
**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): January 19, 2010 (January 15, 2010)

Champion Enterprises, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Michigan

(State or Other Jurisdiction of Incorporation)

1-9751

(Commission File Number)

38-2743168

(IRS Employer Identification No.)

755 W Big Beaver Rd, Suite 1000, Troy, Michigan

(Address of Principal Executive Offices)

48084

(Zip Code)

(248) 614-8200

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

On January 15, 2010, Champion Home Builders Co. (“Champion Homes”), a wholly-owned subsidiary of Champion Enterprises, Inc. (the “Company”), the Company and certain additional subsidiaries of the Company received confirmation that it had received the necessary signatures to make effective a Second Amendment to the Debtor-in-Possession Credit Agreement (the “Second Amendment to the DIP Credit Agreement”) with Credit Suisse AG, Cayman Islands Branch (“Credit Suisse”), as Administrative Agent and Collateral Agent, and the lenders party thereto (the “Lenders”). The Second Amendment to the DIP Credit Agreement is effective as of January 8, 2010, and extends certain deadlines under the previous version of the DIP Credit Agreement. The total amount of the DIP Credit Agreement remains unchanged.

On January 6, 2010, the Bankruptcy Court entered a Final Order approving the DIP Credit Agreement and permitting certain modifications to the DIP Credit Agreement consistent with the order.

The foregoing description of the Second Amendment to the DIP Credit Agreement is qualified in its entirety by reference to the full text of the Second Amendment to the DIP Credit Agreement, which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit
Number

10.1 Second Amendment to the DIP Credit Agreement

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 thereunto duly authorized.

CHAMPION ENTERPRISES, INC.

By: /s/ Roger K. Scholten
Roger K. Scholten
Senior Vice President, General Counsel, and Secretary

Date: January 19, 2010

**SECOND AMENDMENT
TO DEBTOR-IN-POSSESSION CREDIT AGREEMENT**

THIS SECOND AMENDMENT TO DEBTOR-IN-POSSESSION CREDIT AGREEMENT, dated as of January 8, 2010 (this "Amendment"), to the Existing Credit Agreement (as defined below), is entered into among CHAMPION HOME BUILDERS CO., a Michigan corporation (the "Borrower"), CHAMPION ENTERPRISES, INC., a Michigan corporation (the "Parent"), certain of the Lenders (such capitalized term and other capitalized terms used in this preamble and the recitals below to have the meanings set forth in, or are defined by reference in Article I below), CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as the Administrative Agent (in such capacity, the "Administrative Agent"), and each Obligor signatory hereto.

WITNESSETH:

WHEREAS, the Borrower, the Parent, the Lenders and Credit Suisse AG, Cayman Islands Branch, as the Administrative Agent, are all parties to the Debtor-in-Possession Credit Agreement, dated as of November 15, 2009 (as amended or otherwise modified prior to the date hereof, the "Existing Credit Agreement"), and as amended by this Amendment and as the same may be further amended, supplemented, amended and restated or otherwise modified from time to time, the "DIP Credit Agreement");

WHEREAS, the Debtors (all capitalized terms being used herein as defined in Article I below), the other Obligors, the Administrative Agent and the Lenders desire to amend certain provisions of the Existing Credit Agreement and are willing, on the terms and subject to the conditions hereinafter set forth, to modify the Existing Credit Agreement as set forth below.

NOW, THEREFORE, the parties hereto hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1. Certain Definitions. The following terms when used in this Amendment shall have the following meanings (such meanings to be equally applicable to the singular and plural forms thereof):

"Administrative Agent" is defined in the preamble.

"Amendment" is defined in the preamble.

"Authorized Actions" is defined in Article VI.

"Borrower" is defined in the preamble.

"DIP Credit Agreement" is defined in the first recital.

"Existing Credit Agreement" is defined in the first recital.

“Second Amendment Effective Date” is defined in Article III.

“Parent” is defined in the preamble.

SECTION 1.2. Other Definitions. Terms for which meanings are provided in the Existing Credit Agreement are, unless otherwise defined herein or the context otherwise requires, used in this Amendment with such meanings.

ARTICLE II

AMENDMENTS TO EXISTING CREDIT AGREEMENT

Effective on (and subject to the occurrence of) the Second Amendment Effective Date, the provisions of the Existing Credit Agreement referred to below are hereby amended in accordance with this Article II. Except as expressly so amended, the Existing Credit Agreement shall continue in full force and effect in accordance with its terms.

