
**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): December 28, 2011

Streamline Health Solutions, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-28132
(Commission
File Number)

31-1455414
(IRS Employer
Identification No.)

10200 Alliance Road, Suite 200, Cincinnati, OH
(Address of principal executive offices)

45242-4716
(Zip Code)

Registrant's telephone number, including area code (513) 794-7100

Check the appropriate box below if the Form 8-K 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 1.01. Entry into a Material Definitive Agreement.

On December 28, 2011, Streamline Health Solutions, Inc. (the “Company”) entered into subscription agreements (“Subscription Agreements”) with Robert E. Watson, President and Chief Executive Officer of the Company, and a member of the board of directors of the Company, Jonathan R. Phillips, Richard C. Levy, M.D., Jay D. Miller, Andrew L. Turner and Edward J. VonderBrink, all members of the board of directors of the Company, Richard D. Leach, Senior Vice President and Chief Marketing Officer of the Company, Stephen H. Murdock, Senior Vice President and Chief Financial Officer of the Company, Patricia K. Wharton, Vice President of Account Management of the Company, and James Rice and Robert M. Brooks, both members of the management team of the Company (together, the “Buyers”). Pursuant to the Subscription Agreements, an aggregate of 244,845 shares of common stock (the “Shares”) were issued to the Buyers at a price per share of \$1.65.

The Shares were issued pursuant to the Company’s “shelf” Registration Statement on Form S-3 (File No. 333-166843) that was declared effective on July 20, 2010. A prospectus supplement describing the terms of the Offering was filed with the Securities and Exchange Commission on December 27, 2011. The offering closed on December 28, 2011. The net proceeds to the Company from the offering, after deducting estimated offering expenses, were approximately \$394,000.

The discussion in this Current Report on Form 8-K is only a summary and is qualified in its entirety by reference to the form of Subscription Agreement, which is included as Exhibit 10.1 to this Current Report on Form 8-K, and is incorporated by reference in this Item. The opinion as to the validity of the Shares and consent to be named in the prospectus supplement of Benesch, Friedlander, Coplan & Aronoff, LLP are filed as Exhibits 5.1 and 23.1 to this Current Report on Form 8-K.

Item 9.01. Exhibits.

(d) Exhibits:

- 5.1 Opinion of Benesch, Friedlander, Coplan & Aronoff, LLP
- 10.1 Form of Subscription Agreement
- 23.1 Consent of Benesch, Friedlander, Coplan & Aronoff, LLP (included in Exhibit 5.1 hereto)
- 99.1 Press release

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.

Dated: December 29, 2011

STREAMLINE HEALTH SOLUTIONS, INC.

By: /s/ Stephen H. Murdock
Stephen H. Murdock
Chief Financial Officer

EXHIBIT INDEX

- 5.1 Opinion of Benesch, Friedlander, Coplan & Aronoff, LLP
- 10.1 Form of Subscription Agreement
- 99.1 Press release



December 28, 2011

Streamline Health Solutions, Inc.
10200 Alliance Road, Suite 200
Cincinnati, OH 45242-4716

Ladies and Gentlemen:

We have acted as counsel for Streamline Health Solutions, Inc., a Delaware corporation (the “**Company**”), in connection with the offering of 244,845 shares of common stock, par value \$.01 per share (“**Shares**”), to be offered and sold by the Company pursuant to a prospectus supplement, dated December 27, 2011, and the accompanying prospectus, dated July 20, 2010 (such documents, collectively, the “**Prospectus**”), filed by the Company with the U.S. Securities and Exchange Commission (the “**Commission**”) that form part of the Company’s effective registration statement on Form S-3 (Reg. No. 333-166843) (the “**Registration Statement**”), and issued pursuant to the Subscription Agreements, dated December 28, 2011 (the “**Agreements**”), by and between the Company and each investor as set forth therein (the “**Investors**”).

We have examined and relied on originals or copies, certified or otherwise identified to our satisfaction as being true copies, of all such records of the Company, all such agreements, certificates of officers of the Company and others, and such other documents, certificates, and corporate or other records as we have deemed necessary as a basis for the opinions expressed in this letter.

