

Edgar Filing: RGC RESOURCES INC - Form 8-K

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On January 24, 2006, Roanoke Gas Company, a subsidiary of RGC Resources, Inc., entered into a Promissory Note in the principal amount of \$21,000,000 in favor of Wachovia Bank, National Association ("Wachovia"), for the purpose of providing additional working-capital financing for operations. This Promissory Note replaced the Promissory Note dated March 29, 2005 in the amount of \$20,000,000 by Roanoke Gas Company in favor of Wachovia. Monthly payments of accrued interest are due under the Promissory Note until March 31, 2006, when all outstanding principal and interest is due. The Promissory Note is in addition to the notes issued by RGC Resources, Inc. and Bluefield Gas Company on March 29, 2005, and Diversified Energy Company on September 9, 2005. All notes are due and payable on March 31, 2006.

After execution of the new Promissory Note, the total of the available limits under all line-of- credit arrangements of RGC Resources, Inc., and its subsidiaries with Wachovia is \$30,000,000.

ITEM 9.01. FINANCIAL STATEMENT AND EXHIBITS.

- 10.1 Promissory Note in the principal amount of \$21,000,000 by Roanoke Gas Company in favor of Wachovia Bank, National Association, effective January 24, 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.

RGC RESOURCES, INC.

Date: January 26, 2006

By: s/Howard T. Lyon

Howard T. Lyon
Vice-President, Treasurer and Controller
(Principal Financial Officer)