

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

DYADIC INTERNATIONAL INC

Form: 8-K

Date Filed: 2008-06-05

Corporate Issuer CIK: 1213809

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): **May 30, 2008**

Dyadic International, Inc.

(Exact name of registrant as specified in its charter)



Delaware

(State or other jurisdiction of incorporation)

333-102629

(Commission File Number)

45-0486747

(IRS Employer Identification No.)

140 Intracoastal Pointe Drive, Suite 404

Jupiter, Florida 33477

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(561) 743-8333**

(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)
 - 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 30, 2008, Dyadic International, Inc. (the "Company") received notice from all of its executive officers and certain key employees of their resignation from the Company effective June 20, 2008 upon the earlier to occur of the election of directors at the Company's annual stockholders meeting and 3:00 p.m. on such date (the "Effective Time"). In this regard, (i) Wayne Moor, Chief Executive Officer, President and a member of the Company's Board of Directors and Executive Committee of the Board, tendered his written resignation to become effective at the Effective Time, and (ii) Lisa De La Pointe, Chief Financial Officer and Executive Vice President, Alexander (Sasha) Bondar, Chief Business Officer and Executive Vice President, Kent M. Sproat, Executive Vice President, Manufacturing, Daniel Michalopoulos, Senior Vice President, Research and Development, and Charles W. Kling IV, Senior Vice President, Sales and Marketing (collectively, the "Senior Managers") provided written notice of their resignations from the Company effective at the Effective Time. All of such persons have indicated their commitment to continue to work for the Company, and to assist in facilitating a smooth and orderly transition, through the Effective Time. In connection with their resignations, the Senior Managers all cited Mark A. Emalfarb's return to (and anticipated re-employment by) the Company as their reason for resigning, and allege that they have been constructively terminated without cause and thus are entitled to certain severance and other payments under their employment agreements. On June 5, 2008, the Company's outside counsel sent a letter to the Senior Managers' counsel responding to the resignation letters submitted by the Senior Managers and, among other things, disputing the Senior Managers' claim of constructive termination.

Copies of the above referenced resignation notices submitted by Wayne Moor and the Senior Managers are attached hereto as Exhibits 99.2 and 99.3, respectively, and are incorporated by reference herein. A copy of the Company's response letter (from the Company's outside counsel) regarding the resignation letters submitted by the Senior Managers is attached hereto as Exhibit 99.4 and is incorporated by reference herein. The foregoing description of the resignations and the Company's response letter is a summary only, does not purport to be complete and is qualified in its entirety by reference to the complete text of the referenced exhibits.

Item 8.01 Other Events.

See Item 5.02 above. On June 5, 2008, the Company issued a press release regarding the matters described in this Current Report on Form 8-K. The complete text of the press release is attached hereto as Exhibit 99.1.

As previously disclosed in a Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission (the "SEC") on May 13, 2008, the Company is no longer required to file reports (including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K) with the SEC for at least the remainder of the fiscal year ending December 31, 2008 and until such time (if ever) that the Company has 300 or more holders of record of its common stock at the beginning of any fiscal year in the future. Notwithstanding the foregoing, the Company currently intends to continue, when and if it deems appropriate – through the filing of Form 8-K Current Reports and/or the issuance of press releases – to inform its stockholders of the occurrence of events that the Company deems to be important to its stockholders.

Item 9.01. Financial Statements and Exhibits.

(c) The following exhibits are filed with this report:

Exhibit Number	Description of Exhibit
99.1	Press Release of Dyadic International, Inc. dated June 5, 2008
99.2	Email of Wayne Moor dated May 29, 2008 and Resignation Letter of Wayne Moor dated June 20, 2008
99.3	Resignation Letters dated June 2, 2008 of Lisa De La Pointe, Alexander (Sasha) Bondar, Kent M. Sproat, Daniel Michalopoulos and Charles W. Kling IV
99.4	Letter from Dyadic International, Inc.'s outside counsel to the Senior Managers' counsel dated June 5, 2008 regarding the Resignations Submitted by Dyadic's Senior Managers

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.

