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): September 6, 2017

OBALON THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001- 37897	**20-1828101**
(Commission File Number)	**(IRS Employer Identification No.)**

5421 Avenida Encinas, Suite F **Carlsbad, California**	**92008**
(Address of principal executive offices)	**(Zip Code)**

(760) 795-6558

(Registrant's telephone number, including area code)

(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))

Indicate by check mark whether the registrant is an emerging growth company 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 Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 6, 2017, Obalon Therapeutics, Inc. (the "Company") appointed Kelly Huang as Chief Operating Officer, effective as of the same date.

Prior to his appointment, Mr. Huang, age 48, served as Vice President and General Manager, US Aesthetic & Corrective at Galderma, a pharmaceutical company, since April 2015 and as an Operating Partner of Spindletop Capital, a venture capital firm, since March 2014. Before joining Galderma, Mr. Huang was CEO Advisor at Sensei Engage, a healthcare technology company, from August 2014 to April 2015. Prior to Sensei Engage, Mr. Huang served as Senior Vice President and Consumer Sector Head at Intrexon Corporation, a biotechnology company, from March 2014 to August 2014. Prior to Intrexon, Mr. Huang served as an Executive Committee Member of Endo Pharmaceuticals, a pharmaceutical company, and President of HealthTronics, Inc, a subsidiary of Endo Pharmaceuticals from August 2011 to February 2014. Prior to Endo Pharmaceuticals, Mr. Huang held positions of increasing responsibility at various Johnson & Johnson Companies, a pharmaceutical and consumer goods company, from January 1996 to August 2011. Mr. Huang holds a B.S. in Chemical Engineering from the University of Massachusetts, Amherst and holds a M.S. and Ph.D in Chemical Engineering from Stanford University.

In connection with the commencement of Mr. Huang's employment, the Company entered into an employee offer letter agreement with Mr. Huang (the "Agreement"), which provides for an initial annual base salary of $425,000 and the opportunity to earn an annual cash bonus targeted at an amount equal to 55% of Mr. Huang's annual base salary (prorated for fiscal 2017), determined based on the achievement of applicable Company and/or individual performance goals. Mr. Huang is also entitled under the Agreement to receive a one-time signing bonus in the amount of $75,000, which will be paid in cash on the payroll date immediately following Mr. Huang's start date, but which Mr. Huang will be required to repay in full if (i) prior to the one-year anniversary of his start date, Mr. Huang resigns for any reason or Mr. Huang's employment is terminated by the Company for "cause" (as defined in the Agreement) or (ii) Mr. Huang does not purchase a residence in the San Diego area within six months following his start date or does not relocate his primary residence to the San Diego area within two years following his start date (each, a "relocation obligation"). The Company also will reimburse Mr. Huang for reasonable expenses related to Mr. Huang's commute between Austin and San Diego for the first three months of his employment, as well as one round-trip coach class airfare ticket between Austin and San Diego for each month of the first year of his employment.

In addition, on September 6, 2017, pursuant to the Agreement Mr. Huang was granted an option to purchase 269,230 shares of the Company's common stock, with 25% of the shares underlying the option vesting on the first anniversary of Mr. Huang's start date and the remaining shares underlying the option vesting in substantially equal monthly installments over the 36 months thereafter, subject to his continued employment. Any portion of the stock option that vests prior to the date on which Mr. Huang relocates his primary residence to the San Diego area will not be exercisable until such relocation date. Mr. Huang will be also be eligible to participate in all customary employee benefit plans or programs of the Company generally available to the Company's full-time employees and/or executive officers.

Pursuant to the Agreement, the Company also entered into a retention agreement (the "Retention Agreement") with Mr. Huang that will provide Mr. Huang with the following severance protections upon a qualifying termination, which means a termination by us without "cause" or a termination by Mr. Huang for "good reason”, outside of a “change in control” (each, as defined in the Retention Agreement) in exchange for a customary release of claims:

(i) a lump sum severance payment of twelve months of base salary; and

(ii) payment of premiums for continued medical benefits (or equivalent cash payment if applicable law so requires) for up to twelve months.

If Mr. Huang is subject to a qualifying termination within the three months preceding a change in control (but after a legally binding and definitive agreement for a potential change of control has been executed) or within the 12 months following a change in control, the Retention Agreement provides the following benefits to Mr. Huang in exchange for a customary release of claims:

(i) a lump sum severance payment of 12 months of base salary;

(ii) a lump sum payment equal to the pro rata portion such Mr. Huang’s then-current target bonus opportunity;

(iii) 100% acceleration of any then-unvested equity awards; and

(iv) payment of premiums for continued medical benefits (or equivalent cash payment if applicable law so requires) for up to 12 months.

