
**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 8, 2010 (March 5, 2010)

Crown Crafts, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-7604

(Commission File Number)

58-0678148

(IRS Employer Identification No.)

916 South Burnside Avenue, Gonzales, LA

(Address of principal executive offices)

70737

(Zip Code)

Registrant's telephone number, including area code: **(225) 647-9100**

(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 5, 2010, Crown Crafts, Inc. (the “Company”), together with Crown Crafts Infant Products, Inc., Churchill Weavers, Inc. and Hamco, Inc., each a wholly-owned subsidiary of the Company (collectively, the “Subsidiaries,” and together with the Company, the “Borrowers”), entered into a Sixth Amendment to Financing Agreement (the “Sixth Amendment”) with The CIT Group/Commercial Services, Inc. (“CIT”) to amend that certain Financing Agreement between the Borrowers and CIT dated July 11, 2006 (as amended, modified, restated or supplemented from time to time, the “Financing Agreement”) to extend the termination date of the Financing Agreement to July 11, 2013 and to make certain other modifications to the Financing Agreement.

The Sixth Amendment will become effective on July 11, 2010 (the “Effective Date”), after which all borrowings under the Financing Agreement will accrue interest at prime plus 1% per annum or, in the case of certain LIBOR loans, the applicable LIBOR plus 3% per annum. In addition, after the Effective Date, the Borrowers must pay commitment fees monthly in arrears on the daily amount of the unused portion of the revolving loan amount at the rate of 0.25% per annum.

The Sixth Amendment also permits the payment by the Company of cash dividends on its common stock of up to \$500,000 in any calendar quarter.

The description contained herein of the Sixth Amendment is qualified in its entirety by reference to the terms of such document, which is attached hereto as an exhibit and incorporated herein by this reference.

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

The information set forth in Item 1.01 of this Current Report is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

10.1 Sixth Amendment to Financing Agreement dated as of March 5, 2010 by and among Crown Crafts, Inc., Churchill Weavers, Inc., Hamco, Inc., Crown Crafts Infant Products, Inc. and The CIT Group/Commercial Services, Inc.

99.1 Press Release dated March 8, 2010.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Company has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

CROWN CRAFTS, INC.

By: /s/ Olivia W. Elliott
Olivia W. Elliott,
Vice President and Chief Financial Officer

Dated: March 8, 2010

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit</u>
10.1	Sixth Amendment to Financing Agreement dated as of March 5, 2010 by and among Crown Crafts, Inc., Churchill Weavers, Inc., Hamco, Inc., Crown Crafts Infant Products, Inc. and The CIT Group/Commercial Services, Inc.
99.1	Press Release dated March 8, 2010.

**SIXTH AMENDMENT TO
FINANCING AGREEMENT**

THIS SIXTH AMENDMENT TO FINANCING AGREEMENT (this “Amendment”), dated this 5th day of March, 2010, and becoming effective as described in Section 3.2 hereof, is made by and among:

CROWN CRAFTS, INC., a Delaware corporation (“CCI”);

CHURCHILL WEAVERS, INC., a Kentucky corporation (“Weavers”);

HAMCO, INC., a Louisiana corporation (“Hamco”);

CROWN CRAFTS INFANT PRODUCTS, INC., a Delaware corporation (“CCIP”; together with CCI, Weavers and Hamco, the “Companies” and each a “Company”); and

THE CIT GROUP/COMMERCIAL SERVICES, INC., a New York corporation (“CIT”),

to the Financing Agreement, dated July 11, 2006 (as amended, modified, restated or supplemented from time to time, the “Financing Agreement”), among CIT and the Companies. All capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Financing Agreement.

RECITALS

A. Pursuant to the Financing Agreement, CIT has agreed to make loans and extend credit to the Companies in the amounts, upon the terms and subject to the conditions contained therein.

B. CCI, Hamco, CCIP and CIT are parties to a Commitment Letter, dated February 8, 2010 (the “Commitment Letter”), pursuant to which, and upon the terms and conditions contained therein, CCI, Hamco, CCIP and CIT have agreed to extend the Termination Date and make certain other modifications to the Financing Agreement, all as more fully described therein.

