

P&F INDUSTRIES INC
Form 8-K
September 02, 2009

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): **August 31, 2009**

P & F INDUSTRIES, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-5332
(Commission File No.)

22-1657413
(IRS Employer
Identification Number)

445 Broadhollow Road, Suite 100, Melville, New York 11747

(Address of Principal Executive Offices) (Zip Code)

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Registrant's telephone number, including area code: **(631) 694-9800**

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 (17CFR 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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Item 1.01. Entry into a Material Definitive Agreement.

On August 31, 2009, P & F Industries, Inc. (the Registrant), and its subsidiaries, Florida Pneumatic Manufacturing Corporation (Florida Pneumatic), Embassy Industries, Inc. (Embassy), Green Manufacturing, Inc. (Green), Countrywide Hardware, Inc. (Countrywide), Nationwide Industries, Inc. (Nationwide), Woodmark International, L.P. (Woodmark), Pacific Stair Products, Inc. (Pacific), WILP Holdings, Inc. (WILP), Continental Tool Group, Inc. (Continental) and Hy-Tech Machine, Inc. (Hy-Tech), and collectively with the Registrant, Florida Pneumatic, Embassy, Green, Countrywide, Nationwide, Woodmark, Pacific, WILP and Continental, the Co-Borrowers), Citibank, N.A. and HSBC Bank USA, National Association (collectively, the Lenders) and Citibank, N.A., as Administrative Agent for the Lenders, entered into an amendment and waiver effective as of August 27, 2009 (the Amendment) to the Credit Agreement, dated as of June 30, 2004, by and among the Co-Borrowers, the Lenders and the Administrative Agent, as previously amended (the Credit Agreement). The Amendment conditionally waives non-compliance with certain financial covenants, sets a base LIBOR floor of 1.00% for LIBOR loans, fixes the interest rate margins (a) with respect to revolving credit loans under the Credit Agreement at 2.50% over the prime interest rate for prime rate loans and 4.25% over LIBOR for LIBOR loans and (b) with respect to term loans and equipment loans under the Credit Agreement at 2.50% over the prime interest rate for prime rate loans and 4.50% over LIBOR for LIBOR loans, requires expanded financial reporting, and obligates to Registrant to take certain steps to convert the credit facility under the Credit Agreement to an asset-based facility within 60 days.

The foregoing summary of the Amendment is qualified in its entirety by the terms and provisions of the Amendment, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

10.1 Amendment No. 20 and Waiver to Credit Agreement, dated as of August 27, 2009, by and among P & F Industries, Inc., Florida Pneumatic Manufacturing Corporation, Embassy Industries, Inc., Green Manufacturing, Inc., Countrywide Hardware, Inc., Nationwide Industries, Inc., Woodmark International, L.P., Pacific Stair Products, Inc., WILP Holdings, Inc., Continental Tool Group, Inc. and Hy-Tech Machine, Inc. as Co-Borrowers, Citibank, N.A. and HSBC Bank USA, National Association as Lenders, and Citibank, N.A., as Administrative Agent for the Lenders.

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.

P & F INDUSTRIES, INC.

Date: September 2, 2009

By: /s/ Joseph A. Molino, Jr.
Joseph A. Molino, Jr.
Vice President,
Chief Operating Officer and
Chief Financial Officer