

**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): July 30, 2010

THE LGL GROUP, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware	1-106	38-1799862
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)
2525 Shader Road, Orlando, FL		32804
(Address of Principal Executive Offices)		(Zip Code)

Registrant's Telephone Number, Including Area Code: (407) 298-2000

(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))

Item 1.01. Entry into a Material Definitive Agreement.

On July 30, 2010, M-tron Industries, Inc. (“Mtron”) and Piezo Technology Inc. (“Piezo”, and together with Mtron, “MtronPTI”), each a wholly-owned subsidiary of The LGL Group, Inc. (the “Company”), entered into a First Amendment to Amended & Restated Loan Agreement, dated as of June 30, 2010 (the “Amendment”), with First National Bank of Omaha (“FNBO”). A copy of the Amendment is filed herewith as Exhibit 10.1 and incorporated herein by reference.

The Amendment amended the terms of that certain Amended & Restated Loan Agreement by and among MtronPTI and FNBO, dated as of August 18, 2009 (the “Loan Agreement”), which provides MtronPTI with a term loan and a revolving credit facility (the “Revolving Loan”). The Amendment amended the terms of the Loan Agreement to, among other things, (i) extend the maturity date of the Revolving Loan to June 30, 2011, (ii) exclude from the borrowing base with respect to the Revolving Loan foreign accounts and accounts owed by a single account debtor to the extent they exceed 20% of all accounts owed, (iii) raise the minimum fixed charge coverage ratio under the Loan Agreement to 1.25 to 1, and (iv) permit MtronPTI to make certain payments to the Company on account of outstanding loans and management fees, provided that an Event of Default (as defined under the Loan Agreement) has not occurred.

Additionally, in connection with the Amendment, MtronPTI entered into a First Amended & Restated Revolving Note, dated June 30, 2010 (the “Revised Revolving Note”), in replacement of the previous Amended & Restated Revolving Note, dated August 18, 2009. The Revised Revolving Note reduced the interest rate on the Revolving Loan from 30-day LIBOR plus 4.75% to 30-day LIBOR plus 3.25% (but in no event below 4.25%). A form of the Revised Revolving Note is filed herewith as Exhibit 10.2 and incorporated herein by reference.

The foregoing descriptions of the Amendment and the Revised Revolving Note are not complete and are qualified in their entirety by reference to the full text of such documents, which are filed herewith and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits*

<u>Exhibit No.</u>	<u>Description</u>
10.1	First Amendment to Amended & Restated Loan Agreement, dated as of June 30, 2010, by and among M-tron Industries, Inc., Piezo Technology Inc. and First National Bank of Omaha.
10.2	Form of First Amended & Restated Revolving Note, by M-tron Industries, Inc. and Piezo Technology, Inc. for the benefit of First National Bank of Omaha.

SIGNATURE

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.

August __, 2010

THE LGL GROUP, INC.

By: /s/ R. LaDuane Clifton

Name: R. LaDuane Clifton

Title: Chief Accounting Officer

EXHIBIT INDEX

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EXHIBIT 10.1

FIRST AMENDMENT TO AMENDED & RESTATED LOAN AGREEMENT

THIS FIRST AMENDMENT TO AMENDED & RESTATED LOAN AGREEMENT (this "Amendment") is made and entered into as of June 30, 2010, by and among M-tron Industries, Inc., a Delaware corporation ("M-tron"), and Piezo Technology, Inc., a Florida corporation ("Piezo" and with M-tron each a "Borrower" and together, "Borrowers"), and First National Bank of Omaha, a national banking association established at Omaha, Nebraska ("Bank").

WITNESSETH:

WHEREAS, Borrowers and Bank previously entered into that certain Amended & Restated Loan Agreement dated as of August 18, 2009 (the "Loan Agreement"); and

WHEREAS, the parties desire to amend the Loan Agreement as set forth in this Amendment.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement.

2. Amendments to Loan Agreement. The parties hereby agree that the Loan Agreement is hereby amended as follows:

(a) Section 1.01 of the Loan Agreement is hereby amended by deleting the definition of "Borrowing Base" and replacing it with the following:

"Borrowing Base" means the lesser of:

(a) \$4,000,000 less the amount of any letters of credit issued and outstanding for Borrowers' account; or

(b) on the date reported, the aggregate of (i) 80% of Borrowers' current Eligible Accounts, plus (ii) 50% of Borrowers' Eligible Inventory.