C. The Commitment Letter terminates if definitive documentation with respect to the extended credit facility described therein has not been executed, and such extended credit facility closed, on or before July 11, 2010.

D. The Companies desire to enter into this Amendment on the date hereof to provide for the modifications to the Financing Agreement described in the Commitment Letter to become effective on July 11, 2010.

E. The Companies also desire that the modifications to the Financing Agreement described in the Commitment Letter become effective as against all of the Companies and that Weavers remain a Company under the Financing Agreement on and after July 11, 2010, notwithstanding anything that may appear to the contrary in the Commitment Letter.

F. CIT has agreed to such request, subject to the terms and conditions contained herein, and to accomplish the foregoing, the Companies and CIT desire to enter into this Amendment.

STATEMENT OF AGREEMENT

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the Companies and CIT hereby agree as follows:

ARTICLE I

AMENDMENTS TO FINANCING AGREEMENT

Subject to Section 3.2 hereof, the Financing Agreement is hereby amended as follows:

1.1 Definitions. Section 1.1 of the Financing Agreement is amended as follows:

(a) The defined term “**Applicable Margin**” is amended in its entirety to read as follows:

“**Applicable Margin** shall mean 1.0% for Chase Bank Rate Loans and 3% for LIBOR Loans.”

(b) The defined term “**Early Termination Fee**” is amended in its entirety to read as follows:

“**Early Termination Fee** shall mean an amount equal to the product obtained by multiplying (a) the maximum amount of the Revolving Line of Credit times (b) (i) two percent (2.0%) if the Early Termination Date occurs on or before July 11, 2011, (ii) one percent (1.0%) if the Early Termination Date occurs after July 11, 2011 but on or before July 11, 2012 and (iii) one-half percent (0.5%) if the Early Termination Date occurs after July 11, 2012 but before the Termination Date.”

(c) The defined term “**Financial Covenant Applicability Date**” is amended in its entirety to read as follows:

“**Financial Covenant Applicability Date** shall mean any date on which Net Availability is less than \$6,000,000.”

(d) The defined term “**Financial Covenant Inapplicability Date**” is amended in its entirety to read as follows:

“**Financial Covenant Inapplicability Date** shall mean any date after the occurrence of any Financial Covenant Applicability Date on which Net Availability is equal to or greater than \$6,000,000.”

(e) The defined term “**Permitted Distributions**” is amended in its entirety to read as follows:

“**Permitted Distributions** shall mean:

(a) dividends from a wholly-owned subsidiary of a Company to such Company;

(b) dividends payable solely in stock or other equity interests of the Companies; and

(c) provided no Default or Event of Default exists at the time of the proposed payment thereof, cash dividends on CCI’s common stock not to exceed the sum of \$500,000 in any calendar quarter.”

(f) The defined term “**Revolving Line of Credit Fee**” is amended by deleting therefrom the words and figure “fifteen hundredths percent (0.15%)” and by substituting in lieu thereof the words and figure “one quarter percent (0.25%).”

(g) The defined term “**Termination Date**” is amended in its entirety to read as follows:

“**Termination Date** shall mean July 11, 2013.”

1.2 Exhibits. Exhibit B attached to this Amendment is made Exhibit B to the Financing Agreement.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

The Companies hereby represent and warrant to CIT that:

2.1 Compliance With the Financing Agreement. As of the execution of this Amendment, each Company is in compliance with all of the terms and provisions set forth in the Financing Agreement and the other Loan Documents to be observed or performed by such Company.

2.2 Representations in Financing Agreement. The representations and warranties of each Company set forth in the Financing Agreement and the other Loan Documents are true and correct in all material respects except to the extent that such representations and warranties relate solely to or are specifically expressed as of a particular date or period which is past or expired as of the date hereof.

2.3 No Event of Default. No Default or Event of Default exists.

ARTICLE III

MODIFICATION OF LOAN DOCUMENTS; CONDITIONS PRECEDENT

3.1 Loan Documents. The Financing Agreement and the other Loan Documents are amended to provide that any reference therein to the Financing Agreement shall mean, unless otherwise specifically provided, the Financing Agreement as amended hereby, and as further amended, restated, supplemented or modified from time to time.

