

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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TVI CORP

CIK: **352079** | IRS No.: **521085536** | State of Incorporation: **MD** | Fiscal Year End: **1231**
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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

TVI CORPORATION

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

0-10449
(Commission File Number)

52-1085536
(IRS Employer
Identification No.)

7100 Holladay Tyler Road, Glenn Dale, MD 20769
(Address of Principal Executive Offices)

(301) 352-8800
(Registrant's telephone number, including area code)

(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))

Item 1.01 Entry into a Material Definitive Agreement

On January 20, 2009, TVI Corporation's wholly-owned subsidiary, Signature Special Event Services, Inc. ("SSES"), and Welcome Holdings, L.L.C., a Florida limited liability company (the "Landlord"), entered into a Mutual Lease Termination Agreement (the "Termination Agreement") whereby the parties terminated the Lease Agreement dated February 22, 2007 (the "Lease Agreement"). Pursuant to the Lease Agreement, the Company leased approximately 4 acres consisting of certain premises commonly known as 750 Central Florida Parkway, Orlando, Florida comprised of two buildings, one office trailer and lot space (the "Premises") for an initial term of five years, which was scheduled to expire on March 31, 2012. SSES utilized the premises for storing and warehousing certain of its tent-rental products. Under the Lease Agreement, SSES was required to pay the Landlord a base monthly rent of approximately \$30,000.00 plus Florida state sales tax which is currently at the rate of 6.5%. In addition, SSES was required to pay all real estate taxes and assessment levied against the Premises.

Pursuant to the terms of the Termination Agreement, the Lease Agreement will terminate effective January 31, 2009 (the "Termination Date") and SSES will fully and finally surrender the Premises to the Landlord at that time, although it vacated the Premises in October of 2008. In consideration for the Landlord's agreement to terminate the Lease Agreement, the Termination Agreement provides that SSES will pay Landlord \$180,000.00 as a Lease Agreement termination fee payable by check in the amount of \$150,000.00 and Landlord retaining the previously-deposited security deposit in the sum of \$30,000.00. In addition, SSES will pay directly to the taxing authority \$26,545.60 for 2008 real estate taxes payable for the Premises. The Termination Agreement provides that upon termination of the Lease Agreement, Landlord and SSES shall be fully and unconditionally released and discharged from their respective obligations arising from or connected with the provisions of the Lease Agreement.

The Lease Agreement has been terminated in connection with the Company's decision to exit the tent-rental business and to divest all related assets in an effort to reduce costs and streamline its business, a decision which the company announced in October 2008.

There are no material relationships between SSES and the Landlord other than in respect of the Lease Agreement, the Termination Agreement and the related documents.

The foregoing description is a summary of certain terms of the Termination Agreement and, by its nature, is incomplete. It is qualified in its entirety by the text of the Termination Agreement attached hereto as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 1.02 Termination of a Material Definitive Agreement

The information set forth in Item 1.01 above of this Current Report is incorporated by reference into this Item 1.02. Such description is a summary of certain terms of the Termination Agreement and, by its nature, is incomplete. It is qualified in its entirety by the text of the Termination Agreement attached hereto as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

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 in Item 1.01 above of this Current Report is incorporated by reference into this Item 2.03. Such description is a summary of certain terms of the Termination Agreement and, by its nature, is incomplete. It is qualified in its entirety by the text of the Termination Agreement attached hereto as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Mutual Lease Termination Agreement, by and between Signature Special Event Services, Inc. and Welcome Holdings, L.L.C., dated January 20, 2009.

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.

TVI CORPORATION
(Registrant)

Date: January 23, 2009

/s/ Sherri S. Voelkel

Sherri S. Voelkel
Senior Vice President and Chief Financial Officer

MUTUAL LEASE TERMINATION AGREEMENT

THIS MUTUAL LEASE TERMINATION AGREEMENT is made this 20th day of January 2009, by and between WELCOME HOLDINGS, L.L.C., a Florida limited liability company (hereinafter "Landlord") and SIGNATURE SPECIAL EVENT SERVICES, INC., a Maryland corporation (hereinafter "Tenant").

