

YEW BIO-PHARM GROUP, INC.

FORM 8-K

(Current report filing)

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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): April 20, 2015

Yew Bio-Pharm Group, Inc.

(Exact name of registrant as specified in its charter)

Nevada

(State or other Jurisdiction
of Incorporation)

000-54701

(Commission File Number)

26-1579105

(IRS Employer
Identification No.)

**9460 Telstar Avenue, Suite 6
El Monte, California**

(Address of Principal Executive Offices)

91731

(Zip Code)

Registrant's telephone number, including area code: **(626)-401-9588**

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:

- 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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SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Information included in this Form 8-K may contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This information may involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of Yew Bio-Pharm Group, Inc. (herein referred to as the "Company" or "Registrant"), to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe the Company's future plans, strategies and expectations, are generally identifiable by use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are based on assumptions that may be incorrect, and there can be no assurance that any projections or other expectations included in any forward-looking statements will come to pass. The Company's actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. Except as required by applicable laws, the Company undertakes no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

Section 1- Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

On April 20, 2015, Harbin Yew Science and Technology Development Co., Ltd., a wholly-owned subsidiary of the Registrant ("HDS") entered into The Tripartite Joint Planting Auricularia Auricula Contract (the "Agreement") with Harbin Wuchang Xinlin Forestry Co., Ltd. ("Wuchang") and 15 Farmer Households (the "Farmers"). In accordance with the Agreement, HDS will provide advance funding of \$1,630,000 (the "Advance Funds") to be used for the purchase of raw materials for the project; Wuchang will provide the land for the project which includes the clearing of forest residue to be used as the foundation of Auricularia Auricula plantation and management and the Farmers will provide the plantation equipment, daily management, harvesting as well as labor salaries and other direct expenses. HDS is also responsible for the supervision of Wuchang and the Farmers as well as selling of the Auricularia Auricula at market prices and bookkeeping and accounting for the costs and profits.

After HDS recovers its Advance Funds from the selling of Auricularia Auricula, the remaining profits will be allocated 50% to HDS, 40% to Wuchang and 10% to the Farmers.

Auricularia Auricula, known as jelly ear or wood ear mushroom is a species of edible Auriculariales fungus found worldwide, and especially in China. The fruiting body is distinguished by its noticeably ear-like shape and brown coloration; it grows upon wood, especially elder. The fungus is very popular in many Chinese dishes and is also used in Chinese medicine. Modern medical research has variously concluded that the fungus has antitumor, hypoglycemic, anticoagulant and cholesterol-lowering properties.

A copy of the Agreement is attached to this Report as Exhibit 10.1

Section 2- Financial Information

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off Balance Sheet Arrangement of a Registrant.

On April 23, 2015, HDS executed a Loan Contract (the "Loan") in favor of Bank of Communications ("BOCOM") Harbin Rongtong Branch in the amount of RMB 10,000,000 (approx. \$1,630,000) payable on April 22, 2016. The Loan carries an interest rate of 6.955% per annum and is payable quarterly on the 20th of the last month of the quarter. The proceeds of the Loan will be used by HDS to implement its obligations under the Agreement, which is more fully described in Item 1.01 herein above. Mr. Wang, the CEO and principal stockholder of the Company, collateralized his personal assets with BOCOM Harbin Rongtong Branch to secure the Loan.

Item 7.01 Regulation FD Disclosure

On May 11, 2015, the Company issued a press release announcing that Harbin Yew Science and Technology Development Co., Ltd., a wholly-owned subsidiary of the Company (“HDS”) entered into the Tripartite Joint Planting Auricularia Auricula Contract (the “Agreement”) with Harbin Wuchang Xinlin Forestry Co., Ltd. (“Wuchang”) and 15 Farmer Households (the “Farmers”) to joint develop a project involving the growing, harvesting, selling Auricularia Auricula products (Commonly known as the Wood Ear Mushroom). To ensure the successful execution of the project, Mr. Zhiguo Wang, the CEO and principal stockholder of the Company, collateralized his personal assets with Bank of Communications (“BOCOM”) Harbin Rongtong Branch to secure a loan of \$1,630,000 to fund the project.

