

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): July 30, 2018



AVALON
GLOBOCARE CORP.

(Exact name of registrant as specified in its charter)

Delaware	000-55709	47-1685128
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

4400 Route 9 South, Suite 3100, Freehold, New Jersey 07728
(Address of principal executive offices) (zip code)

646-762-4517
(Registrant's telephone number, including area code)

Copies to:
Stephen M. Fleming, Esq.
Fleming PLLC
30 Wall Street, 8th Floor
New York, New York 10005
Phone: (516) 833-5034
Fax: (516) 977-1209

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 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 1.01 Entry into a Material Definitive Agreement

Item 3.02 Unregistered Sales of Equity Securities

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

On July 30, 2018, Steven A. Sanders was appointed to the Board of Directors of Avalon GloboCare Corp. (the “Company”) to serve as a director of the Company. In addition, the Company expects to appoint Mr. Sanders as a member of Audit Committee and Nominating and Corporate Governance Committee upon formation. Mr. Sanders entered into an agreement pursuant to which he will serve as a director. The director agreement provides that he will receive options to acquire 40,000 shares of common stock per year commencing January 1, 2019 at an exercise price equal to the closing price on December 31st of the prior year. The options shall vest in equal amounts quarterly and shall be exercisable for a period of five years. For 2018, the Company granted Mr. Sanders options to acquire 20,000 shares of common stock at an exercise price of \$2.80 for a term of five years with 10,000 options vesting immediately and the balance vesting October 1, 2018. In addition, Mr. Sanders will receive \$5,000 per quarter for serving as a member of the Audit Committee and Nominating and Corporate Governance Committee commencing upon formation.

There is no understanding or arrangement between Mr. Sanders and any other person pursuant to which he was appointed as director. Mr. Sanders does not have any family relationship with any director, executive officer or person nominated or chosen by us to become a director or an executive officer. Mr. Sanders has not had direct or indirect material interest in any transaction or proposed transaction, in which the Company was or is a proposed participant, exceeding \$120,000.

Since January 2017, Mr. Sanders has been Of Counsel to the law firm of Ortoli Rosenstadt LLP. From July 2007 until January 2017, Mr. Sanders was a Senior Partner of Ortoli Rosenstadt LLP. From January 1, 2004 until June 30, 2007, he was of counsel to the law firm of Rubin, Bailin, Ortoli, LLP. From January 1, 2001 to December 31, 2003, he was counsel to the law firm of Spitzer & Feldman PC. Mr. Sanders also serves as a Director of Helijet International, Inc. and Electrameccanica Vehicles Corp. Additionally, he has been a director at the American Academy of Dramatic Arts since October 2013 and has been a director of the Bay Street Theater since February 2015. Mr. Sanders received his JD from Cornell University and his BBA from The City College of New York.

On July 30, 2018, Steven P. Sukel resigned as a director of the Company.

The foregoing information is a summary of each of the agreements involved in the transactions described above, is not complete, and is qualified in its entirety by reference to the full text of those agreements, each of which is attached an exhibit to this Current Report on Form 8-K. Readers should review those agreements for a complete understanding of the terms and conditions associated with this transaction.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<u>10.1</u>	<u>Director Agreement by and between Avalon GloboCare Corp. and Steven A. Sanders dated July 30, 2018</u>

SIGNATURES

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

AVALON GLOBOCARE CORP.

Dated: July 31, 2018

By: /s/ Luisa Ingargiola

Name: Luisa Ingargiola

Title: Chief Financial Officer

Avalon GloboCare Corp.
4400 Route 9 South, Suite 3100
Freehold, New Jersey 07728

July 30, 2018

Steven A. Sanders

Letter of Appointment – Board of Directors

Dear Mr. Sanders:

We are pleased to offer you the role as a director of the Board of Directors (the “Board”) of Avalon GloboCare Corp. (the “Company”). In addition, we expect to appoint you as a member of the Audit Committee and the Nominating and Corporate Governance Committee (the “Committees”) upon formation. This letter contains the terms of your appointment as a director of the Board of Directors of the Company and as a member of the Committees upon formation. This letter will be effective from the date of the signing of this letter.

1. Your Duties:

- a) You will be expected to attend all meetings (either in person or by teleconference) of the Board of the Company and the Committees, of which we expect to hold approximately four per annum for the Board and Committee as well as sign all written consents if you deem appropriate. In addition, you will be expected to perform such other duties as are reasonably contemplated by your holding office as a director of the Company, member of the Committees or which may reasonably be assigned to you by the Board from time to time.
- b) As a director and member of the Committees you will:
 - i) Perform to the best of your abilities and knowledge the duties reasonably assigned to you by the Board and the Committees from time to time, whether during or outside business hours and at such places as the Board reasonably requires;
 - ii) Use all reasonable efforts to promote the interests of the Company;
 - iii) Attend directors’ meetings and committee meetings;
 - iv) Act in the best interests of the Company; and

v) Work closely with the Board of Directors and the Chief Executive Officer.

c) As you will appreciate, however, your time commitment will ultimately be a product of the matters confronting the Company from time to time and matters properly requiring your attention as a director of the Company.