3.2 Conditions Precedent. This Amendment shall become effective and be deemed effective as of 12:00 a.m., Charlotte, North Carolina time, July 11, 2010 (the "Effective Time"), provided the following conditions precedent have been satisfied or waived by CIT:

(a) CIT shall have received the following documents, each to be in form and content satisfactory to CIT and its counsel:

(i) this Amendment, duly executed by the Companies;

(ii) concurrently with receipt of this Amendment, amendments to the CCIP Factoring Agreement and the Hamco Factoring Agreement, duly executed by CCIP and Hamco, conforming the term and termination provisions therein to those provisions contained in this Amendment;

(iii) concurrently with receipt of this Amendment, certificates of the Secretary or Assistant Secretary of each Company, certifying as to the incumbency and signature of the officer(s) executing this Amendment on behalf of each Company, and to which are attached (a) the bylaws of such Company, (b) the articles of incorporation of such Company, certified by the Secretary of State or other appropriate official of the state in which such company is incorporated, (c) certificates of good standing or existence from the Secretary of State or other appropriate official of the state in which such company is incorporated and (d) copies of the resolutions of the Board of Directors of each Company authorizing the execution, delivery and performance of this Amendment;

(iv) on July 9, 2010, an executed certificate from E. Randall Chestnut or another officer of each Company acceptable to CIT, substantially in the form attached hereto as Exhibit A certifying that as of the date thereof, after giving effect to the effectiveness of this Amendment, (x) the representations and warranties contained in the Financing Agreement are true and correct in all material respects, (y) each Company is in compliance with all of the terms and provisions set forth in the Financing Agreement and (z) no Default or Event of Default exists; and

(v) such other documents, instruments and agreements as CIT shall reasonably request in connection with the foregoing matters.

(b) From the date of this Amendment through the Effective Time, there shall not have occurred any event, condition or state of facts which would reasonably be expected to have a Material Adverse Effect, as reasonably determined by CIT.

(c) At the Effective Time, no Default or Event of Default exists.

For the avoidance of doubt, it is understood and agreed that if the conditions precedent described in this Article III are not satisfied or waived by the Effective Time, this Amendment shall be deemed to be null and void and of no further force and effect whatsoever.

ARTICLE IV

GENERAL

4.1 Full Force and Effect. As expressly amended hereby, the Financing Agreement and the other Loan Documents shall continue in full force and effect in accordance with the provisions thereof. As used in the Financing Agreement and the other Loan Documents, “hereinafter,” “hereto,” “hereof,” or words of similar import, shall, unless the context otherwise requires, mean the Financing Agreement or the other Loan Documents, as the case may be, as amended by this Amendment.

4.2 Applicable Law. This Amendment shall be governed by and construed in accordance with the internal laws and judicial decisions of the State of New York.

4.3 Counterparts. This Amendment may be executed in one or more counterparts, each of which shall constitute an original, but all of which when taken together shall constitute but one and the same instrument.

4.4 Further Assurances. The Companies shall execute and deliver to CIT such documents, certificates and opinions as CIT may reasonably request to effect the amendments contemplated by this Amendment.

4.5 Headings. The headings of this Amendment are for the purpose of reference only and shall not effect the construction of this Amendment.

4.6 Expenses. The Companies shall reimburse CIT for CIT’s legal fees and expenses (whether in-house or outside) incurred in connection with the preparation, negotiation, execution and delivery of this Amendment and all other agreements and documents contemplated hereby.

4.7 Waiver of Jury Trial. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH COMPANY AND CIT WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AMENDMENT, THE FINANCING AGREEMENT OR THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO.

[signatures appear on the following pages]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers to be effective on the day and year first above written.

CCI:

CROWN CRAFTS, INC.

By: /s/ Olivia Elliott
Olivia Elliott
CFO

WEAVERS:

CHURCHILL WEAVERS, INC.