A copy of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

This disclosure does not constitute an offer to sell, or the solicitation to buy, any such security.

Item 9.01 Financial Statements and Exhibits.

Exhibit Number	Description
10.1	The Tripartite Joint Planting Auricularia Auricula Contract dated April 20, 2015, between the Harbin Yew Science and Technology Development Co., Ltd. And Wuchang Xinlin Forestry Co., Ltd. And 15 Farmer Households.
99.1	Press release, dated May 11, 2015 of Yew Bio-Pharm Group, Inc.

Signature(s)

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.

Yew Bio-Pharm Group, Inc.

Date: May 11, 2015

By: /s/ Zhiguo Wang

Zhiguo Wang

President & Chief Executive Officer

The Tripartite Joint Planting Auricularia Auricula Contract

Party A: Harbin Yew Science and Technology Development Co., Ltd.

Party B: Wuchang Xinlin Forestry Co., Ltd.

Party C: 15 Farmer Households (Yuanlin Guo, Fei Wang, Hui Geng, Peibao Liu, Lizhi Sun, Zhimin Wang, Yan Wang, Jixiang Wang, Cai Wang, Mingjun Cui, Lianchun Ma, Chunping Wang, Yuxin Yin, Fengxia Ji, Dongshui Ji)

In accordance with the provisions of "Contract Law of People's Republic of China" and other relevant laws and administrative regulations, follow by the principles of equality, voluntary, fairness and honesty, and to clarify the rights and obligations of Party A, B and C, we have signed this contract so that all the parties abide by the provisions set below.

I. Project Overview

1. Planting Location: Weihe Qingshan Forestry Center.
2. Cooperation Term: From April 20, 2015 to December 31, 2015
3. Planting Variety: Auricularia Auricula (also known as Wood Ear Mushroom).

II. Cooperation Mode: Tripartite Joint Planting

1. Party A will provide advance funding of RMB 10,000,000 (the "Advance Funds") to be used for the purchase of raw materials for the project.
2. Party B will provide the land for the project which includes the clearing of forest residue to be used as the foundation of wood ear mushroom plantation and management.
3. Party C will provide the plantation equipment, daily management, harvesting, and labor salaries and other direct expenses.

III. The Distribution of Profits

1. Party A is responsible for selling the wood ear mushroom at market price, and bookkeeping and accounting for the costs and profits. Party A accepts the supervision of Party B and C.
 2. After Party A recovers its investment in the Advance Funds from the selling of the wood ear mushroom, the remaining profits will be distributed between Party A - 50%, Party B - 40% and the Party C - 10%.
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IV. Price, Quantity and Payment

1. Price: Sales price of wood ear mushroom is set according to the actual market price, or the price agreed upon by the three parties and to sell by Party A. Land lease, raw materials, labor and other related expenses will be recorded to the cost of wood ear mushroom plantation. The expenses of plant and equipment will not be included into the cost.
2. Expected output volume: 380,000 kg.
3. Payment method: In the cases of Party A confirm the acceptance for the purchasing of 8.3 million bags of raw materials by Party B and C, Party A will disburse the advance funds to Party B and C, and supervise the use of funds.

V. Rights and Obligations of Party A

1. Party A will provide advance funding of RMB 10,000,000 (the “Advance Funds”) to be used for the purchase of raw materials for the project.
2. Party A will be responsible for the sales of wood ear mushroom.
3. Party A has the right to inspect and to monitor the plantation process, and to correct any inappropriate situation during the process.
4. After the expiration of the contract, under the same conditions, Party B and C have the first choices if Party A intends to choose new partners for this project.