(b) Section 1.01 of the Loan Agreement is hereby amended by adding the following after the last sentence in the definition of "Eligible Account":

If the aggregate amount of all accounts owed by the account debtor thereon exceeds twenty percent (20%) of the aggregate amount of all accounts at such time, then all accounts owed by such account debtor in excess of such amount shall be deemed ineligible.

(c) Section 1.01 of the Loan Agreement is hereby amended by deleting the defined term “Eligible Foreign Account”.

(d) Section 1.01 of the Loan Agreement is hereby amended by deleting the first sentence from the definition of “Eligible Inventory” and replacing it with the following:

“*Eligible Inventory*” means Borrowers’ inventory which is in good and merchantable condition, is new and not used, is not obsolete, discontinued or, in the opinion of Bank, is not otherwise unmerchantable, and is not slow moving inventory (slow moving inventory is inventory which has not sold in 360 days after acquisition and is reserved fifty percent (50%) plus that which has not sold for 720 days and is reserved one hundred percent (100%)), in transit inventory, consigned goods, inventory or work in progress located outside of the United States or covered by and subject to a seller’s right to repurchase or any consensual or nonconsensual lien or security interest (including, without limitation, purchase money security interests) in favor of any party other than Bank.

(e) Section 1.01 of the Loan Agreement is hereby amended by deleting the definition of “Fixed Charge Coverage Ratio” and replacing it with the following:

“*Fixed Charge Coverage Ratio*” means the ratio derived when comparing a rolling 12 month EBITDA, less unfinanced capital expenditures, dividends and taxes divided by annualized debt and interest payments by a Borrower on account of any Indebtedness of such Borrower, plus any management fees paid to Guarantor.

(f) Section 1.01 of the Loan Agreement is hereby amended by deleting the definition of “Revolving Loan Termination Date” and replacing it with the following:

“*Revolving Loan Termination Date*” means the earliest to occur of the following: (a) June 30, 2011, (b) the date the Obligations are accelerated pursuant to this Agreement, or (c) the date Bank has received (i) notice in writing from a Borrower of such Borrower’s election to terminate this Agreement; and (ii) indefeasible payment in full of the Obligations.

(g) Section 7.11 of the Loan Agreement is hereby amended and restated in its entirety as follows:

Section 7.11 Payments to Guarantor. Make any payments of principal or interest to Guarantor on account of any Subordinated Debt or management fees owed by a Borrower to Guarantor; provided, however, so long as no Event of Default (or any condition,

occurrence or event which, after a required notice, if any, or lapse of time, or both, would constitute an Event of Default) shall have occurred, Borrowers may, (i) subject to Section 7.10, pay reasonable management fees to Guarantor, consistent with past practice, (ii) make interest payments on Subordinated Debt payable to Guarantor, provided such payments do not exceed five percent (5%) of the total obligation payable to Guarantor and (iii) make a principal payment to Guarantor on account of the Subordinated Debt payable to Guarantor in the amount of \$680,000.00.

(h) Section 8.04 of the Loan Agreement is hereby amended and restated in its entirety as follows:

Section 8.04. Fixed Charge Coverage Ratio. Borrowers will maintain a minimum consolidated Fixed Charge Coverage Ratio of 1.25 to 1, measured at the end of each calendar quarter.

3. Representations and Warranties. Borrowers hereby represent and warrant to Bank as follows:

(a) The representations and warranties contained in the Loan Agreement and the other Loan Documents are true and correct on and as of the date hereof as though made on and as of this date, except to the extent that such representations and warranties relate solely to an earlier date;

(b) There is no Event of Default and no event has occurred, which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapsed or both;

(c) The execution, delivery and performance by Borrowers of this Amendment and all other agreements and documents required hereunder have been duly authorized by all necessary action and do not and will not: (i) result in any breach of or constitute a default under any indenture, loan or credit agreement or any other agreement, lease or instrument to which a Borrower is a party or by which it or its properties may be bound or affected; or (ii) result in, or require, for the benefit of any person or entity other than Bank, the creation or imposition of any mortgage, deed of trust, pledge, lien, security interest or other charge or encumbrance of any nature upon or with respect to any of the properties now owned or hereafter acquired by either Borrower; and

(d) No authorization, approval or other action by and notice to or filing with any governmental authority or regulatory body or any person or entity is required for the execution, delivery and performance by Borrowers of this Amendment.

