

Edgar Filing: 21ST CENTURY HOLDING CO - Form 8-K

21ST CENTURY HOLDING CO
Form 8-K
October 06, 2004

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): September 30, 2004

21st CENTURY HOLDING COMPANY
(Exact name of registrant as specified in its charter)

| | | |
|------------------------------------------------------|-----------------------------|--------------------------------------|
| Florida | 0-2500111 | 65-0248866 |
| ----- | ----- | ----- |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

3661 West Oakland Park Boulevard, Suite 300, Lauderdale Lakes, Florida 33311

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (954) 581-9993

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 (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))

Item 1.01 Entry into a Material Definitive Agreement

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The Offering by 21st Century Holding Company (the "Company") of its Units described in Item 3.02 below was made pursuant to a Unit Purchase Agreement (the "Purchase Agreement") among the Company and the purchasers of the Units. The Purchase Agreement sets forth covenants and representations of the parties typical for private offerings. The Company and the purchasers also entered into a Registration Rights Agreement pursuant to which the Company agreed to register the resale of the Warrants included in the Units (as described below); the shares of the Company's common stock, par value \$0.01 per share (the "Common Stock"), underlying the Warrants; and the shares of Common Stock issued by the Company in payment of principal and interest on the Notes (as described below).

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

See responses to Items 1.01 and 3.02.

Item 3.02 Unregistered Sales of Equity Securities

On September 30, 2004, the Company sold in a private offering (the "Offering") 12,500 units (the "Units"), each Unit consisting of (i) a \$1,000 6% Senior Subordinated Note (the "Note"), and (ii) warrants (the "Warrants") to purchase shares of the Company's Common Stock, for an aggregate purchase price of \$12.5 million. An aggregate of 1,019,608 Warrants were issued in the Offering. Each Warrant entitles the holder to purchase one share of the Company's Common Stock at an exercise price of \$12.75 per share.

The Offering was made only to accredited investors in reliance on the exemption from registration under Rule 506 of Regulation D under the Securities Act of 1933.

Quarterly payments of principal and interest on the Notes may, under certain circumstances, be made in shares of Common Stock. The number of shares of Common Stock issued as payment of principal and interest is based on 95% of the weighted-average volume price of the Company's Common Stock quoted on Nasdaq as reported by Bloomberg Financial Markets ("Bloomberg") for the 20 trading days prior to the payment date.

Pursuant to the Unit Purchase Agreement, the Company will not issue shares of Common Stock as payment of principal and interest or adjust the number of shares issuable upon exercise of the Warrants in accordance with the anti-dilution provisions of the Warrants, if such issuance or adjustment would, either individually or together with other one or more other issuances or adjustments, cause the issuance of shares of Common Stock to exceed 20% of the Common Stock outstanding, prior to obtaining shareholder approval for such issuance.

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.

21ST CENTURY HOLDING COMPANY

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Date: October 6, 2004

By:/s/ Richard A. Widdicombe

Name: Richard A. Widdicombe
Title: Chief Executive Officer
(Principal Executive Officer)

Date: October 6, 2004

By:/s/ J. Gordon Jennings III

Name: J. Gordon Jennings III
Title: Chief Financial Officer
(Principal Accounting and Financial Officer)