of VyaPay Gateway assuring seamless integration for Spindle derived business
- Enables VyaPay to run business through Spindle that it couldn't otherwise do as a private company while Spindle participates in rev/profit share
- Joint marketing and revenue sharing of a sophisticated banking platform currently under joint development. Platform expected to possess broad licensing opportunities along with generating merchant processing fees
- Provides advisory agreement with VyaPay CEO, Wain Swapp to provide day-to-day business, merchant account and personnel management services to Spindle
- Spindle preserves right of first option for potential later ability to acquire VyaPay

Dr. Jack Scott, Spindle Interim CEO stated, "While our intention had been to acquire VyaPay, we're pleased that together we were successful in designing a mutually beneficial alliance yielding the majority of anticipated benefits, while alleviating the need to significantly dilute existing shareholders. This new structure would uniquely allow us to build value while growing in concert with each other. Importantly, the anticipated agreement preserves Spindle's right to purchase VyaPay at a later to be determined point, post synergies already having been recognized."

"The team at VyaPay has been working with Spindle for some time behind the scenes on mutual opportunities" stated VyaPay CEO Wain Swapp. "We believe this partnership makes perfect sense, enabling both parties to pursue and capture revenue opportunities neither could recognize independently. While our own growth on a year over year basis has been very strong, we believe partnering with Spindle has the potential of opening multiple new revenue and licensing verticals. Together we have already jointly invested sizeable time and resources in a disruptive banking platform that we believe will have a broad appeal in defined and underserved market segment. We see this partnership as a furtherance of an already valuable relationship. If and when it makes sense to revisit the previously contemplated acquisition, we will look forward to doing so. In the interim, our goal is mutual value creation for both Spindle and VyaPay."

About Spindle

Spindle, Inc. provides payment processing services to merchants using its Catalyst Gateway, and also acts as an agent, independent contractor or referral partner to broker merchants that it secures to other merchant processors for ongoing fees based on processing volume. Spindle serves Small to Medium-sized Businesses (SMBs) in these capacities. For more information, please visit www.spindle.com.

About VyaPay

VyaPay is committed to bringing the power of payment technology to merchants with innovative and easy-to-use products that are supported by unmatched customer service. As a leader in the industry, our experience gives us the skills to guide our customers through the process of accepting electronic payments by carefully evaluating the specific needs of the business model. This enables us to deliver tailored solutions that maximize efficiency, security, and cost savings. Our solutions comprise a unique, comprehensive blend of bankcard expertise, operational service and support, and technology that accelerates each customer's journey toward an improved bottom line. For more information, please visit www.vyapay.com

Forward-Looking Statements

This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements regarding our expected future financial position, results of operations, cash flows, financing plans, business strategy, products and services, competitive positions, growth opportunities, plans and objectives of management for future operations, as well as statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will," and other similar expressions are forward-looking statements. All forward-looking statements involve risks, uncertainties and contingencies, many of which are beyond our control, which may cause actual results, performance, or achievements, as described in our reports filed with the Securities and Exchange Commission which are available for review at www.sec.gov, to differ materially from anticipated results, performance, or achievements. We can give investors no assurance that the transaction will be successfully consummated. We are under no obligation to (and expressly disclaim any such obligation to) update or alter our forward-looking statements, whether as a result of new information, future events or otherwise.