In our examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as certified, electronic, photostatic or other copies, facsimiles or images. As to facts material to the opinions expressed in this letter, we have relied on statements and certificates of officers of the Company and of state authorities, and on the representations, warranties and statements of the Company and the Investors. We have assumed that the Agreements reflect the complete understanding and agreement of the parties.

We have assumed: that the Agreements have been duly authorized, executed and delivered by the Investors and constitute each Investor’s valid and binding obligation, enforceable against such Investor in accordance with its terms; and that each Investor has performed and will perform such Investor’s obligations under the Agreements to which it is a party.

We have investigated such questions of law for the purpose of rendering the opinions in this letter as we have deemed necessary. We express no opinion in this letter concerning any law other than the General Corporation Law of the State of Delaware.

Cleveland | Columbus | Indianapolis | Philadelphia | Shanghai | White Plains | Wilmington

www.beneschlaw.com

On the basis of and in reliance on the foregoing, and subject to the limitations, qualifications and exceptions set forth below, we are of the opinion that the Shares are validly issued, fully paid, and nonassessable.

We do not assume any responsibility for the accuracy, completeness, or fairness of any information, including, but not limited to, financial information, furnished to the Investors by the Company concerning the business or affairs of the Company or any other information furnished to the Investors of a factual nature.

The opinions rendered in this letter are rendered only to the Company and to each Investor only for use in connection with the filing by the Company of a Current Report on Form 8-K, which Form 8-K will be incorporated by reference in the Prospectus constituting part of the Registration Statement, and the transactions described in such Form 8-K. Accordingly, the opinions so rendered may not be relied upon by the Company or the Investors for any other purpose. This letter may not be paraphrased, quoted or summarized, nor may it be duplicated or reproduced in part.

We consent to the filing of this opinion as Exhibit 5 to the above-described Form 8-K and we further consent to the use of our name under the caption "Legal Matters" in the prospectus supplement. In giving these consents, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933 or the rules and regulations of the Commission.

Very truly yours,

/s/ Benesch, Friedlander, Coplan & Aronoff LLP

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

SUBSCRIPTION AGREEMENT

This Subscription Agreement (this "Subscription") is dated December 28, 2011, by and between the investor identified on the signature page hereto (the "Investor") and Streamline Health Solutions, Inc., a Delaware corporation (the "Company").

WHEREAS, the Investor desires to purchase shares of the Company's common stock, \$0.01 par value per share (the "Common Stock") on the terms set forth in this Subscription and the Company agrees to sell such shares of Common Stock.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the parties hereto agree as follows:

1. Subscription.

(a) The Investor agrees to buy such number of shares (the "Shares") of the Company's Common Stock as are set forth on the signature page hereto at the price of \$1.65 per share. The aggregate purchase price for the Shares is set forth on the signature page hereto (the "Purchase Price"). The Investor has delivered to the Company payment in cash of the Purchase Price.

(b) The Shares have been registered pursuant to a Registration Statement on Form S-3, Registration No. 333-166843 (the "Registration Statement"), which has been declared effective by the Securities and Exchange Commission and is effective on the date hereof. Upon delivery of a final prospectus supplement to the Investor as required by law, the Company shall issue such number of Shares to Investor. Promptly following the Closing, the Company shall cause the Shares to be delivered to the Investor, which delivery shall be made by delivery of physical certificates to Investor, or if so designated, through the facilities of The Depository Trust Company's DWAC system in accordance with the instructions set forth on the Investor's signature page attached hereto under the heading "DWAC Instructions."

2. Company Representations and Warranties. The Company represents and warrants that: (a) it has full corporate power and authority to enter into this Subscription and to perform all of its obligations hereunder; (b) this Subscription has been duly authorized and executed by and, when delivered in accordance with the terms hereof, will constitute a valid and binding agreement of the Company enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights and remedies of creditors generally or subject to general principles of equity; (c) the execution and delivery of this Subscription and the consummation of the transactions contemplated hereby do not conflict with or result in a breach of (i) the Company's Certificate of Incorporation or Bylaws, or (ii) any material agreement to which the Company is a party or by which any of its property or assets are bound; (d) the Shares when issued and paid for in accordance with the terms of this Subscription will be duly authorized, validly issued, fully paid and non-assessable; (e) the Registration Statement and any post-effective amendment thereto, at the time it became effective, did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and (f) the prospectus contained in the Registration Statement, as amended or supplemented, did not contain as of the effective date thereof, and as of the date hereof does not contain, any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

