

**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): February 13, 2019**

**PHIO PHARMACEUTICALS CORP.**

(Exact name of registrant as specified in its charter)

**Delaware  
(State or other jurisdiction of  
incorporation or organization)**

**001-36304  
(Commission  
File Number)**

**45-3215903  
(I.R.S. Employer  
Identification No.)**

**257 Simarano Drive, Suite 101  
Marlborough, Massachusetts 01752  
(Address of Principal Executive Offices) (Zip Code)**

**Registrant's telephone number, including area code: (508) 767-3861**

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)
- 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))

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

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 Principal Officers; Election of Directors; Appointment of Principal Officers.**

*Appointment of Dr. Dispersyn as CEO*

On February 13, 2019, Geert Cauwenbergh, Dr. Med. Sc., informed the Board of Directors (the “Board”) that he intends to retire as principal executive and financial officer (the “CEO”) of Phio Pharmaceuticals Corp. (the “Company”) effective March 1, 2019. Dr. Cauwenbergh’s announced retirement was not due to any disagreements with the Company. Indeed, Dr. Cauwenbergh will remain on the Board and support the transition to the new CEO. On February 13, 2019, the Company’s Board appointed Gerrit Dispersyn, Dr. Med. Sc., currently President and Chief Operating Officer (“COO”) of the Company, as the Company’s CEO (including its principal financial officer) effective March 1, 2019 for a term to expire at such time as his successor is appointed and qualified. Dr. Dispersyn will remain President, but will resign as COO as of March 1, 2019. The Board does not intend appoint a successor COO at this time.

Dr. Dispersyn, age 44, joined the Company on April 24, 2017, as its Chief Development Officer, before becoming the Company’s President and COO on November 14, 2018. Over the past two years, Dr. Dispersyn has provided exemplary leadership to the research and development team at the Company. He has been a catalyst in its transformation into an immuno-oncology therapeutics company and has been instrumental in finalizing the clinical work in its dermatology and ophthalmology programs, with the closure and report-out of various successful clinical studies. From 2014 to April 2017, Dr. Dispersyn was the Vice President, Global Head of Clinical Affairs at Integra Lifesciences Corporation, a medical technology company. Prior to assuming this role, Dr. Dispersyn held the position of Vice President, Program Management & Clinical Affairs from 2008 to 2014. In these positions, Dr. Dispersyn was responsible for the global strategy and execution of clinical and product development, clinical operations and medical affairs projects.

As President and CEO, Dr. Dispersyn will be entitled to receive an initial base salary of \$380,000 per annum, as well as a performance bonus of up to 50% of his base salary, subject to the achievement of performance goals to be established annually. Otherwise, Dr. Dispersyn’s April 24, 2017 employment agreement with the Company (the “Employment Agreement”) will remain in full force and effect. The Employment Agreement, as described in and filed with the Company’s November 19, 2018, Current Report on Form 8-K, is incorporated in here by reference.

On February 13, 2019, the Board granted Dr. Dispersyn restricted stock units entitling him to receive 55,000 shares of the Company’s common stock pursuant to the Company’s 2012 Long Term Incentive Plan. The foregoing restricted stock units vest in equal annual installments over four years such that they will become fully vested and exercisable on February 13, 2023. Dr. Dispersyn is also entitled to a grant by the Company of restricted stock units entitling him to receive shares of common stock equal to 2% of the outstanding shares of the Company’s common stock, subject to the Company’s stockholders’ approving a sufficient increase of shares of common stock that may be offered pursuant to the Company’s 2012 Long Term Incentive Plan at the Company’s next Annual Meeting. Such restricted stock units will vest in equal annual installments over four years beginning with the effective date of Dr. Dispersyn’s appointment as CEO and will become fully vested and exercisable on March 1, 2023.

There are no arrangements or understandings between Dr. Dispersyn and any other persons, pursuant to which he was appointed as the CEO. There are no current or proposed transactions between us and Dr. Dispersyn or his immediate family members that would require disclosure under Item 404(a) of Regulation S-K promulgated by the SEC.