DYADIC INTERNATIONAL, INC.

Date: June 5, 2008

By: /s/ Lisa De La Pointe

Name: Lisa De La Pointe

Title: Executive Vice President and Chief Financial Officer

Index to Exhibits

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99.4	Letter from Dyadic International, Inc.'s outside counsel to the Senior Managers' counsel dated June 5, 2008 regarding the Resignations Submitted by Dyadic's Senior Managers

Dyadic's Executive Officers and Key Employees Announce Their Resignation

JUPITER, Fla. – June 5, 2008 – Dyadic International, Inc. (the "Company") announced today that, on May 30, 2008, the Company received notice from all of its executive officers and certain key employees of their resignation from the Company effective June 20, 2008 upon the earlier to occur of the election of directors at the Company's annual stockholders meeting and 3:00 p.m. on such date (the "Effective Time"). In this regard, (i) Wayne Moor, Chief Executive Officer, President and a member of the Company's Board of Directors and Executive Committee of the Board, tendered his written resignation to become effective at the Effective Time, and (ii) Lisa De La Pointe, Chief Financial Officer and Executive Vice President, Alexander (Sasha) Bondar, Chief Business Officer and Executive Vice President, Kent M. Sproat, Executive Vice President, Manufacturing, Daniel Michalopoulos, Senior Vice President, Research and Development, and Charles W. Kling IV, Senior Vice President, Sales and Marketing (collectively, the "Senior Managers") provided written notice of their resignations from the Company effective at the Effective Time. All of such persons have indicated their commitment to continue to work for the Company, and to assist in facilitating a smooth and orderly transition, through the Effective Time.

In connection with their resignations, the Senior Managers all cited Mark A. Emalfarb's return to (and anticipated re-employment by) the Company as their reason for resigning, and allege that they have been constructively terminated without cause and thus are entitled to certain severance and other payments under their employment agreements. On June 5, 2008, the Company's outside counsel sent a letter to the Senior Managers' counsel responding to the resignation letters submitted by the Senior Managers and, among other things, disputing the Senior Managers' claim of constructive termination.

On June 5, 2008, the Company filed with the Securities and Exchange Commission (the "SEC") a Current Report on Form 8-K, which includes copies of the above referenced resignation notices submitted by Wayne Moor and the Senior Managers, as well as a copy of the Company's response letter (from the Company's outside counsel) regarding the resignation letters submitted by the Senior Managers.

As previously disclosed in a Current Report on Form 8-K filed by the Company with the SEC on May 13, 2008, the Company is no longer required to file reports (including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K) with the SEC for at least the remainder of the fiscal year ending December 31, 2008 and until such time (if ever) that the Company has 300 or more holders of record of its common stock at the beginning of any fiscal year in the future. Notwithstanding the foregoing, the Company currently intends to continue, when and if it deems appropriate – through the filing of Form 8-K Current Reports and/or the issuance of press releases – to inform its stockholders of the occurrence of events that the Company deems to be important to its stockholders.

About Dyadic

Dyadic International, Inc. is a biotechnology company that uses its patented and proprietary technologies to conduct research and development activities for the discovery, development, and manufacture of products and enabling solutions to the bioenergy, industrial enzyme and pharmaceutical industries.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements contained in this press release are "forward-looking statements." These forward-looking statements involve risks and uncertainties that could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. For a discussion of these risks and uncertainties, please see the Company's filings from time to time with the Securities and Exchange Commission, which are available free of charge on the SEC's web site at <http://www.sec.gov>, including the Company's Annual Report on Form 10-KSB for the year ended December 31, 2006, and the Company's subsequent filings with the SEC. Except as required by law, the Company expressly disclaims any intent or obligation to update any forward-looking statements.