SECTION 2.1. Amendments to Section 1.1. Section 1.1 of the Existing Credit Agreement is hereby amended by inserting the following definitions in the appropriate alphabetical order:

“‘Second Amendment’ means the Second Amendment to Debtor-in-Possession Credit Agreement, dated as of January 8, 2010, to this Agreement, among the Borrower, the Parent, the Obligors, the Lenders party thereto and the Administrative Agent.

‘Second Amendment Effective Date’ means the Second Amendment Effective Date as that term is defined in Article III of the Second Amendment.”

SECTION 2.2. Amendment to Article V.

SECTION 2.2.1. Clause (b) of the second sentence of Section 5.1.17 of the Existing Credit Agreement is hereby amended by deleting the words “the earlier of (i) seventy-five (75) days from the Petition Date and (ii) sixty (60) days from the appointment of a Committee (and in the event that no Committee is appointed, any party in interest (other than the Borrower and the Guarantors))” appearing therein and inserting in their place the words “February 12, 2010.”

SECTION 2.3. Amendments to Article VII.

SECTION 2.3.1. Section 7.18(a)(i) of the Existing Credit Agreement is hereby amended by deleting the words “by no later than January 8, 2010” appearing therein and inserting in their place the words “by no later than January 15, 2010.”

SECTION 2.3.2. Section 7.18(a)(ii) of the Existing Credit Agreement is hereby amended by deleting the words “by no later than sixty (60) days from the Petition Date” appearing therein and inserting in their place the words “by no later than January 28, 2010.”

SECTION 2.3.3. Section 7.18(a)(iii) of the Existing Credit Agreement is hereby amended by deleting the words “by no later than ninety (90) days from the Petition Date” appearing therein and inserting in their place the words “by no later than March 1, 2010.”

SECTION 2.3.4. Section 7.18(a)(iv) of the Existing Credit Agreement is hereby amended by deleting the words “by no later than one hundred (100) days from the Petition Date” appearing therein and inserting in their place the words “by no later than March 3, 2010.”

SECTION 2.3.5. Section 7.18(a)(v) of the Existing Credit Agreement is hereby amended by deleting the words “by no later than one hundred and ten (110) days from the Petition Date” appearing therein and inserting in their place the words “by no later than March 18, 2010.”

ARTICLE III

CONDITIONS TO EFFECTIVENESS

SECTION 3.1. Conditions to Effectiveness. This Amendment shall become effective upon the prior or simultaneous satisfaction of each of the following conditions in a manner reasonably satisfactory to the Administrative Agent (the date when all such conditions are so satisfied being the “Second Amendment Effective Date”):

SECTION 3.2. Counterparts. The Administrative Agent shall have received counterparts hereof executed on behalf of the Borrower, each other Obligor, the Required Lenders and the Administrative Agent.

SECTION 3.3. Certificate of Authorized Officer. The Borrower shall have delivered a certificate of an Authorized Officer, solely in his or her capacity as an Authorized Officer of the Borrower and not in his or her individual capacity, certifying that, both immediately before and after giving effect to this Amendment on the Second Amendment Effective Date, the statements set forth in Article IV hereof are true and correct.

SECTION 3.4. Satisfactory Legal Form. The Administrative Agent and its counsel shall have received all information, and such counterpart originals or such certified or other copies of such materials, as the Administrative Agent or its counsel may reasonably request, and all legal matters incident to the effectiveness of this Amendment shall be satisfactory to the Administrative Agent and its counsel. All documents executed or submitted pursuant hereto or in connection herewith shall be reasonably satisfactory in form and substance to the Administrative Agent and its counsel.

SECTION 3.5. Costs and Expenses, etc. The Administrative Agent shall have received all fees, costs and expenses due and payable pursuant to Section 12.3 of the Existing Credit Agreement (including without limitation the fees and expenses of Willkie Farr & Gallagher LLP, special counsel to the Administrative Agent), if then invoiced and to the extent such payment is in compliance with the applicable provisions of the Interim Order.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

To induce the Lenders to enter into this Amendment, the Borrower and each other Obligor represent and warrant to the Lenders as set forth below.

SECTION 4.1. Validity, etc. This Amendment and the DIP Credit Agreement (after giving effect to this Amendment) each constitutes the legal, valid and binding obligation of the Borrower and such applicable Obligors enforceable in accordance with its terms subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

SECTION 4.2. Representations and Warranties, etc. Both before and after giving effect to this Amendment, the statements set forth in clause (a) of Section 5.2.1, and after giving effect to this Amendment, the statements set forth in clause (b) of Section 5.2.1, in each case of the Existing Credit Agreement, are true and correct.