By: /s/ Olivia Elliott
Olivia Elliott
CFO

HAMCO:

HAMCO, INC.

By: /s/ Olivia Elliott
Olivia Elliott
CFO

CCIP:

CROWN CRAFTS INFANT PRODUCTS, INC.

By: /s/ Olivia Elliott
Olivia Elliott
CFO

[signatures continue on the following page]

CIT:

THE CIT GROUP/COMMERCIAL SERVICES, INC.

By: /s/ Vernon Wells

Vernon Wells
Vice President

**For Immediate Release****Crown Crafts, Inc. Extends Financing Agreement with CIT**

Gonzales, Louisiana — March 8, 2010 — Crown Crafts, Inc. (the “Company”) (NASDAQ-CM: CRWS) today announced that it amended its financing agreement with CIT Commercial Services, a subsidiary of CIT Group Inc. (NYSE: CIT), a leading provider of financing to small businesses and middle market companies, that extends the termination date of the agreement to July 11, 2013. The amendment, which will become effective on July 11, 2010, also permits the Company to declare cash dividends on its common stock of up to \$500,000 in any calendar quarter.

Commenting on the amendment, E. Randall Chestnut, Chairman, President & Chief Executive Officer of the Company, stated, “We are very pleased to announce this extension of our financing agreement and the continuation of our long-valued relationship with CIT. We believe that this extension gives us the flexibility to expand our business and the opportunity to make targeted acquisitions. We have renewed confidence that the emergence of CIT’s parent from bankruptcy has strengthened its financial position and places it in a position to succeed as it services our liquidity needs.”

About Crown Crafts, Inc.

Crown Crafts, Inc. designs, markets and distributes infant and toddler consumer products, including bedding, blankets, bibs, bath items and the recently-acquired portfolio of the disposable germ protection products of Neat Solutions. Its operating subsidiaries include Hamco, Inc. in Louisiana and Crown Crafts Infant Products, Inc. in California. Crown Crafts is America’s largest distributor of infant bedding, bibs and bath items. The Company’s products include licensed and branded collections as well as exclusive private label programs for certain of its customers. www.crowncrafts.com

About CIT Commercial Services

CIT Commercial Services is the nation’s leading provider of factoring and credit protection services to consumer products companies. It specializes in serving the apparel, footwear, furniture, home furnishings, consumer electronics and other consumer products industries that sell into retail channels of distribution.

About CIT

CIT (NYSE: CIT) is a bank holding company with more than \$60 billion in finance and leasing assets that provides financial products and advisory services to small and middle market businesses. Operating in more than 50 countries across 30 industries, CIT provides an unparalleled combination of relationship, intellectual and financial capital to its customers worldwide. CIT maintains leadership positions in small business and middle market lending, factoring, retail finance, aerospace, equipment and rail leasing, and vendor finance. Founded in 1908 and headquartered in New York City, CIT is a member of the Fortune 500. www.cit.com

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Securities Act of 1933, the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Such statements are based upon management's current expectations, projections, estimates and assumptions. Words such as "expects," "believes," "anticipates" and variations of such words and similar expressions identify such forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause future results to differ materially from those suggested by the forward-looking statements. These risks include, among others, general economic conditions, including changes in interest rates, in the overall level of consumer spending and in the price of oil, cotton and other raw materials used in the Company's products, changing competition, changes in the retail environment, the level and pricing of future orders from the Company's customers, the extent to which the Company's business is concentrated in a small number of customers, the Company's dependence upon third-party suppliers, including some located in foreign countries, customer acceptance of both new designs and newly-introduced product lines, actions of competitors that may impact the Company's business, disruptions to transportation systems or shipping lanes used by the Company or its suppliers, and the Company's dependence upon licenses from third parties. Reference is also made to the Company's periodic filings with the Securities and Exchange Commission for additional factors that may impact the Company's results of operations and financial condition. The Company does not undertake to update the forward-looking statements contained herein to conform to actual results or changes in our expectations, whether as a result of new information, future events or otherwise.

Contact: Investor Relations Department
(225) 647-9146

or

Halliburton Investor Relations
(972) 458-8000