

INTEGRITY MUTUAL FUNDS INC
 Form 4
 October 13, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 XPONENTIAL INC

2. Issuer Name and Ticker or Trading Symbol
 INTEGRITY MUTUAL FUNDS INC [IMFD.OB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 6400 ATLANTIC BOULEVARD,
 SUITE 190
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
 10/11/2006

____ Director
 ____ Officer (give title below)
 10% Owner
 ____ Other (specify below)

NORCROSS, GA 30071

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock				(A) or (D)	1,663,642	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Series A Convertible Preferred Stock	\$ 0.5					10/04/2006 ⁽¹⁾	⁽²⁾	Common Stock	3
6.5% Convertible Note Due 2016	\$ 0.5	10/11/2006		P	\$ 950,000	10/15/2009 ⁽⁴⁾	10/15/2016	Common Stock	1

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
XPONENTIAL INC 6400 ATLANTIC BOULEVARD, SUITE 190 NORCROSS, GA 30071			X	

Signatures

Dwayne A. Moyers
 10/12/2006
 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) PawnMart, Inc. has entered into a separate agreement with the issuer pursuant to which PawnMart has agreed that, on or before the earlier to occur of September 30, 2008 or a sale of the issuer, PawnMart will not convert such number of shares of preferred stock that, combined with PawnMart's and its affiliates' then holdings of common stock of the issuer, will cause PawnMart and its affiliates to own more than twenty-five percent (25%) of the outstanding common stock of the issuer.
- (2) The securities have no expiration date.
- (3) PawnMart, Inc, is a wholly-owned subsidiary of the reporting person.
- (4) The Note is voluntarily convertible, in whole or in part, by the reporting person at any time after October 14, 2009. The Note will automatically convert upon (i) a consolidation or merger of the Issuer with or into any other entity, or any other corporate reorganization in which the Issuer is not the surviving entity, or any transaction or series of related transactions by the Issuer in which in excess of 50% of the Issuer's voting power is transferred, or a sale of all substantially all of the assets of the Issuer; (ii) the closing of a firmly underwritten public offering pursuant to a registration statement filed by the Issuer under the Securities Act, with aggregate gross proceeds in excess of \$7,500,000 and at a price of not less than \$10.00 per share of common stock; or (iii) October 15, 2016.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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