A copy of the Company’s press release announcing Dr. Dispersyn’s replacement of Dr. Cauwenbergh as CEO is furnished hereto as Exhibit 99.1 and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

Amendment to Dr. Cauwenbergh's Non-Plan Stock Compensation Election

On February 14, 2019, the Company and Dr. Cauwenbergh entered into a Second Amendment to the Non-Plan Stock Compensation Election and Terms and Conditions (as amended on December 19, 2018, the "Terms and Conditions") pursuant to which Dr. Cauwenbergh irrevocably elected to receive 50% of his base salary and cash bonuses, if any, owed to him over the September 15, 2018 through February 28, 2019 period in the form of unvested, restricted shares of the Company's common stock (the "Election"). The Second Amendment extends the vesting period for the restricted shares granted pursuant to the Election from March 1 to June 1, 2019. Other than the aforementioned changes, the Terms and Conditions will continue to apply.

The description of the Terms and Conditions in Item 5.02 to the Company's December 21, 2018, Current Report on Form 8-K, is incorporated herein by reference. Additionally, the preceding description of the Second Amendment is qualified in its entirety by reference to the full text of the Second Amendment, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

10.1 [Amendment No. 2 to Cauwenbergh Non-Plan Stock Compensation Election Agreement](#)  
99.1 [Press Release dated February 15, 2019.](#)

\* \* \*

**SIGNATURES**

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.

PHIO PHARMACEUTICALS CORP.

Date: February 15, 2019

By: /s/ Geert Cauwenbergh  
Geert Cauwenbergh, Dr. Med. Sc.  
Chief Executive Officer

**Amendment No. 2**

**To**

**Non-Plan Stock Compensation Election  
and Terms and Conditions**

Reference is made to that certain election agreement pursuant to which Phio Pharmaceuticals, Corp. (the “**Company**”) permitted Geert Cauwenbergh, Dr. Med. Sc. (the “**Executive**”) to make an irrevocable election to receive Compensation for the period from September 15, 2018 through February 28, 2019 (the “**Covered Period**”) in the form of cash or restricted shares of Company Common Stock (as amended by Amendment No. 1 on December 19, 2018, the “**Election Agreement**”). All capitalized but undefined words used herein shall have the meaning set forth in the Election Agreement.

WHEREAS, pursuant to the Election Agreement, the Executive irrevocably elected to receive 50% of his Compensation in the form of a series of grants of unvested, restricted shares of Common Stock (“**RSUs**”); and

WHEREAS, all RSUs received pursuant to a Stock Election vest in full on March 1, 2019 (the “**Initial Vesting Date**”).

In consideration of the mutual agreements contained herein, the Executive and the Company hereto agree as follows:

1. All RSUs received pursuant to a Stock Election during the Covered Period will vest in full on June 1, 2019 (the “**New Vesting Date**”).
3. Other than providing for the New Vesting Date, this amendment shall not alter any of the terms, obligations, or rights contained in the Election Agreement.

*[remainder of page intentionally blank]*

**Phio Pharmaceuticals Corp.**

By: /s/Gerrit Dispersyn

Name: Gerrit Dispersyn

Title: President & COO

By signing below the Executive agrees to the New Vesting Date.

**Geert Cauwenbergh, Dr. Med. Sc.**

By: /s/Geert Cauwenbergh

Date: February 14, 2019



## **Phio Pharmaceuticals Appoints Gerrit Dispersyn as New Chief Executive Officer Effective March 1**

**- CEO Geert Cauwenbergh to Retire and Remain on Board of Directors -**

MARLBOROUGH, Mass., Feb. 15, 2019 / PRNewswire / -- Phio Pharmaceuticals Corp. (Nasdaq: PHIO) today announced that Gerrit Dispersyn, Dr. Med. Sc., currently President and COO, has been appointed by the Board of Directors as the Company's new CEO, effective March 1. He will succeed Geert Cauwenbergh, Dr. Med. Sc., who will retire as CEO of the Company. Dr. Cauwenbergh will be available to support the transition and will remain as a member of the Board of Directors.

