

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) December 27, 2007

Culp, Inc.

(Exact Name of Registrant as Specified in its Charter)

North Carolina	0-12781	56-1001967
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1823 Eastchester Drive
High Point, North Carolina 27265

(Address of Principal Executive Offices)
(Zip Code)

(336) 889-5161

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former name or address, if changed from 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.

Culp, Inc. (the "Company") has entered into a Twelfth Amendment to Amended and Restated Credit Agreement (the "Amendment") with Wachovia Bank, National Association ("Wachovia"), as Agent and as Bank, dated December 27, 2007, amending the Company's current credit agreement with Wachovia (the "Credit Agreement"). The Amendment extends the term of the Credit Agreement through December 31, 2008. The Amendment also increases the limit for annual capital expenditures to \$5,000,000, deletes the financial covenant for minimum EBITDA, and adds a financial covenant requiring a maximum Funded Debt to EBITDA ratio of 3.0 to 1.0. Finally, the Amendment provides for a lower interest rate on outstanding borrowings if the Company's Funded Debt to EBITDA ratio is below 2.5 to 1.0. The amendment fee is \$10,000. The Amendment is attached hereto as Exhibit 10.1, and the description of its terms contained herein is qualified in its entirety by reference to the full text of the Amendment as set forth in Exhibit 10.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit 10.1 - Twelfth Amendment to Amended and Restated Credit Agreement dated as of December 27, 2007 among Culp, Inc. and Wachovia Bank, National Association, as Agent and as Bank

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.

Date: December 27, 2007

Culp, Inc.

By: /s/ Kenneth R. Bowling

Kenneth R. Bowling
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number

Exhibit

10.1

Twelfth Amendment to Amended and Restated Credit Agreement dated as of December 27, 2007 among Culp, Inc. and Wachovia Bank, National Association, as Agent and as Bank

TWELFTH AMENDMENT TO AMENDED AND
RESTATED CREDIT AGREEMENT

THIS TWELFTH AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT ("Twelfth Amendment") is made as of the 27th day of December, 2007, by and between CULP, INC., a North Carolina corporation (together with its successors and permitted assigns, the "Borrower"), and WACHOVIA BANK, NATIONAL ASSOCIATION (formerly, Wachovia Bank, N.A.), a national banking association, as Agent and as a Bank (together with its endorsees, successors and assigns, the "Bank").

BACKGROUND

The Borrower and the Bank entered into an Amended and Restated Credit Agreement, dated as of August 23, 2002, as amended by Second Amendment to Amended and Restated Credit Agreement (the "Second Amendment"), dated as of June 3, 2003, by Third Amendment to Amended and Restated Credit Agreement (the "Third Amendment"), dated as of August 23, 2004, by Fourth Amendment to Amended and Restated Credit Agreement ("Fourth Amendment"), dated as of December 7, 2004, by Fifth Amendment to Amended and Restated Credit Agreement ("Fifth Amendment") dated as of February 18, 2005, by Sixth Amendment to Amended and Restated Credit Agreement ("Sixth Amendment"), dated as of August 30, 2005, by Seventh Amendment to Amended and Restated Credit Agreement ("Seventh Amendment"), dated as of December 7, 2005, by Eighth Amendment to Amended and Restated Credit Agreement ("Eighth Amendment"), dated as of January 29, 2006, by Ninth Amendment to Amended and Restated Credit Agreement, dated as of July 20, 2006 ("Ninth Amendment"), and by Tenth Amendment to Amended and Restated Credit Agreement, dated as of January 22, 2007 ("Tenth Amendment") and by Eleventh Amendment to Amended and Restated Credit Agreement, dated as of April 16, 2007 ("Eleventh Amendment") (it being acknowledged by the parties hereto that the proposed First Amendment to Amended and Restated Credit Agreement, which had been under discussion in March 2003, was never executed by the parties and is of no force or effect; otherwise, such agreement, as amended by the Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment, Seventh Amendment, Eighth Amendment, Ninth Amendment, Tenth Amendment and Eleventh Amendment, and as it may be further amended, restated, supplemented and/or modified, shall be referred to herein as the "Credit Agreement"). Terms used herein and not herein defined shall have the meanings given to them in the Credit Agreement.