ARTICLE V
CONFIRMATIONS AND COVENANTS

SECTION 5.1. Guarantees, Security Interest, Continued Effectiveness. Each Obligor hereby reaffirms, as of the Second Amendment Effective Date, that immediately after giving effect to this Amendment (a) the covenants and agreements made by such Obligor contained in each Loan Document to which it is a party, (b) with respect to each Obligor party to a Guaranty, its guarantee of payment of the Obligations pursuant to such Guaranty and (c) with respect to each Obligor party to the Pledge and Security Agreement or a Mortgage, its pledges and other grants of Liens in respect of the Obligations pursuant to any such Loan Document, in each case, as such covenants, agreements and other provisions may be modified by this Amendment.

SECTION 5.2. Validity, etc. Each Obligor (other than the Borrower) hereby represents and warrants, as of the Second Amendment Effective Date, that immediately after giving effect to the Amendment, each Loan Document, in each case as modified by this Amendment (where applicable and whether directly or indirectly), to which it is a party continues to be a legal, valid and binding obligation of such Obligor, enforceable against such party in accordance with its terms subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

SECTION 5.3. Representations and Warranties, etc. Each Obligor (other than the Borrower) hereby represents and warrants, as of the Second Amendment Effective Date, that before and after giving effect to this Amendment, the representations and warranties set forth in each Loan Document to which such Obligor is a party are, in each case, true and correct (a) in

the case of representations and warranties not qualified by references to “materiality” or a Material Adverse Effect, in all material respects and (b) otherwise, in all respects, in each case with the same effect as if then made (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date).

ARTICLE VI
MISCELLANEOUS

SECTION 6.1. Cross-References. References in this Amendment to any Article or Section are, unless otherwise specified, to such Article or Section of this Amendment.

SECTION 6.2. Loan Document Pursuant to Existing Credit Agreement. This Amendment is a Loan Document executed pursuant to the Existing Credit Agreement and shall (unless otherwise expressly indicated therein) be construed, administered and applied in accordance with all of the terms and provisions of the Existing Credit Agreement, as amended and modified hereby, including Articles X and XII thereof.

SECTION 6.3. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 6.4. Counterparts. This Amendment may be executed by the parties hereto in several counterparts, each of which when executed and delivered shall be an original and all of which shall constitute together but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by facsimile (or other electronic transmission) shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6.5. Governing Law. **THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK IN THE SAME MANNER AS PROVIDED FOR IN THE DIP CREDIT AGREEMENT.**

SECTION 6.6. Full Force and Effect; Limited Amendment. Except as expressly amended hereby, all of the representations, warranties, terms, covenants, conditions and other provisions of the Existing Credit Agreement and the Loan Documents shall remain unchanged and shall continue to be, and shall remain, in full force and effect in accordance with their respective terms. The amendment and modifications set forth herein shall be limited precisely as provided for herein to the provisions expressly amended or modified herein and shall not be deemed to be an amendment to, waiver of, consent to or modification of any other term or provision of the Existing Credit Agreement or any other Loan Document or of any transaction or further or future action on the part of any Obligor which would require the consent of any Lenders, the Administrative Agent, or the DIP Letter of Credit Issuer under the Existing Credit Agreement or any of the Loan Documents.

SECTION 6.7. No Waiver. This Amendment is not, and shall not be deemed to be, a waiver or a consent to any Event of Default, event with which the giving of notice or lapse of

time or both may result in an Event of Default, or other non-compliance now existing or hereafter arising under the DIP Credit Agreement and the other Loan Documents, except as expressly provided for in Article II hereof.

SECTION 6.8. Approval of DIP Budget. Pursuant to Section 7.17 of the Existing Credit Agreement, the Required Lenders hereby approve and consent to the updated DIP Budget, dated December 2009, a summary of which is attached hereto as Exhibit A.

