

MGP INGREDIENTS INC
Form 8-K
November 27, 2009

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) **November 20, 2009**

MGP Ingredients, Inc.

(Exact name of registrant as specified in its charter)

KANSAS
(State or other jurisdiction
of incorporation)

0-17196
(Commission
File Number)

48-0531200
(IRS Employer
Identification No.)

100 Commercial Street

Box 130

Atchison, Kansas 66002

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(Address of principal executive offices) (Zip Code)

(913) 367-1480

(Registrant's telephone number, including area code)

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))
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The Company paid \$6,266,538.43 to Central Illinois Light Company (CILCO) on November 20, 2009. This payment satisfies all of the Company's obligations to CILCO under a promissory note dated August 14, 2009. The Company has secured a release of the related mortgage on the Plant held by CILCO.

The Company also paid \$2,810,739.74 to Exchange National Bank on November 20, 2009. This payment satisfies all of the Company's obligations to Exchange National Bank under a promissory note dated April 15, 2009. The Company has secured a release of the related mortgage on the Plant held by the bank.

On November 20, 2009, the Company's other lenders holding liens on the Plant property, Wells Fargo Bank, National Association, and the Cloud L. Cray, Jr. Trust, also released their liens on the Plant property in connection with the consummation of the transactions.

Item 2.01 Completion of Acquisition or Disposition of Assets.

Please see Item 1.01, incorporated herein by reference. Copies of the Contribution Agreement, the LLC Interest Purchase Agreement and the Limited Liability Company Agreement of Illinois Corn Processing, LLC are filed herewith as exhibits.

There is no prior material relationship, other than in respect of the transaction, between SEACOR Energy Inc. and its affiliates, on one hand, and the Company and its affiliates, directors, officers or their associates, on the other hand.

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

The Contribution Agreement and the LLC Interest Purchase Agreement require the Company to indemnify ICP and ICPH from and against any damages or liabilities arising from a breach of the Company's representations and warranties in the Contribution Agreement and the IPA and also with respect to environmental damages or liabilities related to the Plant originating prior to the closing.

Item 2.05 Costs Associated with Exit or Disposal Activities.

The Company will recognize estimated pre-tax charges of approximately \$2.3 million in the second quarter of the current fiscal year related to the completion of the transactions described in Item 1.01. The costs consist of approximately \$1.9 million to adjust the book value of the contributed maintenance and repair materials to the agreed upon value and \$1.0 million for advisory fees, offset by a \$0.6 million write-off of accrued liabilities.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

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- 10.1 Contribution Agreement dated November 20, 2009 between MGP Ingredients, Inc. and Illinois Corn Processing, LLC.

- 10.2 LLC Interest Purchase Agreement dated November 20, 2009 between MGP Ingredients, Inc. and Illinois Corn Processing Holdings LLC.

- 10.3 Limited Liability Company Agreement of Illinois Corn Processing, LLC dated November 20, 2009.

SIGNATURES

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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.

MGP INGREDIENTS, INC.

Date: November 27, 2009

By:

/s/ Timothy W. Newkirk
Timothy W. Newkirk
President and Chief Executive Officer