WHEREAS, by a lease agreement dated February 22, 2007 (the "Lease"), Landlord leased to Tenant and Tenant leased from Landlord, certain premises commonly known as 750 Central Florida Parkway, Orlando, Florida comprised of two buildings, one office trailer and lot space ("Premises") for a term commencing April 1, 2007 and expiring on March 31, 2012; and

WHEREAS, Landlord and Tenant mutually desire to terminate the Lease and all rights and obligations of the respective parties under the Lease.

NOW, THEREFORE, in consideration of the mutual promises and provisions herein contained, and in consideration of and conditioned upon, Tenant paying Landlord, within five (5) days of Tenant receiving a signed Mutual Lease Termination Agreement from Landlord, the sum of \$150,000.00, representing a \$180,000.00 lease termination fee less the security deposit in the sum of \$30,000.00 (said security deposit having been previously deposited with Landlord) which Landlord shall retain, Landlord and Tenant agree as follows:

1. Landlord and Tenant do hereby terminate fully and surrender the Lease effective as of January 31, 2009.
2. Except as provided in Sections 3, 4, 5, 6 and 7 hereof, and conditioned upon said payment of \$150,000.00 by Tenant to Landlord as described above, Landlord and Tenant shall be fully and unconditionally released and discharged from their respective obligations arising from or connected with the provisions of the Lease. Except as provided in Sections 3, 4, 5, 6 and 7 hereof, this Mutual Lease Termination Agreement shall fully and finally settle all demands, charges, claims, accounts, and/or causes of action of any nature, including, without limitation, both known and unknown claims and causes of action that arose out of or in connection with the Lease, and this Mutual Lease Termination Agreement constitutes a full and complete mutual release with respect to the Lease and the respective rights and obligations of the parties arising thereunder.
3. On or before the execution by Tenant of this Mutual Lease Termination Agreement, Tenant shall pay to the applicable taxing authority the 2008 real estate tax bill for the Premises, which, after applying the 2% discount for payment made in January 2009, is in the amount of \$26,545.60.

4. Landlord represents and warrants to Tenant that:

a. Landlord is the owner of the Premises in fee simple absolute, subject only to encumbrance holders of record;

b. Landlord has the legal right and capacity to enter into this Mutual Lease Termination Agreement and to carry out its provisions, including the legal right and capacity to terminate the duties and obligations of Tenant under the terms of the Lease, and to hold Tenant harmless from the consequences thereof.

5. Except as otherwise provided herein, Landlord hereby indemnifies Tenant against, shall hold Tenant harmless from and against, and shall reimburse Tenant on demand by Tenant for, any liability, damage, loss, cost and/or expense (including attorneys' fees and costs of investigation incurred in defending against and/or settling such liability, damage, loss, cost or expense or claim therefore and any amounts paid in settlement thereof) imposed on or reasonably incurred by Tenant arising from or relating to: (a) any third party claiming through Landlord challenging the enforceability or validity of this Mutual Lease Termination Agreement or the termination of the Lease as contemplated hereby; (b) any third party claiming through Landlord any right to any payment to be made by Tenant to Landlord hereunder; and/or (c) any misrepresentation, breach of warranty or failure to perform or violation by Landlord of any provision of this Mutual Lease Termination Agreement.

6. Landlord and Tenant respectively represent and warrant that there has been no transfer or assignment, either voluntary or by operation of law, of that party's right, title or interest in the Lease or the claims being released herein. Each signatory to this Mutual Lease Termination Agreement represents and warrants to the other that such signatory has the authority to enter into this Mutual Lease Termination Agreement on behalf of that respective party.

7. If either party brings an action to enforce the terms of this Mutual Lease Termination Agreement, the prevailing party shall be entitled to receive reasonable attorney's fees and court costs from the other party, in addition to any other remedies it may have in law or in equity.

Executed in duplicate originals as of the day and date above first written.

TENANT:

Signature Special Event Services, Inc.

By: /s/ SHERRI VOELKEL

Name: Sherri Voelkel

LANDLORD:

Welcome Holdings, L.L.C.

By: /s/ PETER MADISON

Name: Peter Madison