4. Conditions Precedent As conditions precedent to the enforceability of this Amendment, Bank shall have received from M-tron, Piezo or Guarantor, as the case may be, all of

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the following, each dated (unless otherwise indicated) such day, in form and substance satisfactory to Bank:

- (a) This Amendment executed by Borrowers;
- (b) The Amended and Restated Revolving Note executed by Borrowers, which shall be given in exchange and substitution for the Revolving Note previously executed by Borrower in favor of Bank;
- (c) The Reaffirmation of Guaranty, executed by Guarantor in favor of Bank in connection with Guaranty;
- (d) Bank shall have received evidence from Borrower, acceptable to Bank in Bank's discretion, that Borrower is maintaining general property and casualty insurance, general liability insurance, business interruption insurance (with extra expense coverage) as required pursuant to the Loan Documents; and
- (e) Borrowers shall have paid all out-of-pocket costs and expenses, including without limitation, attorneys' fees and expenses, incurred by Bank in connection this Amendment and the Loan Documents and all related documentation, recording or filing fees.

5. No Waiver. This Amendment is not intended to supercede or amend the Loan Agreement or any documents executed in connection therewith except as specifically set forth herein. Nothing contained herein is intended to reduce, restrict or otherwise affect any warranties, representations, covenants or other agreements made by Borrowers or waive any existing Events of Default, if any, under or pursuant to the Loan Documents. All of the covenants and obligations of Borrowers under the Loan Documents are hereby acknowledged, ratified and affirmed by Borrowers, and Borrower specifically acknowledges and agrees that all Collateral pledged to Bank secures the Notes.

6. Credit Agreement in Writing. A CREDIT AGREEMENT MUST BE IN WRITING TO BE ENFORCEABLE UNDER CERTAIN STATE LAWS. TO PROTECT YOU AND US FROM ANY MISUNDERSTANDINGS OR DISAPPOINTMENTS, ANY CONTRACT, PROMISE, UNDERTAKING OR OFFER TO FOREBEAR REPAYMENT OF MONEY OR TO MAKE ANY OTHER FINANCIAL ACCOMMODATION IN CONNECTION WITH THIS LOAN OF MONEY OR GRANT OR EXTENSION OF CREDIT, OR ANY AMENDMENT OF, CANCELLATION OF, WAIVER OF, OR SUBSTITUTION FOR ANY OR ALL OF THE TERMS OR PROVISIONS OF ANY INSTRUMENT OR DOCUMENT EXECUTED IN CONNECTION WITH THIS LOAN OF MONEY OR GRANT OR EXTENSION OF CREDIT, MUST BE IN WRITING TO BE EFFECTIVE.

7. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. An electronic transmission or facsimile of this Amendment shall be deemed an original and shall be admissible as evidence of the document and the signer's execution.

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IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first above written.

M-tron Industries, Inc., a Delaware corporation,
Borrower

By: /s/ R. LaDuane Clifton
Name: R. LaDuane Clifton
Title: Chief Accounting Officer

Piezo Technology, Inc., a Florida corporation,
Borrower

By: /s/ R. LaDuane Clifton
Name: R. LaDuane Clifton
Title: Chief Accounting Officer

First National Bank of Omaha, a national banking
association, Bank

By: /s/ Mark McMillan
Name: Mark McMillan
Title: Vice President

EXHIBIT 10.2

FIRST AMENDED & RESTATED REVOLVING NOTE

NOTE DATE: June 30, 2010
LOAN NO. 8558931

\$4,000,000

FOR VALUE RECEIVED, M-tron Industries, Inc., a Delaware corporation, and Piezo Technology, Inc., a Florida corporation (together, "Borrowers"), jointly and severally promise to pay to the order of First National Bank of Omaha, a national banking association (the "Bank"), at its principal office or such other address as Bank or holder may designate from time to time, the principal sum of \$4,000,000, or the amount shown on Bank's records to be outstanding, plus interest. The annual interest rate for this note is computed on actual 360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days multiplied by the outstanding principal amount, multiplied by the actual number of days the principal balance is outstanding. Absent manifest error, Bank's records shall be conclusive evidence of the principal and accrued interest owing hereunder.

