

Edgar Filing: CYTATION CORP - Form 8-K

ITEM 2.03 CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT

On May 26, 2006, Deer Valley entered into a Loan Agreement with Fifth Third Bank (the "Lender") providing for a loan of Two Million and No/100 Dollars (\$2,000,000.00) (the "Loan") evidenced by a promissory note and secured by a first mortgage on Deer Valley's properties in Guin, Alabama and Sulligent, Alabama, including the structures and fixtures located thereon, as well as Deer Valley's interest in any lease thereof. The purpose of the loan is to pay off an existing loan from another bank secured by the Guin property and to reduce the outstanding balance on Deer Valley's revolving credit facility with the Lender. The net effect of the reduction in the revolving credit balance is to increase the credit available to the Company for working capital under its revolving facility. The Loan has a term from May 26, 2006 through June 1, 2011 and has a variable interest rate at 2.25% above LIBOR. There is no prepayment penalty. Future advances are available under the Loan Agreement, subject to approval by the Lender. Also on May 26, 2006, the Company and DVA guaranteed the Loan. Should Deer Valley default, thereby triggering acceleration of the Loan, Cytation and DVA would become liable for payment of the Loan.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

The following exhibits are filed with this Form 8-K:

Exhibit No.	Description
10.01	Form of Loan Agreement
10.02	Form of Commercial Promissory Note
10.03	Form of Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing
10.04	Form of Guaranty of Loan, Cytation Corp.
10.05	Form of Guaranty of Loan, DeerValley Acquisitions Corp.

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.

CYTATION CORPORATION

By: /s/ Charles G. Masters

Name: Charles G. Masters

Title: President, Chief Executive Officer

Dated: June 1, 2006