

CHAMPION INDUSTRIES INC
Form 8-K
January 03, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 29,
2006

Champion Industries, Inc.

(Exact Name of Registrant as Specified in Its Charter)

West Virginia

(State or Other Jurisdiction of Incorporation)

0-21084

55-0717455

(Commission File No.)

(IRS Employer Identification No.)

2450 First Avenue

P. O. Box 2968

Huntington, West Virginia

25728

(Address of Principal Executive
Offices)

(Zip Code)

(304) 528-2700

(Registrant's Telephone Number, Including Area Code)

Not Applicable

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

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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 (*see* General Instruction A.2. below):

- 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))
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INFORMATION TO BE INCLUDED IN THE REPORT

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

On December 29, 2006, Champion Industries, Inc. ("Champion") executed and delivered to United Bank, Inc. of Huntington, West Virginia, a Promissory Note dated December 29, 2006 in principal amount of \$1,351,225 bearing interest at the variable "Wall Street Journal" prime rate and maturing January 1, 2012, with 60 monthly payments of principal and interest in amount of \$27,652.88 each, the final payment including all principal and accrued interest not yet paid. The note is secured by a Commercial Security Agreement dated December 29, 2006 creating a security interest in substantially all the assets of Champion's subsidiaries Syscan Corporation and the Chapman Printing Company Charleston Division. The proceeds of this note were primarily used to finance the payment of the contingent purchase price related to a Stock Purchase Agreement dated September 7, 2004 with William G. Williams, Jr., the former shareholder of Syscan Corporation.

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.

CHAMPION INDUSTRIES, INC.

(Registrant)

Date: January
3, 2006

/s/ Todd R. Fry

Todd R. Fry, Senior Vice President
and Chief Financial Officer

EXHIBIT INDEX

| Exhibit Number | Description |
|-------------------|--|
| 10.1 | PROMISSORY NOTE AND SECURITY AGREEMENT |