SECTION 6.9. Obligor Releases/Damages and Liability Limitations. Although each Lender and the Administrative Agent each regards its conduct as proper and does not believe that any Obligor has any claim, right, cause of action, offset or defense against such Lender, the Administrative Agent, the DIP Letter of Credit Issuer or any other Lender Party (for purposes of this paragraph, defined as, "each Lender, the Administrative Agent, DIP Letter of Credit Issuer and each of their present or former subsidiaries, affiliates, advisors, employees, attorneys, agents, officers, directors and representatives and their respective predecessors, successors, transferees and assigns") in connection with the execution, delivery, performance and ongoing administration of, or the transactions contemplated by, the DIP Credit Agreement and the other Loan Documents, each Lender, the Administrative Agent and each Obligor agree to eliminate any possibility that any past conduct, conditions, acts, omissions, events, circumstances or matters of any kind whatsoever could impair or otherwise affect any rights, interests, contracts or remedies of the Lenders, the Administrative Agent or any other Lender Party. Therefore, each Obligor, on behalf of itself and its employees, agents, officers, directors, representatives, predecessors, successors, transferees and assigns, unconditionally, freely, voluntarily and, after consultation with counsel and becoming fully and adequately informed as to the relevant facts, circumstances and consequences, knowingly releases, waives and forever discharges (and further agrees not to allege, claim or pursue) (a) any and all liabilities, indebtedness and obligations, whether known or unknown, of any kind whatsoever of any Lender Party to any Obligor, except for any obligations remaining to be respectively performed by the Lenders as expressly set forth in this Amendment, the DIP Credit Agreement and the other Loan Documents, (b) any legal, equitable or other obligations of any kind whatsoever, whether known or unknown, of any Lender Party to any Obligor (and any rights of any Obligor against any Lender Party) other than any such obligations expressly set forth in this Amendment, the DIP Credit Agreement and the other Loan Documents, (c) any and all claims, whether known or unknown, under any oral or implied agreement with (or obligation or undertaking of any kind whatsoever of) any Lender Party which is different from or in addition to the express terms of this Amendment, the DIP Credit Agreement and the other Loan Documents and (d) all other claims, rights, causes of action, counterclaims or defenses of any kind whatsoever, in contract or in tort, in law or in equity, whether known or unknown, direct or derivative, which such Obligor or any predecessor, successor or assign might otherwise have or may have against any Lender Party on account of any conduct, condition, act, omission, event, contract, liability, obligation, demand, covenant, promise, indebtedness, claim, right, cause of action, suit, damage, defense, circumstance or matter of any kind whatsoever which existed, arose or occurred at any time prior to the Second Amendment Effective Date. The Obligors further understand and agree that none of the Lenders, the Administrative Agent, DIP Letter of Credit Issuer or any other Lender Party shall at any time, whether heretofore, on or as of the Second Amendment Effective Date or thereafter, be liable or responsible for any special, consequential, punitive, incidental, exemplary or other similar damages or claims arising in any way out of the Loan Documents, the transactions contemplated

thereby or any action taken or not taken in connection therewith. Each Lender Party hereby further agrees that the Administrative Agent shall not have any liability or responsibility whatsoever, and shall be fully protected and exculpated from and against, any action taken or not taken by it at the direction of, or authorized by, the Required Lenders, including any such action authorized hereunder, or any action taken in connection therewith ("Authorized Actions"). Section 10.3 of the DIP Credit Agreement shall apply to this Amendment and all Authorized Actions, except that it is understood and agreed that all Authorized Actions shall be deemed not to constitute gross negligence or willful misconduct.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Second Amendment as of the date first above written.

CHAMPION HOME BUILDERS CO.

By _____
Name:
Title:

CHAMPION ENTERPRISES, INC.

By _____
Name:
Title:

CHAMPION ENTERPRISES MANAGEMENT CO.

By _____
Name:
Title:

CHAMPION RETAIL, INC.

By _____
Name:
Title:

Signature Pages to Second Amendment to DIP Credit Agreement

HIGHLAND ACQUISITION CORP.

By _____
Name:
Title:

HIGHLAND MANUFACTURING COMPANY LLC

By _____
Name:
Title:

HOMES OF MERIT, INC.

By _____
Name:
Title:

NEW ERA BUILDING SYSTEMS, INC.

By _____
Name:
Title:

NORTH AMERICAN HOUSING CORP.

By _____
Name:
Title:

Signature Pages to Second Amendment to DIP Credit Agreement

REDMAN HOMES, INC.

By _____
Name:
Title:

SAN JOSE ADVANTAGE HOMES, INC.

By _____
Name:
Title:

STAR FLEET, INC.

By _____
Name:
Title:

WESTERN HOMES CORPORATION

By _____
Name:
Title:

Signature Pages to Second Amendment to DIP Credit Agreement

CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as
Administrative Agent

By _____
Name:
Title:

CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as a
Lender

By _____
Name:
Title:

Signature Pages to Second Amendment to DIP Credit Agreement

[INSERT NAME OF LENDER]

By _____

Name:

Title:

Signature Pages to Second Amendment to DIP Credit Agreement