

APPLIED DNA SCIENCES INC
Form 8-K
October 27, 2008

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): October 21, 2008

Applied DNA Sciences, Inc
(Exact Name of Registrant as Specified in Charter)

Nevada
(State or Other Jurisdiction
of Incorporation)

002-90539
(Commission File Number)

59-2262718
(IRS Employer
Identification No.)

25 Health Sciences Drive, Suite 113
Stony Brook, New York 11790
(Address of Principal Executive Offices) (Zip Code)

631-444- 8090
(Registrant's telephone number, including area code)

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 (see General Instruction A.2 below):

- 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)

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- “ 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 2.03 Creation of a Direct Financial Obligation.

Item 3.02 Unregistered Sales of Equity Securities.

On October 21, 2008, we issued and sold a \$500,000 principal amount secured promissory note bearing interest at a rate of 10% per annum and a warrant to purchase 1,000,000 shares of our common stock to James A. Hayward, our Chairman, President, Chief Executive Officer and a director.

The promissory note and accrued but unpaid interest thereon are convertible into shares of our common stock at a price of \$0.50 per share by the holder of the promissory note at any time from October 21, 2008, through October 20, 2009, and shall automatically convert on October 21, 2009 at a conversion price of \$0.026171520 per share, which is equal to a 30% discount to the average volume, weighted average price of our common stock for the ten trading days prior to issuance. At any time prior to conversion, we have the right to prepay the promissory note and accrued but unpaid interest thereon upon 3 days prior written notice (during which period the holder can elect to convert the note). Until the principal and interest under the promissory note is paid in full, or converted into our common stock, the promissory note will be secured by a security interest in all of our assets.

The warrant is exercisable for a four-year period commencing on October 21, 2009, and expiring on October 20, 2013, at a price of \$0.50 per share. The warrant may be redeemed at our option at a redemption price of \$0.01 upon the earlier of (i) October 20, 2011, and (ii) the date our common stock has traded on The Over the Counter Bulletin Board at or above \$1.00 per share for 20 consecutive trading days.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit 10.1 Form of 10% Secured Convertible Promissory Note of Applied DNA Sciences, Inc., previously filed as Exhibit 10.2 to our Current Report on Form 8-K on October 11, 2007 and incorporated herein by reference.

Exhibit 10.2 Form of Warrant Agreement of Applied DNA Sciences, Inc., previously filed as Exhibit 10.3 to our Current Report on Form 8-K on October 11, 2007 and incorporated herein by reference.

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.

Applied DNA Sciences, Inc.
(Registrant)

By: /s/ James A. Hayward
James A. Hayward
Chief Executive Officer

Date: October 27, 2008