

T2 Biosystems, Inc.
Form 8-K
May 04, 2016

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 28, 2016**

T2 BIOSYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-36571
(Commission
File Number)

20-4827488
(IRS Employer
Identification Number)

101 Hartwell Avenue, Lexington, Massachusetts 02421
(Address of principal executive offices, including Zip Code)

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(781) 761-4646

(Registrant's telephone number, including area code)

N/A

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

(b) On April 28, 2016, Moe Castonguay notified T2 Biosystems, Inc. (the Company) of his retirement from his position as the Company's Chief Financial Officer effective immediately following the Company's filing with the Securities and Exchange Commission of its quarterly report on Form 10-Q for the quarter ending March 31, 2016 and as an employee effective June 30, 2016. In connection with his retirement, the Company anticipates entering into a separation agreement with Mr. Castonguay pursuant to which he will execute a general release of claims in the Company's favor and remain employed by the Company through June 30, 2016.

(c) Also on May 2, 2016, the Company's Board of Directors appointed Shawn Lynch to serve as the Company's Chief Financial Officer, effective May 16, 2016. Prior to joining the Company, Mr. Lynch, 45, held various positions, including Vice President & Chief Financial Officer, at PerkinElmer's Environmental Health business, from 2014 to the present. From 2007 to 2014, Mr. Lynch held various positions at General Electric, with his last assignment serving as Global Controller, Measurement & Control. Prior to joining General Electric, Mr. Lynch held various positions at PerkinElmer and KPMG LLP. Mr. Lynch is a certified public accountant and received his BS in accounting from Suffolk University.

(e) In connection with his appointment, the Company entered into an offer letter agreement and change of control severance letter agreement with Mr. Lynch. Under the terms of Mr. Lynch's offer letter agreement, he will receive an initial annual base salary of \$300,000 and will be eligible to receive an annual cash bonus award targeted at 40% of his annual base salary (pro-rated for 2016), subject to the attainment of Company and individual performance goals. Effective as of May 16, 2016, the Board granted Mr. Lynch an option under the Company's 2014 Incentive Award Plan to purchase 146,600 shares of common stock of the Company at an exercise price per share equal to the stock's closing price on the NASDAQ market on the grant date. The option vests as to 25% of the shares on the first anniversary of Mr. Lynch's employment start date and as to the remaining shares in equal monthly installments over the following 36 months, subject to Mr. Lynch's continued service. Mr. Lynch has also entered into a non-compete, non-disclosure and invention assignment agreement with us pursuant to which he has agreed to refrain from disclosing our confidential information indefinitely and from competing with us or soliciting our employees or consultants for 12 months following termination of his employment.

In addition, Mr. Lynch and the Company entered into a change of control severance letter agreement. The agreement provides that, if Mr. Lynch's employment is terminated by the Company without cause within three months preceding or 12 months following a change of control or by Mr. Lynch for good reason within 12 months following a change of control (with the terms cause, change of control and good reason as defined in the change of control severance letter agreement), Mr. Lynch will be entitled, subject to his signing and not revoking a general release of claims in the Company's favor, to receive:

- an amount equal to his annual base salary, payable over a 12-month period following his termination,

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- reimbursement for a portion of the COBRA premiums (based on the then-current cost-sharing rates for active employees) for continued medical coverage for up to 12 months following his termination,
- if the termination occurs prior to the first anniversary of his start date, accelerated vesting of the portion of his equity awards that would have otherwise vested over the 12 month period following the date of termination, and
- if the termination occurs on or after the first anniversary of his start date, full accelerated vesting of all of his outstanding equity awards.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit No. | Description |
|--------------------|---------------------------------|
| 99.1 | Press Release dated May 2, 2016 |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 4, 2016

T2 BIOSYSTEMS, INC.

By: */s/ John McDonough*
John McDonough
President and Chief Executive Officer