2. Remuneration:

On January 1 of each year, the Company shall grant you options to purchase 40,000 shares of the Company's common stock on an annual basis at exercise price equal to the closing price on December 31st. The options will vest 25% at the beginning of each quarter and have a term of five years. As your service as a director will commence on the date set forth above, the option for this year shall be pro-rated. As a result, for 2018, you shall receive a stock option to acquire 20,000 shares of common stock at an exercise price of \$2.80 per share for a term of five years vesting immediately with respect to 10,000 shares of common stock and 10,000 shares of common stock vesting October 1, 2018.

In addition, you will receive \$5,000 per quarter for serving as a member of the Committees commencing upon formation.

3. Expenses: Subject to you providing the Company with receipts or other evidence of payment, the Company will pay for or reimburse you for all travelling, hotel and other expenses reasonably incurred by you in connection with attending and returning from Board, Committees, Company, meetings or otherwise in connection with the Company's business. Reasonable travel and out of pocket expenses used in connection with the business of the Group shall include:

a) Cell phone bills;

b) Domestic and international travel (economy class under 4 hours and business class over 4 hours); and

c) Hotel accommodation.

4. Termination of Appointment:

a) Your appointment as the Director may be terminated at any time by the vote of the stockholders of the Company in accordance with the certificate of incorporation and bylaws of the Company.

b) You acknowledge and agree that if the shareholders of the Company terminate your appointment, you will have no claim of any kind against the Company by reason of the termination.

c) You are at liberty to terminate the appointment at any time by notice in writing to the Company.

5. What happens after termination of appointment?

If your appointment is terminated for any reason or you resign for any reason:

- a) The Company may set off any amounts you owe the Company against any amounts the Company owes to you as a Director at the date of termination except for amounts the Company is not entitled by law to set off;
- b) You must return all the Company's property (including property leased by the Company) to the Company on termination including all written or machine readable material, software, computers, credit cards, keys and vehicles; and
- c) You must not record any confidential information in any form after termination.

6. Prohibited Activities:

- a) You undertake to the Company that you will not during the term of your appointment engage in a business or an activity that would place you in a position of conflict in respect of the performance of your duties.
- b) The terms of your appointment do not restrict you from accepting appointment as a director of any other company outside of the Company's industry, providing consulting services or any other business or other activity whatsoever. The Company acknowledges and accepts your current roles as a director. You recognize that the services to be performed by you under the Agreement are special, unique and extraordinary. The parties confirm that it is reasonably necessary for the protection of the Company's goodwill that you agree, and accordingly, you do hereby agree and covenant, that during your term as director, you will not, directly or indirectly, except for the benefit of the Company:
 - i. become an officer, director, more than 2% stockholder, partner, associate, employee, owner, proprietor, agent, creditor, independent contractor, co-venturer or otherwise, or be interested in or associated with any other corporation, firm or business engaged in the same or any similar business competitive with that of the Company (including the Company's present and future subsidiaries and affiliates) (the "Business"); or
 - ii. solicit, cause or authorize, directly or indirectly, to be solicited for or on behalf of himself or third parties from parties who were customers of the Company (including its present and future subsidiaries and affiliates) at any time during your term, any business similar to the business transacted by the Company with such customer; or
 - iii. accept or cause or authorize, directly or indirectly, to be accepted for or on behalf of your or third parties, business from any such customers of the Company (including its present and future subsidiaries and affiliates); or

- iv. solicit, or cause or authorize, directly or indirectly, to be solicited for employment for or on behalf of you or third parties, any persons who were at any time during your term hereunder, employees of the Company (including its present and future subsidiaries and affiliates); or
- v. employ or cause or authorize, directly or indirectly, to be employed for or on behalf of yourself or third parties, any such employees of the Company (including its present and future subsidiaries and affiliates); or
- vi. use the tradenames, trademarks, or trade dress of any of the products of the Company (including its present and future subsidiaries and affiliates); or any substantially similar tradename, trademark or trade dress likely to cause, or having the effect of causing, confusion in the minds of manufacturers, customers, suppliers and retail outlets and the public generally.

You acknowledge the intention that the Company shall have the broadest possible protection of the value of its business consistent with public policy, and it will not violate the intent of the parties if any court should determine that, consistent with established precedent of the forum state, the public policy of such state requires a more limited restriction in geographical area or duration of the aforesaid covenant not to compete, contained in an appropriate decree.

