

TRANSCAT INC
Form 8-K
March 22, 2006

**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) March 16, 2006

Transcat, Inc.

(Exact name of registrant as specified in its charter)

Ohio

000-03905

16-0874418

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

35 Vantage Point Drive, Rochester, New York

14624

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code **585-352-7777**

(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 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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Item 1.01 Entry into a Material Definitive Agreement.

On March 16, 2006, Transcat, Inc. (Transcat) and Transmation (Canada) Inc., a wholly-owned subsidiary of Transcat, entered into an amendment (the Amendment) to their Loan and Security Agreement with GMAC Commercial Finance LLC (GMAC), as previously amended and restated on November 1, 2004 (the Loan Agreement).

The Amendment (1) provides for GMAC s consent to the acquisition of the fixed and intangible assets of N.W. Calibration Inspection, Inc. (NWCI), which acquisition was reported by Transcat on a Form 8-K dated February 28, 2006; (2) reduces the interest rate by 0.375% in all tiers and loans; (3) extends the term of the Loan Agreement from October 31, 2007 to October 31, 2008 and provides for a termination premium of 0.25% payable by Transcat, if applicable, for the additional year; (4) increases the capital expenditure covenant for fiscal year 2006 from \$1.5 million to \$2.0 million; and (5) upon satisfaction of certain conditions, permits Transcat to include NWCI receivables in the borrowing base.

A copy of the Amendment is attached as Exhibit 10.1 to this Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	First Amendment to Amended and Restated Loan and Security Agreement dated March 16, 2006

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.

TRANSCAT, INC.

Dated: March 22, 2006

By: /s/ Charles P. Hadeed
Charles P. Hadeed
Chief Operating Officer, Vice President
of Finance and Chief Financial Officer