

BIO IMAGING TECHNOLOGIES INC
Form 8-K
November 14, 2005

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): November 9, 2005

Bio-Imaging Technologies, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-11182
(Commission File Number)

11-2872047
(IRS Employer Identification No.)

826 Newtown-Yardley Road, Newtown, PA
(Address of Principal Executive Offices)

18940
(Zip Code)

(267) 757-3000

(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 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)).
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Item 1.01. Entry into a Material Definitive Agreement.

On November 9, 2005, the Compensation Committee of the Board of Directors of Bio-Imaging Technologies, Inc. (the Company) recommended, and the Company's Board of Directors approved, the acceleration of vesting of all out-of-the-money unvested options to purchase shares of common stock of the Company with an exercise price greater than \$7.00 held by current employees and executive officers of the Company (but excluding any options granted to members of the Company's Board of Directors). These options were previously awarded to employees of the Company on February 4, 2004, pursuant to the 2002 Stock Incentive Plan, and would still have been unvested at January 1, 2006. Options to purchase 107,691 shares of common stock are subject to this acceleration. The exercise price per share for these options was \$7.03, while the closing price per share on November 9, 2005 was \$2.25.

The following table summarizes the options subject to acceleration:

| | Aggregate Number of Shares Issuable Under Accelerated Options | Exercise Price Per Share | Date of Grant |
|--|--|-------------------------------------|----------------------|
| Employees as a group (other than executive officers) | 69,722 | \$ 7.03 | February 4, 2004 |
| Executive officers as a group | 37,969 | \$ 7.03 | February 4, 2004 |

The acceleration of vesting of these out-of-the money options is being undertaken primarily to eliminate any future compensation expense the Company would otherwise recognize in its income statement with respect to these options with the implementation of the Financial Accounting Standard Board (FASB) statement Share-Based Payment (FAS 123R) effective for the Company on January 1, 2006. We estimate this compensation expense, before tax, would be approximately \$402,763 in aggregate future expenses based on value calculations using the Black-Scholes methodology.

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.

BIO-IMAGING TECHNOLOGIES, INC.

Dated: November 14, 2005

By: /s/ MARK L. WEINSTEIN
Name: **Mark L. Weinstein**
Title: **President and Chief Executive Officer**