

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) – February 23, 2012

VUZIX CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-53846

(Commission File Number)

04-3392453

(IRS Employer Identification No.)

75 Town Centre Drive, Rochester, New York 14623

(Address of principal executive offices)(Zipcode)

(585) 359-5900

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

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))

INFORMATION TO BE INCLUDED IN THE REPORT

SECTION 1 REGISTRANT'S BUSINESS AND OPERATIONS

ITEM 1.01. Entry into a Material Definitive Agreement.

On February 23, 2012, Vuzix Corporation (the "Registrant") entered into a Supplemental Agreement dated as of February 23, 2012 (the "Supplemental Agreement") with LC Capital Master Fund Ltd. (the "Lender"). Pursuant to the Supplemental Agreement, payment of principal in the amount of \$141,666 payable to the Lender on February 23, 2012 pursuant to a Convertible Loan and Security Agreement dated as of December 23, 2010 ("Loan Agreement") between the Lender and the Registrant, that was reported on Form 8-K filed with the Securities and Exchange Commission on December 30, 2010, was deferred until the maturity of the loan made by the Lender to the Registrant pursuant to the Loan Agreement. The stated maturity date of that loan is December 23, 2014. Repayment of the loan can be accelerated upon the occurrence of an Event of Default, as described in the Loan Agreement.

The Supplemental Agreement has been included as exhibit 10.1 in this Current Report on Form 8-K. Please review that document for additional information regarding its terms.

SECTION 2 – FINANCIAL INFORMATION

ITEM 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

(a) (1) On February 23, 2012, the Registrant entered into the Supplemental Agreement with the Lender.

(2) Pursuant to the Supplemental Agreement, payment of principal in the amount of \$141,666 payable to the Lender on February 23, 2011 pursuant to the Loan Agreement was deferred until the maturity of the loan made by the Lender pursuant to the Loan Agreement. The stated maturity date of that loan is December 23, 2014. Repayment of the Loan can be accelerated upon the occurrence of an Event of Default, as described in the Loan Agreement.

Reference is made to Item 1.01 of this report on Form 8-K and to the Supplemental Agreement for a complete statement of its terms.

Item 9.01 Financial Statements and Exhibits

ITEM 9.01. Exhibits

Following is the Index of Exhibits furnished in accordance with Item 601 of Regulation S-K, filed as part of this Current Report on Form 8-K or incorporated by reference herewith:

10.1 Supplemental Agreement, dated as of February 23, 2012, by and between the Registrant and the Lender.

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: February 29, 2012

VUZIX CORPORATION

By: /s/ Paul J. Travers
Paul J. Travers
Chief Executive Officer and President

THIRD SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT (this “*Agreement*”) is entered into between LC Capital Master Fund Ltd., A Cayman Islands corporation (“*Lender*”) and Vuzix Corporation, a Delaware corporation (“*Borrower*”), on and as of February 23, 2012.

RECITALS

A. Borrower and Lender entered into a Loan and Security Agreement dated as of December 23, 2010 (the “*Loan Agreement*”).

B. Pursuant to Section 2.1(c) of the Loan Agreement a principal payment in the amount of One Hundred and Forty-one Thousand Six Hundred and Sixty-six Dollars (\$141,666) is due and payable by Borrower on February 23, 2012. The parties agree that such amount will be added to the principal balance of the Loan made by Lender pursuant to the Loan Agreement, payable upon the maturity date of the Loan.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the undersigned hereby agree as follows:

1. Terms that are capitalized herein, defined in the Loan Agreement and not otherwise defined herein shall have the meanings given to them in the Loan Agreement.

2. Interest Due. Subject to the conditions set forth in this Supplement, the principal payable by Borrower on the Loan in accordance with Section 2.3 of the Loan Agreement on February 23, 2012 in the amount of One Hundred and Forty-one Thousand Six Hundred and Sixty-six Dollars (\$141,666), is added to the principal amount of the Loan, to be repaid on the maturity date of the Loan, with interest thereon payable in accordance with the terms of the Loan Agreement.

3. Effect on the Loan Agreement and Other Documents. This Supplement does not constitute, and shall not be deemed to constitute, a waiver of any of any default under the Loan Agreement or a waiver of any of Lender’s remedies under the Loan Agreement or any other agreement between Lender and Borrower (together, the “*Credit Documents*”). Except to the extent expressly provided herein, the Credit Documents shall remain in effect in accordance with their original terms.

4. Representations and Warranties. Except to the extent expressly provided herein, Borrower hereby represents and warrants that the representations and warranties of Borrower contained in the Loan Agreement are true on and as of the date hereof, except such representations warranties that relate to an earlier date, which representations and warranties were true as of such date.

5. Headings. The various headings of this Supplement are inserted for convenience only and shall not affect the meaning or interpretation of this Supplement or any provisions hereof.

6. Execution in Counterparts. This Supplement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

7. Successors and Assigns. This Supplement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

8. Governing law. This Supplement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its conflicts of laws principles.

[Signature Page Follows]

[Signature Page to Second Supplemental Agreement between Vuzix Corporation and LC Capital Master Fund Ltd.]

The Supplement is executed as of the date set out in the preamble to this Supplement.

Borrower:

Vuzix Corporation

By: /s/ Paul J. Travers

Name: Paul J. Travers

Title: President

Lender:

LC Capital Master Fund Ltd.

By: /s/ Richard F. Conway

Name: Richard F. Conway

Title: Director
