

ZIX CORP
Form 8-K
September 19, 2006

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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):
September 19, 2006 (September 15, 2006)

ZIX CORPORATION
(Exact name of registrant as specified in its charter)

Texas

0-17995

75-2216818

**(State or other jurisdiction of
incorporation)**

(Commission File Number)

(IRS Employer Identification No.)

**2711 North Haskell Avenue
Suite 2200, LB 36
Dallas, Texas 75204-2960**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (214) 370-2000

Not Applicable

(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 3.01. Notice of delisting or failure to satisfy a continued listing rule or standard; transfer of listing.

On September 15, 2006, Zix Corporation (the Company) received a notice from the Listing Qualifications division of the Nasdaq Stock Market indicating that its common stock is subject to potential delisting from the Nasdaq National Market because, as of September 14, 2006, for 30 consecutive business days, the bid price of the Company's common stock was below \$1.00 per share, and therefore did not meet the requirement set forth in Nasdaq Marketplace Rule 4450(b)(4) (the Rule). The notice further stated that in accordance with Nasdaq Marketplace Rule 4450(e)(2), the Company will be provided a period of 180 calendar days, or until March 14, 2007, to regain compliance with the minimum \$1.00 bid price requirement. If the bid price of the Company's common stock closes at \$1.00 per share or more for a minimum of 10 consecutive business days (or such longer period of time as the Nasdaq staff may require in some circumstances, but generally not more than 20 consecutive business days) before March 14, 2007, the Company will achieve compliance with the Rule.

If the Company's common stock does not achieve compliance with the Rule by March 14, 2007, Nasdaq will provide written notification to the Company that its common stock will be delisted. At that time, the Company may appeal Nasdaq's determination to delist its common stock. Alternatively, the Company may elect to apply to transfer its common stock from the Nasdaq National Market, where it is currently listed, to the Nasdaq Capital Market if it satisfies all requirements, except for the bid price requirement, for initial inclusion in this market as set forth in Marketplace Rule 4310(c). If the application to transfer its common stock to the Nasdaq Capital Market is approved, the Company will be afforded an additional 180 calendar day period to regain compliance while listed on the Nasdaq Capital Market. The Company does not currently meet the requirements for initial inclusion in the Nasdaq Capital Market, so there is no assurance that this additional 180 calendar day period will be available for the Company to cure the bid price deficiency.

The Company plans to exercise diligent efforts to maintain the listing of its common stock on Nasdaq.

A copy of the Company's press release announcing this information is attached to this report as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

Exhibit No.	Description
99.1	Press Release, issued on September 19, 2006, relating to the receipt of a Nasdaq notification.

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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.

ZIX CORPORATION
(Registrant)

Date: September 19, 2006

By: /s/ Bradley C. Almond
Bradley C. Almond
Vice President, Chief Financial Officer and
Treasurer

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