3. Investor Representations, Warranties and Acknowledgments.

(a) The Investor represents and warrants that: (i) he has full right, power and authority to enter into this Subscription and to perform all of his obligations hereunder; (ii) this Subscription has been duly authorized and executed by the Investor and, when delivered in accordance with the terms hereof, will constitute a valid and binding agreement of the Investor enforceable against the Investor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights and remedies of creditors generally or subject to general principles of equity; (iii) the execution and delivery of this Subscription and the consummation of the transactions contemplated hereby do not conflict with or result in a breach of any material agreement or any law or regulation to which the Investor is a party or by which any of his property or assets are bound; (iv) he has had full access to the base prospectus included in the Registration Statement and the Company's periodic reports and other information incorporated by reference therein, and was able to read, review, download and print such materials; (v) in making the decision to invest in this offering, the Investor and his advisors, if any, have relied solely on the Company's public filings with the Securities and Exchange Commission; (vi) he is knowledgeable, sophisticated and experienced in making, and is qualified to make, decisions with respect to investments in securities representing an investment decision like that involved in the purchase of the Shares; and (vii) as of the date hereof, the Investor is not a member of the National Association of Securities Dealers, Inc., and the Investor has no direct or indirect affiliation or association with any such member.

(b) The Investor also represents and warrants that, other than the transactions contemplated hereunder, the Investor has not directly or indirectly, nor has any person acting on behalf of or pursuant to any understanding with the Investor, executed any disposition, including "short sales" as defined in Rule 200 of Regulation SHO under the Securities Exchange Act of 1934 (the "Short Sales"), in the securities of the Company during the period commencing from the time that the Investor first became aware of the proposed transactions contemplated hereunder until the date hereof ("Discussion Time"). The Investor has maintained the confidentiality of all disclosures made to him in connection with this transaction (including the existence and terms of this transaction).

4. Investor Covenant Regarding Short Sales and Confidentiality. The Investor covenants that neither he nor any affiliates acting on his behalf or pursuant to any understanding with him will execute any Short Sales or other disposition of securities of the Company during the period after the Discussion Time and ending at the time that the transactions contemplated by this Subscription are first publicly announced through a press release and/or Form 8-K. The Investor covenants that until such time as the transactions contemplated by this Subscription are publicly disclosed by the Company through a press release and/or Form 8-K, the Investor will maintain the confidentiality of all disclosures made to him in connection with this transaction (including the existence and terms of this transaction).

5. Miscellaneous.

(a) This Subscription constitutes the entire understanding and agreement between the parties with respect to its subject matter, and there are no agreements or understandings with respect to the subject matter hereof which are not contained in this Subscription. This Subscription may be modified only in writing signed by the parties hereto.

(b) This Subscription may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and shall become effective when counterparts have been signed by each party and delivered to the other parties hereto, it being understood that all parties need not sign the same counterpart. Execution may be made by electronic delivery or by facsimile.

(c) The provisions of this Subscription are severable and, in the event that any court or officials of any regulatory agency of competent jurisdiction shall determine that any one or more of the provisions or part of the provisions contained in this Subscription shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this Subscription and this Subscription shall be reformed and construed as if such invalid or illegal or unenforceable provision, or part of such provision, had never been contained herein, so that such provisions would be valid, legal and enforceable to the maximum extent possible, so long as such construction does not materially adversely effect the economic rights of either party hereto.

(d) This Subscription shall be governed by and interpreted in accordance with the laws of the State of Ohio for contracts to be wholly performed in such state and without giving effect to the principles thereof regarding the conflict of laws.

[Signature Page Follows]

If the foregoing correctly sets forth our agreement, please confirm this by signing and returning to us the duplicate copy of this Subscription.

Number of Shares: _____

Purchase Price Per Share: \$1.65

Aggregate Purchase Price: \$ _____

INVESTOR:

Print Name:

DWAC Instructions:

Name of DTC Participant (broker-dealer at which the account or accounts to be credited with the Shares are maintained): _____

DTC Participant Number: _____

Name of Account at DTC Participant being credited with the Shares: _____

Account Number at DTC Participant being credited with the Shares _____

The foregoing Subscription is hereby accepted by Streamline Health Solutions, Inc.

