

Kindred Biosciences, Inc.
 Form 3
 December 19, 2016

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

| | | | | | |
|---|---------|----------|---|---|--|
| 1. Name and Address of Reporting Person * | | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â Park West Asset Management LLC | | | (Month/Day/Year) | Kindred Biosciences, Inc. [KIN] | |
| (Last) | (First) | (Middle) | 12/09/2016 | | |
| 900 LARKSPUR LANDING CIRCLE, SUITE 165 | | | 4. Relationship of Reporting Person(s) to Issuer | | |
| (Street) | | | (Check all applicable) | | |
| LARKSPUR,Â CAÂ 94939 | | | <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) | | |
| (City) | (State) | (Zip) | 5. If Amendment, Date Original Filed(Month/Day/Year) | | |
| | | | 6. Individual or Joint/Group Filing(Check Applicable Line) | | |
| | | | <input checked="" type="checkbox"/> Form filed by One Reporting Person | | |
| | | | <input type="checkbox"/> Form filed by More than One Reporting Person | | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|---|--|
| Common Stock, \$0.0001 par value per share | 1,998,750 | I | See Footnotes ⁽¹⁾ ⁽²⁾ |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative | 5. Ownership Form of Derivative Security: | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---|---|--|---|---|--|
|---|---|--|---|---|--|

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| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Security | Direct (D) or Indirect (I) (Instr. 5) | |
|-------------|------------------|-----------------|---|----------------------------|---------------|---------------------------------------|---------------------------------------|
| Equity Swap | 10/04/2016 | 03/07/2017 | Common Stock, \$.0001 par value per share | 340,000 | \$ <u>(3)</u> | I | See Footnote <u>(3)</u> <u>(7)</u> |
| Equity Swap | 10/07/2016 | 03/07/2017 | Common Stock, \$.0001 par value per share | 410,000 | \$ <u>(4)</u> | I | See Footnote <u>(4)</u> <u>(7)</u> |
| Equity Swap | 10/06/2016 | 03/07/2017 | Common Stock, \$.0001 par value per share | 800,000 | \$ <u>(5)</u> | I | See Footnote <u>(5)</u> <u>(7)</u> |
| Equity Swap | 10/12/2016 | 03/07/2017 | Common Stock, \$.0001 par value per share | 300,000 | \$ <u>(6)</u> | I | See Footnote <u>(6)</u> <u>(7)</u> |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Park West Asset Management LLC 900 LARKSPUR LANDING CIRCLE, SUITE 165 LARKSPUR, CA 94939 | Â | Â X | Â | Â |

Signatures

/s/ Grace Jimenez, Chief Financial Officer of Park West Asset Management LLC
 12/19/2016

 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Park West Asset Management LLC (the "Reporting Person") is the investment manager to Park West Investors Master Fund, Limited, a Cayman Islands exempted company ("PWIMF"), and Park West Partners International, Limited, a Cayman Islands exempted company ("PWPI"). Peter S. Park ("Mr. Park") is the sole member and manager of the Reporting Person.
- (2) On December 9, 2016, the date of the event which requires the filing of this statement (the "Event Date"), PWIMF held 1,760,360 shares of Common Stock \$.0001 par value per share (the "Common Stock") and PWPI held 238,390 shares of Common Stock. Pursuant to Reg. Section 240.16a-1(a)(2), the Reporting Person's and Mr. Park's beneficial ownership is limited to their pecuniary interest, if any, in such securities.

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- Commencing October 4, 2016 the Reporting Person entered into an equity swap agreement with a securities broker under which, on March 7, 2017, (i) the Reporting Person will be obligated to pay to the broker \$1,727,166 representing \$5.0799 per share for each share of
- (3) Common Stock that is subject to the agreement, and (ii) the broker will be obligated to pay to the Reporting Person the market value of the 340,000 shares of Common Stock as of the end of the period. Any dividends earned on the 340,000 shares of Common Stock during the term of the agreement will be paid to the Reporting Person.

- Commencing October 5, 2016 the Reporting Person entered into an equity swap agreement with a securities broker under which, on March 7, 2017, (i) the Reporting Person will be obligated to pay to the broker \$2,123,800 representing \$5.18 per share for each share of
- (4) Common Stock that is subject to the agreement, and (ii) the broker will be obligated to pay to the Reporting Person the market value of the 410,000 shares of Common Stock as of the end of the period. Any dividends earned on the 410,000 shares of Common Stock during the term of the agreement will be paid to the Reporting Person.

- Commencing October 6, 2016 the Reporting Person entered into an equity swap agreement with a securities broker under which, on March 7, 2017, (i) the Reporting Person will be obligated to pay to the broker \$4,144,000 representing \$5.18 per share for each share of
- (5) Common Stock that is subject to the agreement, and (ii) the broker will be obligated to pay to the Reporting Person the market value of the 800,000 shares of Common Stock as of the end of the period. Any dividends earned on the 800,000 shares of Common Stock during the term of the agreement will be paid to the Reporting Person.

- Commencing October 12, 2016 the Reporting Person entered into an equity swap agreement with a securities broker under which, on March 7, 2017, (i) the Reporting Person will be obligated to pay to the broker \$1,539,000 representing \$5.13 per share for each share of
- (6) Common Stock that is subject to the agreement, and (ii) the broker will be obligated to pay to the Reporting Person the market value of the 300,000 shares of Common Stock as of the end of the twelve month period. Any dividends earned on the 300,000 shares of Common Stock during the term of the agreement will be paid to the Reporting Person.

- During the term of the agreement, the Reporting Person will pay to the broker "interest" on an aggregate of approximately \$9,533,966 at the Federal Funds rate plus 55 basis points. Of the 1,850,000 shares underlying the swap reported herein referenced in Table II, on the
- (7) Event Date, PWIMF held the economic equivalent of 1,631,105 shares of Common Stock and PWPI held the economic equivalent of 218,895 shares of Common Stock. Pursuant to Reg. Section 240.16a-1(a)(2), the Reporting Person's and Mr. Park's beneficial ownership is limited to their pecuniary interest, if any, in such securities.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

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