

Edgar Filing: XSUNX INC - Form 8-K

XSUNX INC
Form 8-K
October 17, 2005

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: October 13, 2005

XSUNX, INC.

(Exact name of registrant as specified in its charter)

Colorado ----- (State or other jurisdiction of incorporation)	000-29621 ----- (Commission File Number)	84-1384159 ----- (IRS Employer Identification No.)
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65 Enterprise, Aliso Viejo, CA 92656

(New address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (949) 330-8060

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))

Section 1 - Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement

XsunX, Inc. has increased its patent and technology assets by acquiring an

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expanded use license effective October 12, 2005 in and to the suite of patents and technologies previously licensed from MVSystems, Inc. The purpose and intent of the expanded licenses is to allow the company to expand its development efforts to include development of a nano-crystalline opaque high performance solar cell employing U.S. Patent Application 60/536,151 - three terminal and four terminal solar cells, solar cell panels, and methods of manufacture, a patent application previously made by MVSystems, Inc. with the USPTO.

The company has determined that the above referenced patent and proposed 3 and 4 terminal solar cell device represents a viable opportunity for the company to leverage the development and use of its transparent solar device technologies with a second opaque device consisting of a nano-crystalline structure thereby creating a 4 terminal flexible, light weight, high performance device for applications that do not require transparency.

The company is preparing to launching a phase 4 development program to develop the nano crystalline 4 terminal device concurrently with its efforts to complete development of its Power Glass technology. The company anticipates that the successful completion of this project would provide the company with marketable technologies for transparent and opaque applications.

As part of the expanded use license the company also secured manufacturing agreements with MVSystems providing fixed costs for the manufacture of commercial process lines for these technologies.

In exchange for the expanded use license the company granted MVSystems, Inc. seven million warrants exercisable at \$.25 cents each within five years from the date of grant under the following vesting provisions:

- (i) 1,000,000 shares upon the effective date of the agreement between the parties.
- (ii) 1,000,000 shares upon the satisfactory completion, as reasonably determined by the XsunX Board of Directors, of the phase 4 development plan.
- (iii) Upon the satisfactory completion of phase 4 then 5,000,000 shares will become exercisable upon the date of first licensure of the 4 terminal technology to a third party in a bonafide arms-length commercial setting or relationship.

Item 1.02 Termination of a Material Definitive Agreement

None

Item 1.03 Bankruptcy or Receivership

None

Section 2 - Financial Information

Item 2.01 Completion of Acquisition or Disposition of Assets

None

Item 2.02 Results of Operations and Financial Condition

None

Item 2.03 Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant

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None

Item 2.04 Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation Under and Off-Balance Sheet Arrangement

None

Item 2.05 Costs Associated with Exit or Disposal Activities

None

Item 2.06 Material Impairments

None

Section 3 - Securities Trading Markets

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing

None

Item 3.02 - Unregistered Sales of Equity Securities

None

Item 3.03 Material Modification to Rights of Security Holders

None

Section 4 - Matters Related to Accountants and Financial Statements

Item 4.01 Changes in Registrant's Certifying Account

None

Item 4.02 Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review

None.

Section 5 - Corporate Governance and Management

Item 5.01 Changes in Control of Registrant

None

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

None

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year

None

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Item 5.04 Temporary Suspension of Trading Under Registrant's Employee Benefit Plans

None

Item 5.05 Amendments to the Registrant's Code of Ethics, or Waiver of a Provision of the Code of Ethics.

Section 6 - [Reserved]

Section 7 - Regulation FD

Item 7.01 Regulation FD Disclosure

None

Section 8 - Other Events

Item 8.01 Other Events

None

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

None

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 thereunto duly authorized.

Date: October 17, 2005

XSUNX, INC.

By: /s/ Tom Djokovich

Tom Djokovich, CEO/President