

RGC RESOURCES INC
Form 8-K
March 16, 2011

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): March 14, 2011

RGC RESOURCES, INC.

(Exact name of Registrant as specified in its charter)

Virginia
(State or other jurisdiction

of incorporation)

000-26591
(Commission

File Number)

54-1909697
(IRS Employer

Identification No.)

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519 Kimball Ave., N.E. Roanoke, Virginia
(Address of principal executive offices)

24016
(Zip Code)

Registrant's telephone number, including area code: 540-777-4427

(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 240.425)
- 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 13c-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On March 14, 2011, Roanoke Gas Company (Roanoke), the utility subsidiary of RGC Resources, Inc. entered into a new promissory note in the original principal amount of \$5,000,000 (the or this Note) in favor of Wells Fargo Bank, N.A. This Note renews, extends and modifies the promissory note dated March 26, 2010, in the original principal amount of \$13,000,000 delivered by Roanoke in favor of Wachovia Bank, N.A.. The new Note modifies the principal amount of the existing note and extends the expiration date to March 31, 2012. The new Note has an effective date of April 1, 2011.

The purpose of the Note is to provide working capital financing for Roanoke s operations. This Note provides for variable interest rate based upon 30-day LIBOR, an availability fee applied to the difference between the face amount of the note and the average outstanding Note balance during the period, and a multiple-tier level for borrowing limits to accommodate seasonal borrowing demands. The Note provides for borrowing limits that range from \$1,000,000 to a maximum of \$5,000,000 during the term of the Note.

ITEM 2.03 CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT

The information required by this Item 2.03 is set forth in Item 1.01 above in respect of the Note, which is incorporated herein by reference.

ITEM 9.01. FINANCIAL STATEMENT AND EXHIBITS.

(d) Exhibits.

10.1 Promissory Note in the original principal amount of \$5,000,000 by Roanoke Gas Company in favor of Wells Fargo Bank, N.A. dated March 14, 2011.

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: March 16, 2011

RGC RESOURCES, INC.

By: /s/ Howard T. Lyon
Howard T. Lyon
Vice-President, Treasurer and CFO

(Principal Financial Officer)