

GOOD TIMES RESTAURANTS INC
Form 8-K
March 23, 2007

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 15, 2007

Good Times Restaurants Inc.

(Exact name of registrant as specified in its charter)

NevadaH00-18590 84-1133368

(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

601 Corporate Circle, Golden, Colorado 80401

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (303) 384-1400

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.):

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)

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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.

On March 15, 2007, Good Times Restaurants Inc. (the "Company") and Good Times Drive Thru Inc., a wholly owned subsidiary of the Company, signed an additional promissory note pursuant to a loan agreement with PFGI II, LLC (the "Lender") which provides for an additional \$1 million for a line of credit first established on August 7, 2006. Details about the loan agreement and the line of credit were included in a report on Form 8-K filed with the Securities and Exchange Commission on August 7, 2006, and are hereby incorporated by reference. Proceeds from the line of credit will be used for development of a new restaurant.

The promissory note under the agreement provides that interest on amounts borrowed under the agreement will be payable monthly at the rate of the prime rate plus two percent. All unpaid principal and accrued interest will be due and payable on July 10, 2008. Borrowings under the agreement are secured by the Company's leasehold estates and business assets with respect to certain of the Company's restaurants located in Adams, Jefferson and Larimer counties in Colorado as well as the restaurant to be developed.

A copy of the promissory note is filed as Exhibit 10.2 to this report. The foregoing brief description of the promissory note is qualified in its entirety by reference to the complete text of the promissory note filed as an exhibit to this report.

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

Please see the discussion under Item 1.01 above, which is hereby incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are filed as part of this report:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Loan Agreement dated as of August 7, 2006 among PFGI II, LLC, Good Times Drive Thru, Inc. and Good Times Restaurants Inc. (incorporated by reference to Exhibit 10.1 to the Company's report on Form 8-K filed with the Commission on August 7, 2006).
10.2	Promissory Note dated March 15, 2007 by Good Times Drive Thru, Inc. and Good Times Restaurants Inc. payable to PFGI II, LLC

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.

GOOD TIMES RESTAURANTS INC.

Date: March 23, 2007 By: /s/ Boyd E. Hoback

Boyd E. Hoback

President and Chief Executive Officer