VI. Rights and Obligations of Party B

Party B must ensure the raw materials supply for wood ear mushroom plantation, and be responsible for the overall management. Party B also needs to ensure the quality of produced wood ear mushroom to meet with the national standards of People's Republic of China GB/T 6192-2008

VII. Rights and Obligations of Party C

1. Party C will provide land, plant, and equipment for wood ear mushroom plantation, and purchases raw materials on behalf of Party A. Party C also provide the cost details to Party A which will be recorded to the cost of wood ear mushroom plantation project.
2. Party C must to strictly follow the quality standards and operating instructions to plant wood ear mushroom which will be guaranteed to be green and pollution-free.
3. Party C must to ensure to produce 380,000 kilograms wood ear mushroom that comply with the requirements of the contract before autumn of the year. Party A shall have the first priority to sell these wood ear mushrooms.
4. Party C must to plant, maintain and manage the wood ear mushroom strictly followed with the requirements established by Party A, and to complete each process on time that is designed into the quality standard. Party C needs to report to the Party A and B immediately if any disease was detected.

5. Party A will be responsible for selling the wood ear mushroom at market price. Party B and C are not permitted to sell wood ear mushroom that is produced from the project without the prior approval from Party A. If Party B and C sell the wood ear mushroom produced from the project without the permission from Party A, they should pay 50% of the total proceeds to Party A as a penalty. Party A has the right to terminate the contract immediately and all of the rest sales revenue will belong to Party A.

VIII. Liability for Breach

1. If Party B and C are unauthorized to modify or terminate this contract during the cooperation term, all of the revenues and assets generated from the project will be attributable to Party A.
2. As a result of losses to other parties caused by the default of one party, the responsible party should fully compensate the losses of other parties. The responsible party should pay 50% liquidated damages to other parties.
3. If one party cannot perform the contract due to the force majeure factors, the party shall promptly notify the other parties and provide the related proof material. Based on the impact of the force majeure factors, the party will be partially or entirely exempted from its responsibilities in the project, except otherwise stipulated by law.

IX. Others

1. Regarding to the outstanding issues, all the parties shall resolve them through negotiation. Any dispute arises from the performance of this contract should be settled through friendly negotiation by all the parties. If not, arbitration should be considered and the arbitration resolution will be the final result.
2. The contract is executed in triplicate, one for each party. All of them have the same legal effectiveness. The Contract will be effective from the date of signed and sealed by legal representatives of each party, and terminated upon the completion of the project.

Party A: Harbin Yew Science and Technology Development Co., Ltd.

Party B: Wuchang Xinlin Forestry Co., Ltd.

Party C: Yuanlin Guo, Fei Wang, Hui Geng, Peibao Liu, Lizhi Sun, Zhimin Wang, Yan Wang, Jixiang Wang, Cai Wang, Mingjun Cui, Lianchun Ma, Chunping Wang, Yuxin Yin, Fengxia Ji, Dongshui Ji

April 20, 2015

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Yew Bio-Pharm Group Signs the Tripartite Joint Planting Auricularia Auricula Contract and Acquires Financial Supporting from BOCOM

HARBIN, China, May 11, 2015 /PRNewswire/ -- Yew Bio-Pharm Group, Inc. ("Yew Bio" or the "Company") (YEWB), a major grower and seller of yew trees and yew raw materials used in the manufacture of traditional Chinese medicine and products made from yew timber in China, today announced that Harbin Yew Science and Technology Development Co., Ltd., a wholly-owned subsidiary of the Company ("HDS") entered into the Tripartite Joint Planting Auricularia Auricula Contract (the "Agreement") with Harbin Wuchang Xinlin Forestry Co., Ltd. ("Wuchang") and 15 Farmer Households (the "Farmers") to joint develop a project involving the growing, harvesting, selling Auricularia Auricula products (Commonly known as the Wood Ear Mushroom). To ensure the successful execution of the project, Mr. Zhiguo Wang, the CEO and principal stockholder of the Company, collateralized his personal assets with Bank of Communications ("BOCOM") Harbin Rongtong Branch to secure a loan to fund the project. Upon extensive review on the Company and the project, BOCOM has approved a loan totaling RMB 10,000,000 (approx. \$1,630,000) to HDS. The proceeds of the loan will be used by HDS to implement its obligations under the Agreement.

