

**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) March 5, 2020

NEURONETICS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38546
(Commission
File Number)

33-1051425
(I.R.S. Employer
Identification No.)

3222 Phoenixville Pike, Malvern, PA
(Address of principal executive offices)

19355
(Zip Code)

Registrant's telephone number, including area code (610) 640-4202

(Former name or former address, if changed since last report.) Not applicable.

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

Title of each class	Trading Symbol (s)	Name on each exchange on which registered
Common Stock (\$0.01 par value)	STIM	The Nasdaq Global Market

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 or Rule 12b-2 of the Securities Exchange Act of 1934.

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.

Departure of President and Chief Executive Officer. On March 5, 2020, Neuronetics, Inc. (the “Company”) and Christopher A. Thatcher mutually agreed that Mr. Thatcher will cease serving as the Company’s President and Chief Executive Officer, effective immediately. In addition, Mr. Thatcher also resigned as a director of the Company’s Board of Directors (the “Board”) as of March 5, 2020. Mr. Thatcher will remain employed by the Company during a transition period, which is expected to continue through May 1, 2020. During the transition period, Mr. Thatcher will provide transition services and advice as requested by the Company from time to time. In connection with Mr. Thatcher’s separation of service, he will receive the severance benefits described on pages 28 and 29 of the Company’s Definitive 2019 Proxy Statement filed with the U.S. Securities and Exchange Commission (the “SEC”) on April 12, 2019.

Creation of Office of the President. Effective March 5, 2020, the Board also created an Office of the President, whose members will continue to implement and provide leadership for the Company’s strategic initiatives and day to day activities until a new Chief Executive Officer is appointed. The Office of the President consists of Stephen Furlong, Chief Financial Officer, and W. Andrew Macan, General Counsel, both of whom will remain in their current positions while carrying out their new responsibilities. The Board appointed Brian Farley, the Chairman of the Board, as the liaison to the Office of the President.

Mr. Furlong, 56, has served as the Company’s Vice President and Chief Financial Officer since July 2019. Prior to joining the company, Mr. Furlong worked at Metabolon, a private life science company in metabolomics, a phenotyping technology for advancing biomarker discovery, diagnostic testing and precision medicine, from November 2017 to July 2019, where he most recently served as Senior Vice President of Finance and Corporate Secretary. Prior to joining Metabolon, Mr. Furlong was Vice President Finance at Verscend Technologies from February 2017 to June 2017. From April 2015 to September 2016, Mr. Furlong served as Chief Financial Officer of Rapid Micro Biosystems, which manufactures and distributes products for detection of microbial contamination. Before joining Rapid Micro Biosystems, Mr. Furlong spent 14 years at Hologic, a publicly-traded medical technology company, where he held a number of roles of increasing responsibilities, most recently Senior Vice President, Finance and Sales Administration. Prior to his experience at Hologic, Mr. Furlong held positions at Safety 1st, Stratus Computer Inc., and Raytheon Company. Mr. Furlong received his B.A. in Political Science from The Pennsylvania State University and his Master of Finance degree from Bentley University.

Mr. Macan, 47, has served as the Company’s Senior Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary since January 2020. Prior to joining the Company, Mr. Macan was Senior Vice President, General Counsel and Corporate Secretary of U.S. Silica Holdings, Inc., a Russell 2000 diversified minerals company, from October 2018 until January 2020. Mr. Macan served in roles of increasing responsibility with Axalta Coating Systems, LLC, from October 2013 until October 2018, most recently as General Counsel and Chief Compliance Officer, Americas, and The Chubb Corporation, from October 2003 until October 2013, including as Vice President, Corporate Counsel and Secretary for over eight years. Mr. Macan began his career in private practice at Ballard Spahr LLP and Dechert LLP. Mr. Macan earned a B.A. in Government from Franklin & Marshall College and his J.D. from Emory University School of Law with distinction and Order of the Coif.

There are no arrangements or understandings between Mr. Furlong or Mr. Macan, on the one hand, and any other person, on the other hand, pursuant to which either Mr. Furlong or Mr. Macan was selected as an officer of the Company, and there is no family relationship between Mr. Furlong or Mr. Macan, on the one hand, and any of the Company’s other directors or executive officers, on the other hand. Neither Mr. Furlong nor Mr. Macan are parties to any transaction that would require disclosure under Item 404(a) of Regulation S-K promulgated under the Securities Act of 1933, as amended.