Contact:

Neil Berkman
Berkman Associates
Investor Relations Counsel to Dyadic International, Inc., 310-826-5051
info@berkmanassociates.com

Exhibit 99.2

From: Wayne Moor
Sent: Thursday, May 29, 2008 3:28 PM
To: Wendell Adair
Subject: FW: Letter

Wendell,

The attached resignation letter is being delivered to you in escrow to be released to the Board of Directors of Dyadic on the "Director Election Date" as defined therein.

Wayne Moor

June 20, 2008

I, Wayne Moor, hereby tender my resignation as a director, officer, and employee of Dyadic International, Inc. and each of its subsidiaries and affiliates, and as a trustee or other fiduciary of any plan sponsored by the Company, effective upon the election of the Class III and Class I directors of the Company, currently scheduled for June 20, 2008 (the 'Director Election Date') but in no event later than 3pm Miami time on the Director Election Date.

/s/ Wayne Moor
Wayne Moor

Lisa De La Pointe

June 2, 2008

Wayne Moor, President and CEO
Dyadic International (USA), Inc.
Via Hand Delivery

This letter shall serve as my notice of resignation from the Company effective June 20, 2008 on the occurrence of the earlier of 3:00 p.m. or the election of the Class I and Class III directors. June 20 was chosen to enable a smooth transition, provided the Company can give assurances that it will prepay my salary for the week of June 16 in the paycheck payable on June 13, 2008, including all severance payments, PTO, salary due until final date of employment, unpaid expense account monies due, commissions, bonuses and all other properly owing payments. If the Company cannot provide these assurances, then my prior notice, giving the effective date of June 13, remains operative.

While not exhaustive, the primary reasons for the constructive termination are:

1. The pending re-employment of Mark Emalfarb by the Company. Moreover, the board has, in effect, appointed Mr. Emalfarb as de facto CEO prior to the June 20, 2008 shareholders meeting by permitting his direct access to, and involvement with, rank and file employees, customers, and contractors without the involvement of current management. Mr. Emalfarb's prior conduct was well-documented by the independent investigation of Moscowitz & Moscowitz. His conduct was so egregious that he was terminated for cause under the terms of his employment agreement with the Company. During the course of the investigation, Moscowitz found that he was dishonest in his responses and blamed others, including current members of management, where the blame clearly rested with him.

As a direct result of Mr. Emalfarb's conduct, the SEC is conducting an investigation into whether or not the Company and/or its employees committed securities fraud. While the SEC may not have stated its intent, the focus is clear.

The Moscowitz report concluded that Mr. Emalfarb defrauded the company and its shareholders. I cannot work with him, knowing that I could be the scapegoat for his next potential illicit adventure. I cannot destroy my reputation in the industry and this community because of my affiliation with a company that has an acknowledged fraudfeasor at the helm.

2. I am aware of another investigation conducted by the Company into Mr. Emalfarb's activities. I have also seen files which contain data that would have resulted in the termination, for cause, of any other Company employee with no chance for rehire. The board is doing little to nothing to protect the Company and its employees from Mr. Emalfarb, any one of whom could become a victim of what appear to be immoral, if not illicit or illegal, activities.

I believe that his presence in the Company will create a hostile work environment, making it impossible for me and my subordinates to effectively discharge our respective work obligations. I am aware that Mr. Emalfarb has blamed others and denied any involvement with any illicit activities in the face of overwhelming volumes of data contained in the Company's computer files. I am concerned that, upon his return, he will attempt to either build a case against me, contrive a reason to terminate me for being aware of his indiscretions, or cause me to be an unwitting participant in future indiscretions.

Mr. Emalfarb's return to Company management is a public statement that his improper behavior is acceptable to the Company, even though Company policy and common decency dictate that it should not be. The Company has an obligation to protect its employees from a person like Mr. Emalfarb, not force him upon them.

For these reasons, I feel that the Company has created conditions where I can no longer work without fear of reprisal, danger to my reputation, or exposure to future personal liabilities through no fault of my own.

Because this is a termination without cause, I am entitled to my severance payment, PTO, salary due until final date of employment, unpaid expense account monies due, commissions, bonuses and all other properly owing payments. All such payments should be sent to my home address as indicated in my personnel file.

