
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 21, 2017

GALENA BIOPHARMA, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-33958
(Commission
File Number)

20-8099512
(I.R.S. Employer
Identification No.)

2000 Crow Canyon Place, Suite 380,
San Ramon, CA 94583

(Address of Principal Executive
Offices) (Zip Code)

Registrant's telephone number, including area code: (855) 855-4253

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

On February 21, 2017, the Company announced that the Board of Directors appointed Mr. Stephen F. Ghiglieri, 55, its Executive Vice President and Chief Financial Officer, as the Company's Interim Chief Executive Officer, effective February 21, 2017. On February 21, 2017, the Company and Mr. Ghiglieri amended (the "Ghiglieri Amendment") the employment agreement between the Company and Mr. Ghiglieri dated November 1, 2016, to provide that during the term Mr. Ghiglieri is the Interim Chief Executive Officer to (i) change Mr. Ghiglieri's base salary from \$370,000 to \$450,000 a year, (ii) change Mr. Ghiglieri's target bonus from 30% to 50% of base salary (to be awarded in the discretion of the Board), and (iii) increase Mr. Ghiglieri severance from 6 to 12 months of base salary if Mr. Ghiglieri is terminated from his employment without cause. Mr. Ghiglieri will also continue to serve as the Company's Chief Financial Officer.

The foregoing description of the Ghiglieri Amendment is qualified in its entirety by the Ghiglieri Amendment, which is filed as Exhibit 10.1 on this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 10.1 Amendment to Employment Agreement between Galena Biopharma, Inc. and Stephen Ghiglieri, dated as of February 21, 2017.
 - 99.1 Press release of Galena Biopharma, Inc. issued on February 21, 2017.
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First Amendment to Employment Agreement

This First Amendment (the "First Amendment") to the Employment Agreement dated February 21, 2017 (the "Effective Date") by and between Galena Biopharma, Inc. (the "Employer") and Stephen Ghiglieri (the "Employee") amends the Employment Agreement dated November 1, 2016 by and between the Employer and Employee ("Employment Agreement").

WHEREAS, the Employer and Employee wish to amend the Employment Agreement to change Employee's title and duties, base salary compensation, target bonus percentage and termination benefits while the Employee serves as Interim Chief Executive Officer in addition to serving as Chief Financial Officer.

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Employer and Employee hereby agree to the following amendment to the Employment Agreement while the Employee serves as Interim Chief Executive Officer:

During the Term of the First Amendment, the references in the Employment Agreement to Chief Executive Officer shall mean the Board.

Defined Terms. Defined terms used herein but not otherwise defined shall have the meaning in the Employment Agreement.

Engagement. The title and duties of Employee in Section 1 are hereby amended to add as the last sentence of Section 1: "Commencing on the Effective Date of the First Amendment, Employee and Employer agree that in addition to the duties Employee shall perform as Chief Financial Officer, he also shall serve as the Interim Chief Executive Officer at the discretion of and for such time as the Board of Directors (the "Board") determines."

Duties. The duties of Employee in Section 2 are hereby amended to add as the last sentence of Section 2: "Employee understands that the duties as Interim Chief Executive Officer shall be consistent with the duties customarily assigned to the offices of chief executive officer of a company substantially comparable to the Employer at the time of the Effective Date of the First Amendment."

Compensation. Sections 4.2 and 4.3 are hereby amended by in Section 4.2 deleting the amount of \$370,000 and inserting \$450,000 and in Section 4.3 deleting 30% and inserting 50%, with such amounts to be effective from and after the Effective Date for the Term of the First Amendment.

Termination by Employer without Cause. Section 5.2 is hereby amended by deleting "six months" and inserting "twelve months". In addition, the determination by the Board that

Employee shall no longer serve as Interim Chief Executive Officer shall not constitute a termination without cause as defined in Section 5.2.

Term. The term of this First Amendment shall extend from the Effective Date and terminate on the date determined by the Board.

All remaining provisions of the Employment Agreement shall remain in full force and effect.