The Borrower has now requested additional amendments to the provisions of the Credit Agreement, which the Bank is willing to accommodate subject to the terms, provisions and conditions set forth in this Twelfth Amendment.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower and the Bank hereby agree as follows:

1. Amendments to Credit Agreement. The Credit Agreement is hereby amended as follows:

(a) The following definition in Section 1.01 is hereby amended and restated in its entirety to read as follows:

"Termination Date" means whichever is applicable of (i) December 31, 2008, (ii) the date the Commitments are terminated pursuant to Section 6.01 following the occurrence of an Event of Default, or (iii) the date the Borrower terminates the Commitments entirely pursuant to Section 2.08.

(b) The matrix set forth in Section 2.06(a)(ii) of the Credit Agreement is hereby amended, restated and replaced by the following matrix:

Debt/EBITDA Ratio -----	Applicable Margin -----
Less than 2.50 to 1.00	1.95%
Greater than or equal to 2.50 to 1.00	2.50%

(c) Section 5.24 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

"Section 5.24 Capital Expenditures. Aggregate Capital Expenditures for any Fiscal Year will not exceed \$5,000,000.00."

(d) Section 5.27 of the Credit Agreement, entitled "Minimum EBITDA", is hereby deleted in its entirety.

(e) A new Section 5.28, entitled "Funded Debt/EBITDA Ratio", is hereby added to the Credit Agreement, which new section shall read as follows:

5.28 Funded Debt/EBITDA Ratio. The Borrower will maintain at the end of each Fiscal Quarter a ratio of Funded Debt to EBITDA of not more than 3.00 to 1.00.

2. Further Assurances. The Borrower will execute such confirmatory instruments, if any, with respect to the Credit Agreement and this Twelfth Amendment as the Bank may reasonably request.

3. Ratification by Borrower. The Borrower ratifies and confirms all of its representations, warranties, covenants, liabilities and obligations under the Credit Agreement (except as expressly modified by this Twelfth Amendment) and agrees that: (i) except as expressly modified by this Twelfth Amendment, the Credit Agreement continues in full force and effect as if

set forth specifically herein; and (ii) the Borrower has no right of setoff, counterclaim or defense to payment of its obligations under the Credit Agreement. The Borrower and the Bank agree that this Twelfth Amendment shall not be construed as an agreement to extinguish the Borrower's obligations under the Credit Agreement or the Notes and shall not constitute a novation as to the obligations of the Borrower under the Credit Agreement or the Notes. The Bank hereby expressly reserves all rights and remedies it may have against all parties who may be or may hereafter become secondarily liable for the repayment of the obligations under the Credit Agreement or the Notes.

4. Amendments. This Twelfth Amendment may not itself be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Bank. This Twelfth Amendment shall be construed in accordance with and governed by the laws of the State of North Carolina.

5. Counterparts. This Twelfth Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same agreement.

6. Modification and Extension Fee. The Borrower shall pay to the Bank on the date this Twelfth Amendment is executed, an amendment and extension fee equal to \$10,000.00, which fee, once paid, shall be fully earned and non-refundable.

7. Bank's Expenses. In accordance with Section 9.03 of the Credit Agreement, Borrower hereby acknowledges and agrees to pay all reasonable out-of-pocket expenses incurred by the Bank in connection with the preparation of this Twelfth Amendment, including without limitation reasonable attorneys' fees.

[Signature Page Follows]

IN WITNESS WHEREOF, this Twelfth Amendment has been duly executed under seal by Borrower and Bank as of the day and year first above written.

BORROWER:

CULP, INC. (SEAL)

By: /s/ Kenneth R. Bowling

Name: Kenneth R. Bowling
Title: Vice President and Chief
Financial Officer

BANK:

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Agent and as Bank (SEAL)

By: /s/ Matthew M. Rankin

Name: Matthew M. Rankin
Title: Senior Vice President