
**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) **February 25, 2014**

FLEXSTEEL INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)

0-5151
(Commission
File Number)

42-0442319
(IRS Employer
Identification No.)

385 Bell Street, Dubuque, Iowa
(Address of principal executive offices)

52001
(Zip Code)

Registrant's telephone number, including area code **563-556-7730**

(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))
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Item 1.01. Entry into a Material Definitive Agreement.

On February 25, 2014, Flexsteel Industries, Inc. (the "Company") entered into an \$8 million unsecured line of credit with American Trust and Savings Bank. Any amounts outstanding will bear interest of 2.0% below the Wall Street Journal U.S. Prime Rate. The line of credit matures on February 13, 2015. The line of credit will be used for the Company's working capital needs. No amount is outstanding under this line of credit.

The promissory note related to this line of credit is attached to this Current Report on Form 8-K as Exhibits 10.1.

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 under Item 1.01 above is incorporated into this Item 2.03 by reference.

Item 9.01 Financial Statements and Exhibits.

- (a) Not applicable
- (b) Not applicable
- (c) Not applicable
- (d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 10.1	Promissory Note dated February 14, 2014 between Flexsteel Industries, Inc. and American Trust and Savings Bank

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.

FLEXSTEEL INDUSTRIES, INC.
(Registrant)

Date: February 27, 2014

By: /s/ Timothy E. Hall
Timothy E. Hall
Principal Financial Officer, SVP-Finance and CFO

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Iowa without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Iowa.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Dubuque County, State of Iowa.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of \$15.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the debt against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

COLLATERAL. This loan is unsecured.

LINE OF CREDIT. This Note evidences a revolving line of credit. Advances under this Note, as well as directions for payment from Borrower's accounts, may be requested orally or in writing by Borrower or by an authorized person. Lender may, but need not, require that all oral requests be confirmed in writing. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs. Lender will have no obligation to advance funds under this Note if: (A) Borrower or any guarantor is in default under the terms of this Note or any agreement that Borrower or any guarantor has with Lender, including any agreement made in connection with the signing of this Note; (B) Borrower or any guarantor ceases doing business or is insolvent; (C) any guarantor seeks, claims or otherwise attempts to limit, modify or revoke such guarantor's guarantee of this Note or any other loan with Lender; (D) Borrower has applied funds provided pursuant to this Note for purposes other than those authorized by Lender; or (E) Lender in good faith believes itself insecure.

PURPOSE OF THE LOAN. The specific business purpose of this loan is to renew operating line of credit used to fund accounts receivable and inventory.

PRIOR PROMISSORY NOTE. Borrower acknowledges and agrees that: (i) this Note constitutes a renewal and extension of that certain Promissory Note dated February 14, 2013, in the original principal amount of \$8,000,000.00 issued by Borrower and made payable to Lender (as amended, modified, supplemented, renewed, extended and/or restated prior to the date hereof, the "Prior Promissory Note"); (ii) the issuance of this Note shall not constitute a novation, extinguishment, repayment, payment and reborrowing, or termination of the indebtedness evidenced by, or Borrower's obligations under, the Prior Promissory Note; and (iii) the indebtedness evidenced by, and Borrower's obligations under, the Prior Promissory Note are in all respects continuing with only the terms thereof being modified, amended and restated as provided in this Note.

GUARANTOR. The term "guarantor" and/or "Guarantor" as used in this Note means each and every person or entity that guarantees the obligations of Borrower under this Note. This Note is supported by each and every guaranty of Borrower's obligations under this Note from time to time executed by a guarantor in favor of Lender, as each may be amended, modified, supplemented, renewed, extended and/or restated from time to time.

REQUIRED REPORTING INFORMATION.

Annual Statements. As soon as available, but in no event later than one hundred twenty (120) days after the end of each fiscal year, Borrower agrees to provide a copy of Borrower's balance sheet and income statement for the year ended , audited by a certified public accountant satisfactory to Lender.

Interim Financial Statement. As soon as available, but in no event later than sixty (60) days after the end of each fiscal quarter, Borrower agrees to provide a copy of Borrower's balance sheet and profit and loss statement for the period ended, prepared by Borrower in form and substance satisfactory to Lender.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE AND ALL OTHER DOCUMENTS RELATING TO THIS DEBT.

BORROWER:

FLEXSTEEL INDUSTRIES, INC.

By: /s/ Timothy E. Hall

Timothy E. Hall, Senior V. P., CFO, Treasurer and Secretary of Flexsteel Industries, Inc.

LENDER:

AMERICAN TRUST & SAVINGS BANK

X /s/ Daniel E. Walsh

Daniel E. Walsh, Senior Vice President