Additionally, the Retention Agreement provides that if Mr. Huang does not satisfy either relocation obligation then the Company may terminate Mr. Huang’s employment and the termination will not constitute a severance-qualifying event for purposes of the Retention Agreement unless it is in connection with a change in control. The Retention Agreement is in effect for three years, with automatic three-year renewals unless notice is given by us to Mr. Huang three months prior to expiration.

There are no (i) family relationships between Mr. Huang and any other director or executive officer of the Company, or with any person selected to become an officer or a director of the Company or (ii) related party transactions with Mr. Huang requiring disclosure pursuant to Item 404 of Regulation S-K.

On September 7, 2017, the Company issued a press release announcing the appointment of Mr. Huang as Chief Operating Officer, a copy of which is attached hereto as Exhibit 99.1, and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

	Description
99.1	Press Release, dated September 7, 2017

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.

OBALON THERAPEUTICS, INC.

Date: September 8, 2017	By:	/s/ William Plovanic
		William Plovanic
		Chief Financial Officer

EXHIBIT INDEX

	Description
99.1	Press Release, dated September 7, 2017.

Kelly Huang, Ph.D., Joins Obalon Therapeutics, Inc. Executive Team

SAN DIEGO, CA – September 7, 2017 - Obalon Therapeutics, Inc. (NASDAQ: OBLN), a vertically integrated medical technology company, announced today that Kelly Huang, Ph.D., has joined as its Chief Operating Officer. In this new role, Dr. Huang will be responsible for the key commercial functions of sales, marketing, operations, and quality assurance.

“As we continue to expand our executive team, Dr. Huang’s technical expertise, coupled with his experience leading successful businesses in both the medical device and cash-pay aesthetics industries, makes him uniquely qualified to help lead Obalon’s next phase of growth,” commented Andy Rasdal, Chief Executive Officer of Obalon. “Dr. Huang is a strong complement to our recent board of director additions, Jonah Shacknai and David Moatazedi, as well as our current leadership team of Lisa Metzner, Vice President of Marketing, and Matt Norwood, Vice President of Sales.”

Dr. Huang was most recently the General Manager for Galderma Laboratories, L.P., Aesthetic & Corrective, where he led business strategy, execution, and development. During his tenure, key aesthetic brands grew more than double the predicted market rates through product innovation, marketing strategies, and value-added services for physician customers that allowed for better patient acquisition, retention and more efficient clinical logistics. Prior to Galderma, Dr. Huang was a President of Endo Pharmaceutical’s Executive Committee, responsible for leadership of the urology device and services division, affording him extensive experience in medical devices. Dr. Huang was also at Johnson & Johnson for more than 16 years, across a variety of divisions, from research and development to professional sales and marketing. Dr. Huang earned his Doctorate and Masters degrees in Chemical Engineering from Stanford University in California.

“I am honored to join an accomplished executive team on a mission to impact obesity, one of the largest detriments to health and wellness globally,” said Dr. Huang. “I believe Obalon’s technology has the potential to provide physicians with new levels of care for their patients. I look forward to working with the team to further develop innovative products, services, and solutions that can significantly improve the lives of those who struggle with weight loss.”

About Obalon Therapeutics, Inc.

Obalon Therapeutics, Inc. (NASDAQ: OBLN) is a San Diego-based company focused on developing and commercializing novel technologies for weight loss. The Obalon management team has over 150 combined years of experience in developing and commercializing novel medical technologies with a track record of financial and clinical excellence. For more information, please visit www.obalon.com

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding the benefits of the company’s product. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. Although the company believes that the expectations reflected in such forward-looking statements are reasonable, the company cannot guarantee future events, results, actions, levels of activity, performance or achievements. Forward-looking statements are subject to risks and uncertainties that may cause the company's actual activities or results to differ significantly from those expressed in any forward-looking statement, including risks and uncertainties related to the company’s ability to achieve or sustain profitability; the company’s ability to predict its future prospects and forecast its financial performance and growth; the rate at which physicians and patients adopt and use the company’s balloon system; the effect of adverse events or other negative developments involving other companies’ intragastric balloons or other obesity treatments; the company’s ability to educate physicians on safe and proper use of the Obalon balloon system; the rate at which patients may experience serious adverse device events as the result of the misuse or malfunction of, or design flaws in, the company’s products; the company’s ability to obtain FDA approval or other regulatory approvals for its future products and product improvements; the company’s ability to adequately protect its proprietary technology and maintain its issued patents and other risks and uncertainties described under the heading "Risk Factors" in documents the company files from time to time with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this press release, and the company undertakes no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date hereof.

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