

NUTRACEA
Form 8-K
February 07, 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): January 31, 2008

NUTRACEA
(Exact Name of Registrant as Specified in Charter)

California
(State or other jurisdiction
of incorporation)

0-32565
(Commission File Number)

87-0673375
(IRS Employer
Identification No.)

5090 N. 40th Street, Suite 400
Phoenix, AZ
(Address of Principal Executive Offices)

85018
(Zip Code)

Registrant's telephone number, including area code: (602) 522-3000

(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)

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- “ 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 Agreement.

On January 31, 2008, NutraCea entered into a Quotas Purchase and Sale Agreement (“Purchase Agreement”) with the Quota Holders (“Sellers”) of Irgovel - Industria Riograndens De Oleos Vegetais Ltda., a limited liability company organized under the laws of the Federative Republic of Brazil (“Irgovel”). Irgovel, located in Brazil, owns and operates a rice bran oil processing facility in South America.

Pursuant to the Purchase Agreement, NutraCea will purchase all Quotas held by Sellers, constituting the entire capital structure of Irgovel, for U.S. \$14,080,000 (“Purchase Price”). NutraCea will deposit U.S. \$2,022,817 of the Purchase Price into an escrow account to be used as collateral for specific potential contingent liabilities of Irgovel. The transaction is scheduled to close on February 18, 2008 (“Closing Date”).

The Purchase Agreement contains customary representations and warranties of the parties, covenants, closing conditions, and further provides that, upon failure of Sellers to close the transaction by the Closing Date, for any reason, NutraCea will be entitled to specific non-compliance indemnification in the amount of US \$1,000,000.

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.

NUTRACEA

Date: February 7, 2008

By: /s/ Brad Edson

Brad Edson
Chief Executive Officer
(Duly Authorized Officer)