By signing below, each party acknowledges that he or it has read and understands this First Amendment, and each party agrees to be bound by the terms of this First Amendment.

EMPLOYER

Galena Biopharma, Inc.

By: /s/ Sanford J. Hillsberg

Name: Sanford J. Hillsberg

Title: Chairman of the Board

EMPLOYEE

By: /s/ Stephen Ghiglieri

Name: Stephen Ghiglieri



Galena Biopharma Board of Directors Appoints Stephen F. Ghiglieri as Interim Chief Executive Officer

San Ramon, California, February 21, 2017 — Galena Biopharma, Inc. (NASDAQ: GALE), a biopharmaceutical company developing hematology and oncology therapeutics that address unmet medical needs, today announced that the Company’s Board of Directors appointed Stephen F. Ghiglieri as Interim Chief Executive Officer, effective today. Mr. Ghiglieri will also continue to serve as the Company’s Chief Financial Officer.

“On behalf of the entire Board of Directors, we are pleased to appoint Stephen as our Interim CEO,” said, Sanford J. Hillsberg, Galena’s Chairman of the Board of Directors. “We believe his prior public company experience and oversight will prove valuable to Galena as we evaluate strategic alternatives for the company focused on maximizing stockholder value.”

“Over the course of my career, I have been involved with various companies that have gone through transitions and believe that my experience will be beneficial to all of our stakeholders as we seek an optimal outcome for Galena. I look forward to working with our Board of Directors and management team to ensure the company continues to execute as we identify opportunities to enhance our value,” added Mr. Ghiglieri.

Mr. Ghiglieri, joined Galena Biopharma in November 2016 after previously consulting for the company. He has more than 30 years in senior level finance and operational roles at both biotechnology and technology companies. Prior to Galena, Mr. Ghiglieri served as CFO of MedData Inc., a private equity backed healthcare services company that was sold to Mednax, a publicly traded national medical group. Previously, he spent nearly 10 years at NeurogesX, ending his tenure as the Company’s Executive Vice President, Chief Operating Officer and CFO. Prior to that he served as the CFO of Hansen Medical, Inc., a medical device company. He also held senior level finance positions at two other healthcare companies: Oacis Healthcare Systems, Inc., and Oclassen Pharmaceuticals, Inc. Additionally, he was the CFO and Corporate Secretary for two technology software companies: Avolent, Inc., and Andromedia, Inc. Mr. Ghiglieri began his career as an audit manager of PricewaterhouseCoopers, LLP. He received a Bachelor of Science in Business Administration from California State University, Hayward where he graduated Magna Cum Laude. Mr. Ghiglieri is also a Certified Public Accountant (inactive).

About Galena Biopharma

Galena Biopharma, Inc. is a biopharmaceutical company developing hematology and oncology therapeutics that address unmet medical needs. Galena's pipeline consists of multiple mid-to-late-stage clinical assets led by its hematology asset, GALE-401, and its novel cancer immunotherapy programs including NeuVax™ (nelipepimut-S) and GALE-301/GALE-302. For more information, visit www.galenabiopharma.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about the progress of the strategic alternatives evaluation, development of Galena's product candidates, patient enrollment in our clinical trials, as well as other statements related to the progress and timing of our development activities, Galena's current and prospective financial condition, liquidity and access to capital, present or future licensing, collaborative or financing arrangements, expected outcomes with regulatory agencies, and projected market opportunities for product candidates or that otherwise relate to future periods. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those identified under "Risk Factors" in Galena's Annual Report on Form 10-K for the year ended December 31, 2015, most recent Quarterly Reports on Form 10-Q, current reports on Form 8-K and on the prospectus supplement to the registration statement related to the public offering filed with the SEC. Actual results may differ materially from those contemplated by these forward-looking statements. Galena does not undertake to update any of these forward-looking statements to reflect a change in its views or events or circumstances that occur after the date of this press release.

NeuVax is a trademark of Galena Biopharma, Inc.

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Source: Galena Biopharma, Inc.