In connection with their appointment to the Office of the President, on March 5, 2020, the Compensation Committee of the Board (the “Compensation Committee”) awarded to each of Messrs. Furlong and Macan: (i) a cash bonus of \$60,000 to be paid ratably over four months beginning in March 2020 and (ii) a grant of 20,000 restricted stock units (“RSUs”) under the Company’s 2018 Equity Incentive Plan (the “Plan”), which will vest in three substantially equal annual installments on the first, second and third anniversaries of the date of grant, subject to each person’s continued employment by the Company on each such vesting date. In connection with his appointment as the liaison of the Board to the Office of the President, the Compensation Committee also awarded to Brian Farley: (i) a cash payment of \$15,000 per month beginning in March 2020, which compensation will be reviewed on a quarterly basis by the Compensation Committee, and (ii) 20,000 RSUs under the Plan, which shall vest on the first anniversary of the date of the grant, subject to Mr. Farley’s continuous service to the Company through such date.

Item 7.01. Regulation FD Disclosure.

On March 5, 2020, the Company issued a press release announcing the Board and management changes discussed above. The press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
99.1	<u>Press Release of Neuronetics, Inc., dated March 5, 2020</u>

SIGNATURE

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.

NEURONETICS, INC.

(Registrant)

Date: March 6, 2020

By: /s/ Stephen Furlong

Name: Stephen Furlong

Title: VP, Finance and Chief Financial Officer
(Principal Financial and Accounting Officer)



Neuronetics, Inc. announces Chris Thatcher will step down as President and CEO

MALVERN, Pa., March 5, 2020 — Neuronetics, Inc. (NASDAQ: STIM), a commercial stage medical technology company focused on designing, developing and marketing products that improve the quality of life for patients who suffer from psychiatric disorders, today announced that the Company and Christopher A. Thatcher, President and CEO of Neuronetics, have mutually agreed that Mr. Thatcher will cease serving as the Company's President and Chief Executive Officer, effective immediately. In connection with his departure, Mr. Thatcher also resigned as a director of the Company's Board of Directors (the "Board"). Mr. Thatcher's employment is expected to continue through May 1, 2020, during which time he will provide transition services and advice to the Company. This mutual agreement was not the result of any inappropriate action by Mr. Thatcher, any violation of company policy, any accounting irregularity or any material deterioration in the business of the Company. The Company reaffirms the guidance that it provided on March 3, 2020.

The Board has established an interim Office of the President to provide ongoing leadership and oversight of the day-to-day operations of the Company while the Board of Directors conducts a search for a new CEO. The Office of the President is to be filled by Steve Furlong, Chief Financial Officer, and Andrew Macan, General Counsel, both of whom will remain in their current positions while carrying out their new responsibilities. Neuronetics' Board appointed Brian Farley, Chairman, as the liaison to the Office of the President and he will meet regularly with and oversee the activities of Office of the President. Neuronetics has asked Mr. Thatcher to serve as an advisor to the Company through May 1, 2020.

"We wish Chris well as he departs to pursue interests outside the Company and appreciate his willingness to continue as an advisor for us over the next two months. We are grateful for his service to our company over the past five plus years," said Mr. Farley. "We are pleased to have experienced executives in Steve and Andy to work with the Board and serve in the Office of the President. I am excited to work directly with them while we conduct a formal search for a new CEO."

Mr. Thatcher said, "It has been a privilege to be part of Neuronetics and its dedicated team for over five years, and I am very proud of being part of a team that built the category-leading NeuroStar® Advanced Therapy System and commercial organization. It has been an incredible opportunity to have helped thousands of patients suffering with Major Depressive Disorder and their families renew their lives with NeuroStar. I believe that the Company has a great future and is in excellent hands with a strong team that will continue to build on the important progress we have made."

