

HANDLEMAN CO /MI/
Form 8-K
May 07, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 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) May 5, 2009

Handleman Company

(Exact Name of Registrant as Specified in Its Charter)

Michigan

(State or Other Jurisdiction of Incorporation)

Edgar Filing: HANDLEMAN CO /MI/ - Form 8-K

1-7923
(Commission File Number)

38-1242806
(IRS Employer Identification No.)

500 Kirts Boulevard, Troy, Michigan
(Address of Principal Executive Offices)

48084-4142
(Zip Code)

(248) 362-4400

(Registrant's Telephone Number, Including Area Code)

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:

- .. 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))

Section 1. Registrants Business and Operations

Item 8.01 Other Events

(a) CERTIFICATE OF DISSOLUTION FILING

On May 5, 2009, Handleman Company (Handleman) filed a Certificate of Dissolution with the Michigan Department of Energy, Labor and Economic Growth, Bureau of Commercial Services, Corporate Division. As a dissolved company, Handleman shall continue its corporate existence, but shall not conduct business, except for the purpose of winding up its affairs. Under State of Michigan law, before making any distribution to Shareholders, a dissolved corporation must pay or make provision for its non-barred, valid debts, including those obligations that arise after the effective date of dissolution, but before the bar date and before the distribution. Accordingly, Handleman s activities are now limited to:

- (i) selling, collecting or otherwise realizing the value of its remaining assets;
- (ii) making tax and other regulatory filings;
- (iii) winding up the Company s remaining business activities;
- (iv) paying (or adequately providing for the payment) of all non-barred, valid claims and obligations in full, if possible, but if the assets are insufficient to pay them in full, they will be paid according to their priority and pro rata within the priority category; and
- (v) distributing to Handleman s Shareholders, in proportion to their interests, any proceeds remaining after the payment in full of the liabilities of Handleman.

Handleman cannot make any assurance that the proceeds from liquidation will be sufficient to provide payment in full to its Creditors. It is also likely that payment will not be made before the expiration of one year in order to provide funds for payment of unknown Creditors.

(b) FILING OF COURT PETITION TO DECLARE SHARES OF HANDLEMAN COMPANY COMMON STOCK NON-TRANSFERABLE POST-DISSOLUTION

On May 6, 2009, Handleman Company petitioned the Circuit Court for Oakland County, State of Michigan, for an Order of Limited Supervision over the Liquidation of Handleman post-dissolution, which would declare the shares of Handleman common stock to be non-transferable post-dissolution. A court order preventing the transfer of shares would allow Handleman to reduce costs during liquidation and maximize the liquidated value of Handleman for the benefit of its Creditors and potential benefit to its Shareholders. In its petition, Handleman has requested that the court order declare that the shares of Handleman common stock shall become non-transferable 30 days after a Form 8-K has been filed, notifying Handleman Shareholders that the court order has been entered. Handleman cannot provide any assurance that the court order requested in its petition will be granted.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HANDLEMAN COMPANY

Date: May 7, 2009

By: /s/ Rozanne Kokko
Name: Rozanne Kokko
Title: Sr. Vice President and Chief Financial Officer