

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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): March 16, 2020

Aquestive Therapeutics, Inc.
(Exact name of Registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation or
Organization)

001-38599
(Commission File Number)

82-3827296
(I.R.S. Employer Identification No.)

30 Technology Drive
Warren, NJ 07059
(908) 941-1900
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Not Applicable
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	AQST	Nasdaq Global Market

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 Contract

Effective as of March 16, 2020, Aquestive Therapeutics, Inc. (the “Company”) entered into a first amendment (the “Amendment”) to the License Agreement (the “Agreement”), dated as of April 1, 2016, with Sunovion Pharmaceuticals Inc. (formerly, Cynapsus Therapeutics Inc., and referred to herein as “Sunovion”). The Amendment was entered into for the primary purpose of amending the Agreement as follows: (i) including the United Kingdom and any other country currently in the European Union (EU) which later withdraws as a member country in the EU for purposes of determining the satisfaction of the conditions triggering the obligation to pay the third milestone due under the Agreement, (ii) extending the date after which Sunovion has the right to terminate the Agreement for convenience from December 31, 2024 to March 31, 2028, (iii) modifying the date the first minimum annual royalty is due to be paid by Sunovion to the Company from January 1, 2020 to April 1, 2020, and (iv) modifying the termination provisions to reflect the Company’s waiver of the right to terminate the Agreement in the event that the licensed product was not commercialized by January 1, 2020.

The foregoing description is only a summary of certain provisions of the Amendment and is qualified in its entirety by reference to a copy of the Amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1*	First Amendment to License Agreement, effective as of March 16, 2020, by and between Aquestive Therapeutics, Inc. and Sunovion Pharmaceuticals Inc. (formerly, Cynapsus Therapeutics, Inc.)

* Portions of this exhibit have been omitted pursuant to Rule 601(b)(10) of Regulation S-K. The omitted information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

SIGNATURE

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.

Dated: March 20, 2020

Aquestive Therapeutics, Inc.

By: /s/ John T. Maxwell

Name: John T. Maxwell

Title: Chief Financial Officer

THE SYMBOL “[****]” DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL, AND (ii) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED

**FIRST AMENDMENT
TO
LICENSE AGREEMENT**

This amendment (“First Amendment”) to Agreement (defined below) is entered into by and between **Sunovion Pharmaceuticals Inc.** (formerly Cynapsus Therapeutics, Inc.) (“Sunovion”) and **Aquestive Therapeutics, Inc.** (formerly MonoSol Rx, LLC) (“Aquestive”) and is effective as of March 16, 2020 (the “First Amendment Effective Date”). Capitalized terms not defined herein shall have the meaning set forth in the Agreement. Except as set forth in this First Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

RECITALS

WHEREAS, Cynapsus Therapeutics, Inc. developed and owned patented technology related to the film-based drug delivery of the active pharmaceutical ingredient, Apomorphine;

WHEREAS, MonoSol Rx, LLC owns patented and trade secret proprietary technology related to film-based drug delivery systems which includes orally soluble film strips containing active pharmaceutical ingredients;

WHEREAS, Cynapsus Therapeutics, Inc. obtained an exclusive right and license from MonoSol Rx, LLC in connection with the development and commercialization of Apomorphine for oral administration (the “Product”);

WHEREAS, Sunovion acquired Cynapsus Therapeutics, Inc. and all rights and licenses to its technology in October of 2016;

WHEREAS, MonoSol Rx, LLC changed its corporate name to Aquestive Therapeutics, Inc. in 2017;

WHEREAS, as of the effective date of this First Amendment, all reference to Cynapsus Therapeutics, Inc. in the Agreement shall be deemed to refer to Sunovion and all references to MonoSol Rx, LLC shall be deemed to refer to Aquestive, respectively; and

WHEREAS, the parties to this First Amendment wish to amend certain terms of that certain License Agreement entered into by and between the Cynapsus Therapeutics, Inc. and MonoSol Rx, LLC effective as of April 1, 2016 (the “Agreement”) as outlined below;

NOW, THEREFORE, the parties agree as follows:

1. In Section 3.1.2 *Ongoing Milestone Payments*, the third milestone for \$[****] is deleted and replaced with the following:

Milestone Payment U.S. Dollars (continued)	
\$[****]	On the earlier to occur of: (a) the first day of Product availability at a pharmacy in the European Union; or (b) six (6) months after receiving marketing authorization by the EMA or a European Union member country, and including, in each subsection (a) and (b) of this Milestone Payment, the United Kingdom and any other country currently in the European Union if the United Kingdom and/or any other country is no longer a member country in the EU at such time.

2. Section 3.4 is deleted in its entirety and replaced with the following:

“Minimum Royalty. Effective as of April 1, 2020 and through the termination of this Agreement, notwithstanding anything set forth in this Agreement to the contrary, Licensee will pay Aquestive a minimum annual royalty payment of [****] dollars, invoiceable with NET30 payment terms on the close of each of Licensee’s fiscal calendar years.”

3. Section 7.2.1 is deleted in its entirety and replaced with the following:

“7.2.1 Licensor may, in its sole discretion, terminate this Agreement immediately upon written notice if:

(a) Licensee fails to make any payments required under this Agreement when due and Licensee does not make the required payments within forty-five (45) days of receiving notice from Licensor;

(b) if Licensee pays to Licensor not more than the minimum royalty payment due to Licensor under this Agreement for any thirty (30) consecutive month period, from the date of first commercial sale, in accordance with Section 3.4 above;

(c) if Section 8.4 above has been violated; or

(d) no further royalty payments are due and payable to Licensor pursuant to Section 3.3 above.”

4. Section 7.2.2(d) is deleted in its entirety and replaced with the following:

“7.2.2(d) at any time after March 31, 2028, the Licensee may terminate this Agreement for any reason upon one hundred and eighty (180) days prior written notice to Licensor.”

[Signatures to follow on next page.]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by their duly authorized representatives to be effective as of the First Amendment Effective Date stated above.

Sunovion Pharmaceuticals Inc.

Aquestive Therapeutics, Inc.

By: /s/ Shinichiro Katayanagi

By: /s/ Daniel Barber

Print Name: Shinichiro Katayanagi

Print Name: Daniel Barber