

BIOSPECIFICS TECHNOLOGIES CORP

Form 8-K/A

September 19, 2006

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

**FORM 8-K/A
Amendment No. 1**

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 6, 2006)

BIOSPECIFICS TECHNOLOGIES CORP.
(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

0-19879
(Commission File No.)

11-3054851
(IRS Employer ID No.)

35 Wilbur Street
Lynbrook, NY 11563
(Address of Principal Executive Office) (Zip Code)

516.593.7000
(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 (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR.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))

Explanatory Note

On September 12, 2006, BioSpecifics Technologies Corp. (the “Company”) filed a Current Report on Form 8-K (the “Initial Filing”) to report certain executive compensation and bonus related corporate actions by the Board of Directors of the Company.

The purpose of this Amendment No. 1 to the Initial Filing is to clarify:

under the heading in the Initial Filing titled “*Confirmation of Executive Compensation and Bonuses*”:

- that the independent members of the Board of Directors voted on and confirmed Edwin Wegman’s and Thomas Wegman’s salaries for 2006, and the entire Board of Directors of the Company voted on and confirmed Lawrence Dobroff’s salary for 2006; and
- that the entire Board of Directors of the Company, and not only the independent members of the Board of Directors, voted on and approved the \$40,000 cash bonus awarded to Lawrence Dobroff;

under the heading in the Initial Filing titled “*Incentive Stock Option Grant*”:

- that the 100,000 incentive stock options granted to Thomas Wegman will vest in two installments if the Company achieves certain objectives set by the Board of Directors.

In addition, this Amendment No. 1 is filed to correct the following under the heading “*Independent Director Compensation*”:

- that prior to this action by the employee directors, the independent directors had not received regular compensation since 2002 for serving on the Company’s Board of Directors.

This Amendment No. 1 is also filed to provide a revised Exhibit 10.1 to the Initial Filing. Exhibit 10.1 in the Initial Filing inadvertently stated that a stock option grantee must send a signed copy of the Stock Option Grant Notice and Letter Agreement to the Treasurer of the Company and the Company does not have a Treasurer.

The Company hereby amends and restates the Initial Filing to read in its entirety as follows:

Item 1.01. Entry into a Material Definitive Agreement.

Transaction Related Bonuses

On September 6, 2006, the Board of Directors of BioSpecifics Technologies Corp. (the “Company”) granted, effective immediately, cash bonus and stock option bonus awards to certain executive officers of the Company, as specified below. The cash bonus and stock option bonus awards were awarded in recognition of their valued efforts in connection with the consummation of the sale of the Company’s topical business to DFB Biotech Inc. on March 6, 2006.

Bonus recipients	Title	Cash Bonus	Stock Options
Thomas L. Wegman	President	--	25,000
Lawrence Dobroff	Chief Financial Officer	\$25,000	15,000

Each of the above stock option bonus awards will vest immediately and permit each grantee to acquire shares of the Company's common stock at an exercise price of \$0.83 per share, the closing sales price of a share of common stock on the date of grant as determined under the terms of the Company's 2001 Stock Option Plan (the "2001 Plan").

The stock options grant awards were made pursuant to the terms of the 2001 Plan and the Company's form of stock option grant agreement. The form of stock option grant notice and agreement is filed as Exhibit 10.1 hereto.

Confirmation of Executive Compensation and Bonuses

On September 6, 2006, the existing salaries for 2006 for the executive officers of the Company were confirmed by, the Board of Directors of the Company with respect to Lawrence Dobroff's compensation, and by the independent members of the Board of Directors with respect to Edwin Wegman's and Thomas Wegman's compensation. The confirmed salaries of the executive officers of the Company for 2006 are as follows:

Executive Officer	Title	2006 Base Salary
Edwin H. Wegman	Chief Executive Officer	\$405,169
Thomas L. Wegman	President	\$250,000
Lawrence Dobroff	Chief Financial Officer	\$120,000

The Board of Directors also approved and authorized the payment to Mr. Lawrence Dobroff, the Chief Financial Officer of the Company, a cash bonus award of \$40,000 payable upon the achievement of certain objectives set by the Board of Directors.

The independent members of the Board of Directors had previously authorized the Company to transfer the title of the Company's used 1997 Cadillac Sedan, valued at \$4,550, to Mr. Edwin Wegman as additional compensation.

Independent Director Compensation

In addition, the employee directors on the Company's Board of Directors approved the following compensation for each of the independent members on the Board of Directors of the Company:

Component	Compensation	Terms
<i>Retainer</i>	\$10,000 yearly retainer	Payable - in arrears in December of each year commencing in December 2007
<i>Meeting Attendance Fee</i>	\$1,500 for each meeting of the board of directors attended in person	Effective - retroactively from January 1, 2006 Payable - upon attendance of meeting

	\$500 for each meeting of the board of directors attended telephonically	Effective - retroactively from January 1, 2006 Payable - upon attendance of meeting
<i>Stock Options</i>	15,000 non-qualified stock options per year	Vests - 1/12 per month during the applicable year Grant Date - September 6, 2006 Exercise Price - \$0.83

The non-qualified stock option grants were made pursuant to the terms of the 2001 Plan and the Company's form of non-qualified stock option grant agreement. The form of non-qualified stock option grant notice and agreement is filed as Exhibit 10.1 hereto. Prior to this action by the employee directors, the independent directors had not received regular compensation since 2002 for serving on the Company's Board of Directors.

Incentive Stock Option Grant

As an incentive for attaining certain goals for the Company, on September 6, 2006, the independent members of the Board of Directors also granted Mr. Thomas L. Wegman, the President of the Company, incentive stock options to acquire 100,000 shares of common stock of the Company at an exercise price equal to \$0.83, the closing sales price of the Company's common stock on September 6, 2006, under the terms of the 2001 Plan. The options will vest in two installments if the Company achieves certain objectives set by the Board of Directors. The incentive stock award will be made pursuant to the form of grant notice and agreement described above and attached as Exhibit 10.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

E x h i b i t Description of Exhibit Number

10.1	Form of Stock Option Notice and Letter Agreement under the 2001 Stock Option Plan
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: September 19, 2006

BIOSPECIFICS TECHNOLOGIES CORP.

(Registrant)

/s/ Thomas L. Wegman

Thomas L. Wegman
President

EXHIBIT INDEX

<u>Number</u>	<u>Description</u>
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