- c) Except as permitted in this Agreement or as approved by the Company, you will not (i) use any Confidential Information (as defined below) or (ii) disseminate or in any way disclose the Confidential Information to any person, firm, business or governmental agency or department. You may use the Confidential Information to perform your Duties for the benefit of Company. You shall treat all Confidential Information with the same degree of care as you accord to your own confidential information, but in no case shall you use less than reasonable care. You shall immediately give notice to Company of any unauthorized use or disclosure of the Confidential Information. You shall assist Company in remedying any the unauthorized use or disclosure of the Confidential Information. You agree not to communicate any information to Company in violation of the proprietary rights of any third party.

“Confidential Information” means (a) any technical and non-technical information related to the Company’s business and current, future and proposed products and services of Company, including for example and without limitation, Company innovations, intellectual property, and information concerning research, development, design details and specifications, financial information, procurement requirements, engineering and manufacturing information, customer lists, business forecasts, sales information, marketing plans and business plans, and provided, in each case, that each is marked as “confidential” or “proprietary” and (b) any information that Company has received from others that may be made known to you and that Company is obligated to treat as confidential or proprietary, and provided, in each case, that each is marked as “confidential” or “proprietary”.

7. Notices and Other Communications:

a) Service of Notices

A notice, demand, consent, approval or communication under this letter (collectively a “Notice”) must be:

- i) In writing and in English directed to the address advised by the recipient for notices, as varied by any notice; and

- ii) Hand delivered or sent by prepaid post or facsimile to that address.
- b) Effective on Receipt: A Notice given in accordance with section 7a takes effect when received (or at a later time specified in the Notice), and is taken to be received:
 - i) If hand delivered, on delivery;
 - ii) If sent by prepaid post, two Business Days after the date of posting (or seven Business Days after the date of posting if posted to or from outside The United States of America);
 - iii) If sent by facsimile, when the sender's facsimile system generates a message confirming successful transmission of the entire Notice unless, within eight Business Hours after the transmission, the recipient informs the sender that it has not received the entire Notice;

but if the delivery, receipt or transmission is not on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the Business Day after that delivery, receipt or transmission.

8. Miscellaneous

- a) Alterations: This letter may be altered only in writing signed by each party.
- b) Approvals and consents: Except where this letter expressly states otherwise, a party may, in its discretion, give conditionally or unconditionally or withhold any approval or consent under this letter.
- c) Assignment: This letter may NOT be assigned by either party.
- d) Costs: Each party must pay its own costs of negotiating, preparing and executing this letter.
- e) Survival: Any indemnity in this letter is independent and survives termination of this letter. Any other provision by its nature intended to survive termination of this letter survives termination of this letter.
- f) Counterparts: This letter may be executed in counterparts. All executed counterparts constitute one document.
- g) No Merger: The rights and obligations of the parties under this letter do not merge on completion of any transaction contemplated by this letter.

- h) Entire Agreement: This letter constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.
 - i) Further Action: Each party must do, at its own expense, everything reasonably necessary (including executing documents) to give full effect to this letter and the transactions contemplated by it.
 - j) Waiver: A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the party giving the waiver.
 - k) Relationship: Except where this letter expressly states otherwise, it does not create a relationship of employment, agency or partnership between the parties.
 - l) Confidentiality: A party may only use the confidential information of another party for the purposes of this letter, and must keep the existence of this letter and the terms of it and the confidential information of another party confidential information except where:
 - i) The information is public knowledge (but not because of a breach of this letter) or the party has independently created the information; or
 - ii) Disclosure is required by law or a regulatory body (including a relevant stock exchange).
 - m) Announcements: A public announcement in connection with this letter or a transaction contemplated by it must be agreed by the parties before it is made, except if required by law or a regulatory body (including a relevant stock exchange).
9. Insurance: The Company has directors' and officers' liability insurance under which you are covered in the US and elsewhere for all usual risks during the term of your appointment as the Director. The Company will maintain that cover for the full term of your appointment.
10. Contract for Services: This is a contract for services and is not a contract of employment.
11. Governing Law: This Agreement shall be governed by the laws of the State of Delaware (without giving effect to choice of law principles or rules thereof that would cause the application of the laws of any jurisdiction other than the State of Delaware) and the invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating or affecting the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Please sign the attached copy of this letter to indicate that you have read, understood and accept the terms of your appointment.

Yours Sincerely,

Avalon GloboCare Corp.

By:/s/ David Jin

Name: David Jin

Title: CEO

Agreed to and accepted by:

/s/ Steven A. Sanders

Steven A. Sanders