Very truly yours,

/s/ Lisa De La Pointe

Lisa De La Pointe

cc: Executive Committee
David Trench

June 2, 2008

Wayne Moor, President and CEO
Dyadic International (USA), Inc.
Via Hand Delivery

This letter shall serve as my notice of resignation from the Company effective June 20, 2008 on the occurrence of the earlier of 3:00 p.m. or the election of the Class I and Class III directors. June 20 was chosen to enable a smooth transition, provided the Company can give assurances that it will prepay my salary for the week of June 16 in the paycheck payable on June 13, 2008, including all severance payments, PTO, salary due until final date of employment, unpaid expense account monies due, commissions, bonuses and all other properly owing payments. If the Company cannot provide these assurances, then my prior notice, giving the effective date of June 13, remains operative.

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I believe that his presence in the Company will create a hostile work environment, making it impossible for me and my subordinates to effectively discharge our respective work obligations. I am aware that Mr. Emalfarb has blamed others and denied any involvement with any illicit activities in the face of overwhelming volumes of data contained in the Company's computer files. I am concerned that, upon his return, he will attempt to either build a case against me, contrive a reason to terminate me for being aware of his indiscretions, or cause me to be an unwitting participant in future indiscretions.

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For these reasons, I feel that the Company has created conditions where I can no longer work without fear of reprisal, danger to my reputation, or exposure to future personal liabilities through no fault of my own.

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Very truly yours,

/s/ Alexander Bondar

Alexander (Sasha) Bondar

cc: Executive Committee
David Trench

June 2, 2008

Wayne Moor, President and CEO
Dyadic International (USA), Inc.
Via Hand Delivery

This letter shall serve as my notice of resignation from the Company effective June 20, 2008 on the occurrence of the earlier of 3:00 p.m. or the election of the Class I and Class III directors. June 20 was chosen to enable a smooth transition, provided the Company can give assurances that it will prepay my salary for the week of June 16 in the paycheck payable on June 13, 2008, including all severance payments, PTO, salary due until final date of employment, unpaid expense account monies due, commissions, bonuses and all other properly owing payments. If the Company cannot provide these assurances, then my prior notice, giving the effective date of June 13, remains operative.

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Very truly yours,

/s/ Kent Sproat

Kent Sproat

cc: Executive Committee
David Trench

June 2, 2008

Wayne Moor, President and CEO
Dyadic International (USA), Inc.
Via Hand Delivery

This letter shall serve as my notice of resignation from the Company effective June 20, 2008 on the occurrence of the earlier of 3:00 p.m. or the election of the Class I and Class III directors. June 20 was chosen to enable a smooth transition, provided the Company can give assurances that it will prepay my salary for the week of June 16 in the paycheck payable on June 13, 2008, including all severance payments, PTO, salary due until final date of employment, unpaid expense account monies due, commissions, bonuses and all other properly owing payments. If the Company cannot provide these assurances, then my prior notice, giving the effective date of June 13, remains operative.

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Very truly yours,

/s/ Daniel Michalopoulos

Daniel Michalopoulos

cc: Executive Committee
David Trench

June 2, 2008

Wayne Moor, President and CEO
Dyadic International (USA), Inc.
Via Hand Delivery

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Very truly yours,

/s/ Charles W. Kling IV

C.W. (Bill) Kling IV

cc: Executive Committee
David Trench

David W. Trench, Esq.

Tel 305.350.2359

Fax 305.351.2261

dtrench@bilzin.com

June 5, 2008

BY E-MAIL

Mark S. Dobin, Esq.
Dobin & Jenks, LLP
120 Intracoastal Pointe Drive
Suite 100
Jupiter, FL 33477

Re: **Resignations Submitted by Dyadic's Senior Managers**

Dear Mark:

As you know, we are primary outside counsel to Dyadic International, Inc. ("Dyadic" or the "Company"). The Company is in receipt of five substantially identical letters of resignation (the "Resignation Letters") delivered by your clients, Lisa De La Pointe, Sasha Bondar, Daniel Michalopoulos, Kent Sproat, and Bill Kling, all of whom are members of senior management of the Company (the "Senior Managers"), dated June 2, 2008. I understand that these letters replace and supersede the letters of resignation you sent to me on May 30, 2008 on behalf of the Senior Managers.