This First Amended & Restated Revolving Note (this "Revolving Note") is executed pursuant to and is the Revolving Note referred to in, that certain Amended & Restated Loan Agreement, dated as of August 18, 2009, among Borrowers and Bank, as amended by that certain First Amendment to Amended & Restated Loan Agreement of even date herewith, as may be further amended or otherwise modified from time to time (the "Loan Agreement"). All capitalized terms not otherwise defined in this Revolving Note shall have the meanings provided in the Loan Agreement.

Interest Accrual. The interest rate on this Revolving Note is subject to change from time to time based on changes in the LIBOR Rate (as hereinafter defined), adjusted and determined, without notice to Borrowers, as of the date of this Revolving Note and on the first (1st) day of each calendar month hereafter ("Interest Rate Change Date"). The "LIBOR Rate" shall mean the London Interbank Offered Rate of Interest for an interest period of one (1) month, on the day that is two (2) London Business Days preceding each Interest Rate Change Date (the "Reset Date"). "London Business Day" shall mean any day on which commercial banks in London, England are open for general business (the "Index"). The Index is currently .34719% per annum. The interest rate to be applied to the unpaid principal balance under this Revolving Note prior to the Revolving Loan Termination Date will be at a rate of 3.25% percentage points plus the Index resulting in an initial rate of interest of 3.59719%; provided, however, in no event shall the interest rate to be applied to the unpaid principal balance on this Revolving Note be less than 4.25%. After the Revolving Loan Termination Date, Bank may determine that the interest rate to be applied to the unpaid principal balance of this Revolving Note will be at a rate of 6.00% percentage points plus 3.25% percentage points plus the Index.

The Index is not necessarily the lowest rate charged by Bank on its loans. If the Index becomes unavailable during the term of the Revolving Loan, Bank may designate a substitute index after notifying Borrowers. Bank will tell Borrowers the current Index rate upon Borrowers' request. The interest rate change will not occur more often than each month on the

first (1st) day of each month. Borrowers understand that Bank may make loans based on other rates as well.

Repayment Terms. Until the Revolving Loan Termination Date, interest only shall be payable on the first (1st) day of the month immediately following the date of this Revolving Note and each and every month thereafter until the Revolving Loan Termination Date. On the Revolving Loan Termination Date, all principal and accrued interest are due and payable.

Prepayment. This Revolving Note may be prepaid in whole or in part without premium or penalty but with interest accrued on the amount prepaid to the date of payment.

Additional Terms and Conditions. The Loan Agreement, and any amendments or substitutions, contains additional terms and conditions, including default and acceleration provisions, which are incorporated into this Revolving Note by reference. Borrowers agree to pay all costs of collection, including reasonable attorneys' fees and legal expenses incurred by Bank, if this Revolving Note is not paid as provided above. This Revolving Note shall be governed by the substantive laws of the State of Nebraska.

Waiver of Presentment and Notice of Dishonor. Borrowers jointly and severally and any other person who signs, guarantees or endorses this Revolving Note, to the extent allowed by law, hereby waive presentment, demand for payment, notice of dishonor, protest and any notice relating to the acceleration of the maturity of this Revolving Note.

Restated Note. This Revolving Note amends and restates an existing Revolving Note dated August 18, 2009, in the original principal amount of \$4,000,000.00 issued by the Borrowers to the order of Bank (the "Prior Note"). It is expressly intended, understood and agreed that this Revolving Note shall replace the Prior Note as evidence of the indebtedness of Borrowers to Bank under the Revolving Loan, and such indebtedness shall be considered outstanding hereunder from and after the date hereof and shall not be considered paid (nor shall the Borrowers' obligation to pay the same be considered discharged or satisfied) as a result of the issuance of this Revolving Note.

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