

Edgar Filing: BION ENVIRONMENTAL TECHNOLOGIES INC - Form 8-K

BION ENVIRONMENTAL TECHNOLOGIES INC

Form 8-K

May 23, 2007

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C.

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 of 15(d) of the
Securities Exchange Act of 1934

May 21, 2007

Date of Report (date of earliest event reported)

BION ENVIRONMENTAL TECHNOLOGIES, INC.

Exact name of Registrant as Specified in its Charter

| | | |
|---|---------------------------|---------------------------------------|
| Colorado | 000-19333 | 84-1176672 |
| ----- | ----- | ----- |
| State or Other Jurisdiction of Incorporation | Commission File Number | IRS Employer Identification Number |

641 Lexington Avenue, 17th Floor, New York, NY 10022

Address of Principal Executive Offices, Including Zip Code

(212) 758-6622

Registrant's Telephone Number, Including Area Code

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 8.01 OTHER EVENTS

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On May 21, 2007, Bion Environmental Technologies, Inc. (the "Company") completed the execution of settlement documents with regard to a class action lawsuit in which it had been named as a defendant brought by TCMP3 Partners, LLP in the Court of Chancery in the State of Delaware, Case Number 170-VCP (the "TCMP Litigation"). Pursuant to that settlement, Bion, Bion Dairy Corporation and Mark Smith will pay \$165,000, through insurance, into a settlement fund. Other defendants will also pay \$405,000 to the settlement fund. The payments are due upon entry of a scheduling order by the Court for approval of the settlement. This settlement is subject to court approval of the settlement reached in the TCMP3 litigation as well as court approval of the settlement in the Comtech litigation described below.

As part of the settlement reached in the TCMP Litigation, Bion, its majority owned subsidiary Centerpoint Corporation ("Centerpoint"), and Bion's shareholders (as of January 15, 2002) ("Shareholder Class") filed an action against Comtech Group, Inc. (formerly known as Trident Rowan Group, Inc.), OAM S.p.A and others in the Court of Chancery in the State of Delaware, Case Number 2968-VCP (the "Comtech Litigation"), along with a stipulated settlement of the litigation. Pursuant to that settlement, Comtech Group and OAM will deliver to the Shareholder Class: a) 144,240 shares of Bion common stock; b) a warrant to purchase 100,000 shares of Bion's common stock, and c) 140,000 shares of the common stock of Centerpoint Corporation. Additionally, they will assign to Bion and Centerpoint all of their rights to any proceeds of an escrow established from the sale of Centerpoint's assets to Aprilia S.p.A. (the "Aprilia Escrow") and any proceeds from litigation related to the transaction with Aprilia. As part of the settlement, one of the other defendants will pay \$150,000 into a settlement fund, through insurance. Of this amount, Bion would receive \$85,000 and Centerpoint will receive \$20,000. This settlement is also subject to Court approval as well as approval of the settlement reached in the TCMP3 litigation.

A hearing date for approval of the above settlements has been set for August 7, 2007.

ITEM 9.01. Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired.

Not Applicable.

(b) Pro Forma Financial Information

Not Applicable.

(c) Shell Company Transactions

Not Applicable.

(d) Exhibits

None

SIGNATURE

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.

Bion Environmental Technologies, Inc.

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Date: May 23, 2007

By: /s/ Mark A. Smith
Mark A. Smith, President