Each Senior Manager's Resignation Letter states that he or she will resign from the Company, effective June 20, 2008, if the Company provides certain assurances to the Senior Manager and that, if the Company cannot provide those assurances, then the resignations will be effective June 13, 2008. In order to obtain clarification about the Senior Managers' status for the critical period between today and June 20th, Dyadic is willing to provide some, but not all, of the assurances the Senior Managers seek. Specifically, if the Senior Managers agree to continue to perform their day-to-day job responsibilities at the Company and to use reasonable efforts to assist with a smooth and orderly transition to new management, then on June 13, 2008 Dyadic will pay the Senior Managers' salaries for and through the week of June 16th, unused PTO in accordance with the Company's current vacation/PTO policy and any unpaid expense account monies due. This payment is without prejudice to the Company's rights and each Senior Manager's obligations under their employment agreements or otherwise concerning any obligation to pay severance. I am unaware of any earned and unpaid commissions, bonuses or other properly owing payments due. If you believe there are any, please tell me and I will discuss this with the Company.

Dyadic will not be making any severance payments as requested in the Resignation Letters, as no such payments are properly due. While Dyadic recognizes the Senior Managers' argument that they have been constructively terminated without cause from their positions at the Company, Dyadic emphatically disputes that the Senior Managers have been or will be constructively terminated prior to the annual stockholders meeting scheduled to be held on June 20, 2008.

As you know, Mr. Emalfarb was terminated "for cause" as an officer of the Company in September 2007, and has not been reinstated in any officer or supervisory capacity. Since that date, the Executive Committee of Dyadic's Board of Directors has taken substantial steps in an effort to ensure that Mr. Emalfarb does not act in any capacity as an officer or employee of the Company. While the Executive Committee recently allowed Mr. Emalfarb to assist with its Strategic Value Maximization Process – because it deemed his participation and assistance to be in the best interest of Dyadic and its stockholders – Dyadic has not appointed Mr. Emalfarb as a "de facto CEO" or officer. In fact, the Executive Committee has taken great pains to make clear that Mr. Emalfarb does not have access to employees who are not willing to meet with him. Since it became clear that Mr. Emalfarb acquired irrevocable proxies for over 50% of Dyadic's voting stock enabling him effectively to control the outcome of the director elections at the annual stockholders' meeting on June 20, 2008, the Executive Committee has also worked with Mr. Emalfarb in an effort to facilitate an orderly transition; the Executive Committee, however, has not given Mr. Emalfarb unfettered access to Dyadic's offices or other facilities. Although the Executive Committee understands that Mr. Emalfarb visited Dyadic's Jupiter lab unannounced and without permission and spoke to certain employees there, Mr. Emalfarb was promptly advised that this was inappropriate and that any further visits to Dyadic facilities, without prior notice and permission, would not be tolerated.

If there are future events, the occurrence of which your clients desire to argue will result in their constructive termination, they will not occur before the election of the slate of directors Mr. Emalfarb has nominated and the resulting changes in the composition of the board of directors of Dyadic. Therefore, to the extent you believe your clients are entitled to any severance payments (under their employment agreements or otherwise), Dyadic submits that this is a matter for you and your clients to take up with the Board of Directors following June 20th.

Please confirm to me in writing by 2 p.m. today, that each of the Senior Managers will continue to work at Dyadic and assist with the transition, as outlined above. Please feel free to contact me to discuss any of these issues further.

Sincerely,

/s/ David W. Trench

David W. Trench

cc: Executive Committee of the Board of Directors,
Dyadic International, Inc.