Streamline Health Solutions, Inc.

By: _____

Name: Stephen Murdock

Title: Senior Vice President and Chief Financial Officer

**News Release**

Visit our website at: www.streamlinehealth.net

**STREAMLINE HEALTH ANNOUNCES SUBSCRIPTION AGREEMENTS AND
RESTRICTED STOCK GRANTS**

Cincinnati, Ohio – December 28, 2011 -- Streamline Health Solutions, Inc. (NasdaqCM: STRM) today announced that it had accepted subscription agreements from members of the Board of Directors of the Company and certain members of the Company's senior management team to acquire an aggregate of \$404,000 of the Company's common stock at a price of \$1.65 per share. The common stock will be issued pursuant to the Company's existing shelf registration statement, which became effective on July 20, 2010.

Additionally, the Company announced that it would grant restricted stock on December 30, 2011 to certain members of the Company's senior management team in lieu of annual cash bonuses. Robert E. Watson, president and chief executive officer, will receive 45,454 shares of restricted stock; Gary M. Winzenread, senior vice president and chief operating officer, will receive 18,181 shares of restricted stock; Richard D. Leach, senior vice president and chief marketing officer, will receive 15,151 shares of restricted stock; and Stephen H. Murdock, senior vice president and chief financial officer, will receive 13,636 shares of restricted stock. Two additional senior managers will receive a combined total of 20,605 restricted shares in lieu of cash.

"The Board of Directors and senior management team of Streamline Health continue to plan ahead for our company's future growth," said Robert E. Watson, president and chief executive officer of Streamline Health. "These subscription agreements and restricted stock grants in lieu of annual cash bonuses reflect the confidence they and I have in the direction our company is moving,"

About Streamline Health

Streamline Health provides leading-edge technology solutions that help healthcare provider organizations improve the quality of patient care, reduce operating expense, and optimize revenue. Our Software as a Service solutions simplify and facilitate improved patient access, transition paper-based content to electronic records, and provide increased transparency to key financial metrics. For more information please visit our website at www.streamlinehealth.net.

Safe Harbor statement under the Private Securities Litigation Reform Act of 1995

Statements made by Streamline Health Solutions, Inc. that are not historical facts are forward-looking statements that are subject to risks and uncertainties and are no guarantee of future performance. The forward looking statements contained herein are subject to certain risks, uncertainties and important factors that could cause actual results to differ materially from those reflected in the forward-looking statements, included herein. These risks and uncertainties include, but are not limited to, the timing of contract negotiations and execution of contracts and the related timing of the revenue recognition related thereto, the potential cancellation of existing contracts or clients not completing projects included in the backlog, the impact of competitive products and pricing, product demand and market acceptance, new product development, key strategic alliances with vendors that resell the Company's products, the ability of the Company to control costs, availability of products obtained from third party vendors, the healthcare regulatory environment, potential changes in legislation, regulation and government funding affecting

the healthcare industry, healthcare information systems budgets, availability of healthcare information systems trained personnel for implementation of new systems, as well as maintenance of legacy systems, fluctuations in operating results, effects of critical accounting policies and judgments, changes in accounting policies or procedures as may be required by the Financial Accountings Standards Board or other similar entities, changes in economic, business and market conditions impacting the healthcare industry, the markets in which the Company operates and nationally, and the Company's ability to maintain compliance with the terms of its credit facilities, and other risks detailed from time to time in the Streamline Health Solutions, Inc. filings with the U. S. Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward looking statements, which reflect management's analysis only as of the date hereof. The Company undertakes no obligation to publicly release the results of any revision to these forward-looking statements, which may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Company Contact:

Streamline Health Solutions

Erica Ryan

Director of Marketing Communications

(513) 794-7100

erica.ryan@streamlinehealth.net

Investor Contact:

BPC Financial Marketing

John Baldissera

(800) 368-1217

CONTACT: Erica Ryan, Director of Marketing Communications of Streamline Health Solutions, Inc., +1-513-794-7100, erica.ryan@streamlinehealth.net; or Investors, John Baldissera of BPC Financial Marketing, +1-800-368-1217 for Streamline Health Solutions, Inc.