Mr. Furlong joined Neuronetics in July 2019 with over 33 years of commercially focused finance experience. Prior to joining Neuronetics, Steve served as Senior Vice President of Finance at Metabolon Inc. He was also CFO at Rapid Micro Biosystems, a creator of innovative products for fast and accurate detection of microbial contamination. Steve spent 14 years at Hologic Inc., a global leader in women's health solutions. He also served in various finance roles at Safety 1st, Stratus Computer Inc and Raytheon Company. Steve has a Master of Science in Finance degree from Bentley University and a BA in Political Science from Pennsylvania State University.

Mr. Macan has served as Neuronetics' Senior Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary since January 2020. Prior to joining Neuronetics, Mr. Macan was Senior Vice President, General Counsel and Corporate Secretary of U.S. Silica Holdings, Inc., a Russell 2000 diversified minerals company, from October 2018 until January 2020. He served in roles of increasing responsibility with Axalta Coating Systems, LLC, from October 2013 until October 2018, most recently as General Counsel and Chief Compliance Officer, Americas, and The Chubb Corporation, from October 2003 until October 2013, including as Vice President, Corporate Counsel and Secretary for over 8 years. Mr. Macan began his career in private practice at Ballard Spahr LLP and Dechert LLP. He earned a B.A. in Government from Franklin & Marshall College and his J.D. from Emory University School of Law with distinction and Order of the Coif.

About Neuronetics

Neuronetics, Inc. is a commercial-stage medical technology company focused on designing, developing, and marketing products that improve the quality of life for patients who suffer from psychiatric disorders. Our first commercial product, the NeuroStar® Advanced Therapy System, is a non-invasive and non-systemic office-based treatment that uses transcranial magnetic stimulation, or TMS, to create a pulsed, MRI-strength magnetic field that induces electrical currents designed to stimulate specific areas of the brain associated with mood. The system is cleared by the United States Food and Drug Administration, or FDA, for the treatment of major depressive disorder in adult patients who have failed to achieve satisfactory improvement from prior antidepressant medication in the current episode. NeuroStar is also available in other parts of the world, including Japan, where it is listed under Japan's national health insurance. Additional information can be found at www.neuronetics.com.

“Safe harbor” statement under the Private Securities Litigation Reform Act of 1995:

Statements in the press release regarding Neuronetics, Inc. (the “Company”) that are not historical facts constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by terms such as “outlook,” “potential,” “believe,” “expect,” “plan,” “anticipate,” “predict,” “may,” “will,” “could,” “would” and “should” as well as the negative of these terms and similar expressions. These statements include those relating to: the Company’s business outlook and current expectations for upcoming quarter and fiscal year 2020, including with respect to revenue, gross margins, operating expense, the level of new system sales and any specific projections provided; the Company’s expectations regarding domestic and international growth opportunities, additional indications and the build out of its NeuroStar Advanced Therapy System platform; expectations or beliefs regarding future events, potential markets or market size, and technological developments; and any statements of assumptions underlying any of the foregoing items. These statements are subject to significant risks and uncertainties and actual results could differ materially from those projected. The Company cautions investors not to place undue reliance on the forward-looking statements contained in this release. These risks and uncertainties include, without limitation, risks and uncertainties related to: the Company’s ability to achieve or sustain profitable operations due to its history of losses; the Company’s reliance on the sale and usage of its NeuroStar Advanced Therapy System to generate revenues; the scale and efficacy of the Company’s salesforce; availability of coverage and reimbursement from third-party payors for treatments using the Company’s products; physician and patient demand for treatments using the Company’s products; developments in respect of competing technologies and therapies for the indications that the Company’s products treat; product defects; the Company’s ability to obtain and maintain intellectual property protection for its technology; developments in clinical trials or regulatory review of NeuroStar Advanced Therapy System for additional indications; and developments in regulation in the United States and other applicable jurisdictions. For a discussion of these and other related risks, please refer to the Company’s recent SEC filings which are available on the SEC’s website at www.sec.gov. These forward-looking statements are based on the Company’s expectations and assumptions as of the date of this press release. Except as required by law, the Company undertakes no duty or obligation to update any forward-looking statements contained in this press release as a result of new information, future events or changes in the Company’s expectations.

Investor Contact:

Mark R. Klausner
Westwicke Partners
443-213-0501
ir@neuronetics.com