Dr. Cauwenbergh was elected President and CEO of Phio Pharmaceuticals when the business was spun-off from its parent company, then known as Galena Biopharma, Inc., in April 2012. He was also elected to serve as a member of the Board of Directors. During his tenure, he has helped guide Phio Pharmaceuticals from a platform company with products in dermatology and ophthalmology to a company developing groundbreaking immuno-oncology therapeutics.

Robert Bitterman, Chairman of the Board, said, "We are very grateful for Dr. Cauwenbergh's past leadership, energy and vision and we are pleased he will remain a member of the Board of Directors to continue to offer guidance based on his extensive experience in the health care sector."

Prior to his current role, Dr. Dispersyn was elected Chief Development Officer of the Company in April 2017. Over the past two years, Dr. Dispersyn has provided exemplary leadership to the research and development team at Phio Pharmaceuticals. He has been a catalyst in Phio Pharmaceuticals' transformation into an immuno-oncology therapeutics company and has been instrumental in finalizing the clinical work in its dermatology and ophthalmology programs, with the closure and report-out of various successful clinical studies.

Dr. Cauwenbergh commented, "I am very happy that Dr. Dispersyn has accepted this new responsibility as CEO of Phio Pharmaceuticals. Since joining the Company, Gerrit has demonstrated leadership, team-building capability and an ability to relate to our shareholders and the rest of our Board. As a continuing member of the Board of Directors, I look forward to working with Dr. Dispersyn to help him build our Company into one of the leaders in immuno-oncology. Our recent financing provides cash into the third quarter of 2020 and creates a stable foundation for Dr. Dispersyn to carry out Phio's mission."

Dr. Dispersyn said, "I'm extremely excited and feel privileged to be appointed the next CEO of Phio Pharmaceuticals. I want to thank the Board of Directors for their vote of confidence in appointing me to this role. I look forward to advancing Dr. Cauwenbergh's vision to develop a very promising next generation of immuno-oncology therapeutics based on our self-delivering RNAi platform."

## **About Phio Pharmaceuticals Corp.**

Phio Pharmaceuticals Corp. (NASDAQ: PHIO) is a biotechnology company developing the next generation of immuno-oncology therapeutics based on its self-delivering RNAi (sd-rxRNA®) therapeutic platform. The Company's discovery and research efforts are focused on developing sd-rxRNA therapeutic compounds to be used in the context of adoptive cell transfer by targeting checkpoints or other gene targets, or to be used in immunotherapy following intratumoral injection. We aim to maximize the power of our sd-rxRNA therapeutic compounds by weaponizing therapeutic immune effector cells to attack cancer, and to make tumors more susceptible to such attacks, and ultimately provide patients battling cancers with a powerful new treatment option that goes beyond current treatment modalities. For additional information, visit the Company's website, [www.phio-pharma.com](http://www.phio-pharma.com).

## **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are neither historical facts nor assurances of future performance. These statements are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results may differ materially from those indicated in the forward-looking statements as a result of a number of important factors, including, but not limited to, the safety and efficacy of our product candidates, future success of our clinical trials and scientific studies, expected duration of available cash runway, our ability to enter into strategic partnerships and the future success of these strategic partnerships, the availability of funds and resources to pursue our research and development projects and general economic conditions. Our Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q include detailed risks under the caption "Risk Factors" that may affect our business, results of operations and financial condition. Readers are urged to review these risk factors and to not act in reliance on any forward-looking statements, as actual results may differ from those contemplated by our forward-looking statements. Phio does not undertake to update forward-looking statements to reflect a change in its views, events or circumstances that occur after the date of this release.

## **Contact**

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