

ENNIS, INC.
Form 8-K
January 20, 2009

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**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):
January 20, 2009 (December 19, 2008)
Ennis, Inc.
(Exact name of registrant as specified in its charter)**

| | | |
|--|-----------------------------|--------------------------------------|
| Texas | 001-05807 | 75-0256410 |
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

2441 Presidential Parkway
Midlothian, Texas

76065

(Address of Principal Executive
Offices)

(Zip Code)

Registrant's telephone number, including area code: (972)775-9801

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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On December 19, 2008, Ennis, Inc. (the Company) amended and restated the Employment Agreements (the New Agreements) of its various executive officers. The following is a detail of the material terms, by executive, of the New Agreements.

- § The term of the New Agreements are from December 19, 2008 through: December 31, 2011, for Mr. Walters; December 30, 2010, for Mssrs. Magill and Ahmad; and December 31, 2010, for Mssrs. Travis and Graham, with each contract containing automatic successive one-year renewals on the same terms and conditions unless either party provides the other party with 60 days notices of its election not to renew.
- § Each New Agreement was updated to reflect the executives' current rate of pay. In addition, if *base salary* is increased at any time, it shall not thereafter be decreased during its initial or successive terms.

| Name | Title | Base Salary |
|------------------|---|-------------|
| Keith S. Walters | Chairman, CEO and President | \$838,000 |
| Michael Magill | Executive Vice President | \$460,000 |
| Richard Travis | Vice President Finance, CFO and Secretary | \$355,000 |
| Irshad Ahmad | Vice President Apparel and CTO | \$300,000 |
| Ronald Graham | Vice President - Administration | \$268,000 |

- § The Executives will be eligible to participate in all short-term and long-term incentive and deferred compensation programs of the Company as has and may hereinafter be adopted by the Board of Directors of the Company.
- § The New Agreements provide that the Company may terminate the Executives for *cause* or *without cause*. If the Executives are terminated *without cause*, they will be entitled to be paid a Severance Payment equal to the greater of the amount of *base salary* through the end of the Term or a certain factor of their annual base salary (*Salary*) plus a Severance Bonus equivalent to a certain factor times the bonus earned or paid them for the previous fiscal year (*Bonus*). For a termination with *cause*, the Executives will no longer be eligible for a payment, other than their respective *accrued compensation* that may be due and payable, if any.

| Name | New Agreements | | | Old Agreements | | |
|----------------|----------------|-------|------------|----------------|-------|------------|
| | Without Cause | | With Cause | Without Cause | | With Cause |
| | Salary | Bonus | | Salary | Bonus | |
| Keith Walters | 1X | 1X | -0- | 2X | 2X | 1X |
| Michael Magill | 1X | 1X | -0- | 1X | 1X | .5X |
| Richard Travis | 1X | 1X | -0- | 1X | 1X | .5X |
| Irshad Ahmad | 1X | 1X | -0- | 1X | 1X | .5X |
| Ronald Graham | 1X | 1X | -0- | 1X | 1X | .5X |

- § The Agreements provide that Executives may terminate their employment in the (i) event of a *Change in Control*, as defined, and (ii) for *Good Reason*, as defined. In the event the Executives terminate their employment with the Company for *Good Reason*, the Company would be required to pay the Executive a benefit equivalent to their *without cause* termination benefit. In the event the Executives employment is terminated with the Company in connection with a *Change in Control*, the following benefits will be payable:

New Agreements

Old Agreements

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| Name | Change in Control | | Change in Control | |
|----------------|-------------------|-------|-------------------|-------|
| | Salary | Bonus | Salary | Bonus |
| Keith Walters | 2.99X | 2.99X | 2.99X | 2.99X |
| Michael Magill | 2.50X | 2.50X | 1.00X | 1.00X |
| Richard Travis | 2.50X | 2.50X | 1.00X | 1.00X |
| Irshad Ahmad | 2.50X | 2.50X | 1.00X | 1.00X |
| Ronald Graham | 2.50X | 2.50X | 1.00X | 1.00X |

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§ In addition to the above, the Agreements contain certain benefit continuation provisions, executive out-placement assistance and tax gross up provisions. Disability payments will now be limited to the Executives *accrued compensation*.

§ The Executives have agreed not to disclose any confidential information pertaining to the Company's business, and have agreed to various non-solicitation and non-competition provisions.

Reference is made to the Agreements attached hereto as Exhibits 10.1, 10.2, 10.3, 10.4 and 10.5 for definition of *without cause*, *with cause*, *change in control*, *good reason*, *base salary*, and *accrued compensation*.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

| Exhibit No. | Description |
|--------------------|--|
| 10.1 | Employment Agreement between the Company and Keith S. Walters, Chairman and CEO, effective December 19, 2008, replacing a certain Employment Agreement dated April 21, 2006, and filed as Exhibit 10.1 to our Current Report on Form 8-K filed April 25, 2006. |
| 10.2 | Employment Agreement between the Company and Michael Magill, Executive Vice President and Treasurer, effective December 19, 2008, replacing a certain Employment Agreement dated April 21, 2006, and filed as Exhibit 10.2 to our Current Report on Form 8-K filed April 25, 2006. |
| 10.3 | Employment Agreement between the Company and Ronald Graham, Vice President Administration, effective December 19, 2008, replacing a certain Employment Agreement dated April 21, 2006, and filed as Exhibit 10.3 to our Current Report on Form 8-K filed April 25, 2006. |
| 10.4 | Employment Agreement between the Company and Richard Travis, Vice President Finance and CFO, effective December 19, 2008, replacing a certain Employment Agreement dated April 21, 2006, and filed as Exhibit 10.4 to our Current Report on Form 8-K filed April 25, 2006. |
| 10.5 | Employment Agreement between the Company and Irshad Ahmad, Vice President Apparel Group and CTO, effective December 19, 2008. |

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SIGNATURES

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.

Dated: January 20, 2009

Ennis, Inc.

By: /s/ Richard L. Travis, Jr.

Name: Richard L. Travis, Jr.

Title : Chief Financial Officer