In accordance with the Agreement, HDS will provide advance funding of RMB 10,000,000 (approx. \$1,630,000) (the "Advance Funds") to be used for the purchase of raw materials for the project; Wuchang will provide the land for the project which includes the clearing of forest residue to be used as the foundation of wood ear mushroom plantation and management; and the Farmers will provide the plantation equipment, daily management, harvesting, and labor salaries and other direct expenses. The project is estimated to produce a total of 380,000 kilograms wood ear mushrooms, and to generate \$5,500,000 in sales. According to the Agreement, after HDS recovers its investment in the Advance Funds from the selling of the wood ear mushrooms, the remaining profits which is estimated to be about \$2,700,000 will be distributed between HDS - 50%, Wuchang - 40% and the Farmers - 10%.

Wood ear mushroom is a precious Chinese medicinal and edible fungi with delicious taste and rich nutrition. It has a common reputation of "vegetarian-like meat" or the "king of vegetables". The protein found in wood ear mushroom contains a variety of amino acids, including lysine, leucine and other amino acid that are essential to human body. Wood ear mushroom is rich in colloid that can lubricate the digestive system of the human body. It also helps to dissolve remnants of food, indigestible fibrous material in the stomach, wood residue and dust. Wood ear mushroom has been long considered as preferred health food for the people that engage in cotton textile, mining, dust and maintenance of road industries. According to the article of "Progress on Medicinal Research of Wood Ear Mushroom", wood ear mushroom helps to cool the blood as well as hemostatic effect due to its high iron content nature. In addition, with the function of anti-platelet aggregation and reducing blood clotting, wood ear mushrooms help to reduce blood clots and prevent thrombosis that in effect to prevent and maintain various cardiovascular diseases and atherosclerosis for the elderly people.

"We believe that the cooperative development and investment on the wood ear mushroom project will bring new revenue growth for the Company," said Mr. Zhiguo Wang, Chairman and Chief Executive Officer of Yew Bio-Pharm Group. " There is great demand in wood ear mushroom in recent years as general health awareness improved. Wood ear mushroom sales is increasing in China and other foreign markets. At present, Japan is the largest consumer of wood ear mushroom, and its sales volume increased by 220 times in the last 20 years."

"Wood ear mushroom contains high nutritional value and could potentially bring substantial future profits for the Company. We will first develop the Chinese market and then seek out to expand our global presence in an effort to support our global market development strategy. We believe that with the addition of wood ear mushroom as a new revenue source, the Company's financial health will be greatly improved. The Company also intends to explore other potential downstream products that derive from the further processing of yew products and wood ear mushroom in the near future. It is the Company's long-term strategy to continue to grow through product diversification in the healthcare and food industry."

ABOUT YEW BIO-PHARM GROUP, INC.

Yew Bio-Pharm Group, Inc., through its operating entity, Harbin Yew Science and Technology Development Co., Ltd. (HDS), is a major grower and seller of yew trees, yew raw materials used in the manufacture of traditional Chinese medicine (TCM), and products made from yew timber in China. Raw material from the species of yew tree that the Company grows contains Taxol. TCM containing yew raw materials has been approved as a traditional Chinese medicine in China for secondary treatment of certain cancers. The Company uses a patented, accelerated growth technology to speed the growth, maturity, and commercialization of yew trees and believes that it is one of the few companies possessing a permit to sell them. Yew Bio-Pharm recently also established a division to focus on organic foods and dietary supplements with the aim of developing new business opportunities in related industries. To learn more, please visit www.yewbiopharm.com
