

Zosano Pharma Corp
Form 8-K
June 12, 2018

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): June 7, 2018

ZOSANO PHARMA CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

001-36570
(Commission

File Number)
34790 Ardentech Court

Fremont, CA 94555

45-4488360
(I.R.S. Employer

Identification No.)

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(Address of principal executive offices) (Zip Code)

(510) 745-1200

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 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 communication 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 communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On June 7, 2018, we entered into a new Employment Letter Agreement (the "Employment Agreement") with our President and Chief Executive Officer, John Walker. Mr. Walker's employment with the Company remains on an at-will basis. The terms of the Employment Agreement provide that Mr. Walker will be paid an annual base salary of \$500,000 and his bonus target will be equal to 50% of his base salary. The amount of any bonus paid to Mr. Walker will be determined by the Compensation Committee in its discretion based on his performance and the performance of the Company against certain goals to be established annually by the committee. Mr. Walker was also granted an option to purchase 100,000 shares of our Common Stock on May 17, 2018. He will continue to serve as a member and Chairman of the Company's Board of Directors.

Pursuant to the terms of the Employment Agreement, if the Company terminates Mr. Walker other than for cause (as defined in the Employment Agreement) or if Mr. Walker terminates his employment for good reason (as defined in the Employment Agreement), he will be entitled to receive (i) continued salary for 12 months and COBRA benefits for 12 months, (ii) a bonus equal to the amount of the annual bonus awarded to him in respect of the year prior to termination, and (iii) the vesting schedule for any stock options outstanding on the date of termination will automatically accelerate so that 25% of the total option shares shall immediately vest and become exercisable upon such termination. If during the one-year period following a change in control (as defined in the Employment Agreement) of the Company, either we terminate Mr. Walker's employment without cause or Mr. Walker resigns for good reason, he will be entitled to receive (i) continued salary for 24 months, (ii) a lump sum cash amount equal to 229.56% multiplied by the total cost of the projected premiums for group medical, dental and vision insurance for a period of twenty-four (24) months covering the period from and after the date of termination and (iii) a bonus equal to the amount of the annual bonus awarded to him in respect of the year prior to termination. In addition, the vesting schedule for any stock options or equity incentive awards outstanding on the date of his termination will automatically accelerate so that 100% of the then unvested option shares and other equity incentive awards shall immediately vest and become exercisable upon his termination.

The description of the Employment Agreement contained herein is qualified in its entirety by reference to the full text of the Employment Agreement, which is attached hereto as Exhibit 10.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit

| Number | Exhibit Description |
|---------------|---|
| 10.1 | <u>Employment Letter Agreement, dated as of June 7, 2018 between Zosano Pharma Corporation and John Walker.</u> |

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.

ZOSANO PHARMA CORPORATION

Dated: June 12, 2018

By: /s/ John Walker

Name: John Walker

Title: President and Chief Executive Officer