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**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): **December 5, 2016**

**Diplomat Pharmacy, Inc.**

(Exact Name of Registrant as Specified in its Charter)

**Michigan**  
(State or Other Jurisdiction  
of Incorporation)

**001-36677**  
(Commission File Number)

**38-2063100**  
(IRS Employer  
Identification No.)

**4100 S. Saginaw St.**  
**Flint, Michigan 48507**  
(Address of Principal Executive Offices) (Zip Code)

**(888) 720-4450**  
(Registrant's Telephone Number, Including Area Code)

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.**

**Time-Based Stock Option Awards**

On December 5, 2016, the Board of Directors of Diplomat Pharmacy, Inc. (the “Company”) approved a form of Stock Option Award Agreement (Time-Based) (the “Option Award Agreement”) for options to be issued from time to time under the Company’s 2014 Omnibus Incentive Plan. Under the terms of the Option Award Agreement, the Company may issue options to purchase a number of shares of common stock of the Company (the “Option Shares”) which will be earned ratably over a four-year period, with 25% of the options shares vesting on each anniversary of the initial grant. The new form of Option Award Agreement is substantially identical to the form of award for time-vested options previously filed by the Company with the Securities and Exchange Commission, except that the Option Award Agreement contains provisions regarding “double-trigger” vesting in the case of termination following a change in control under certain circumstances. The Option Award Agreement also provides for termination of the award in certain cases of employment termination without connection to any change in control event. The Form of Stock Option Award Agreement (Time-Based) is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

On December 5, 2016, the Company’s Board of Directors approved the issuance of time-based option awards to certain employees, including two of the Company’s executive officers in the following amounts: Paul Urick, its President, 200,000 Option Shares, and Gary Rice, its Executive Vice President of Operations, 100,000 Option Shares.

**Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits**

<u>No.</u>	<u>Description</u>
10.1	Form of Stock Option Award Agreement (Time-Based)

**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.

**Diplomat Pharmacy, Inc.**

By: /s/ Sean M. Whelan  
Sean M. Whelan  
Chief Financial Officer

Date: December 9, 2016

**EXHIBIT INDEX**

<u>No.</u>	<u>Description</u>
10.1	Form of Stock Option Award Agreement (Time-Based)

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**DIPLOMAT PHARMACY, INC.**  
**Form of Stock Option Award Agreement**  
**Under 2014 Omnibus Incentive Plan**

Grantee:  
Grant Date:  
Number of Option Shares:  
Exercise Price per Option Share:

1. Grant of Option. Pursuant to the Diplomat Pharmacy, Inc. 2014 Omnibus Incentive Plan (the “Plan”), effective as of the Grant Date set forth above, Diplomat Pharmacy, Inc. (the “Company”) grants to the Grantee identified above an option (the “Option”) to purchase up to (but not in excess of) shares of the Company’s common stock, no par value (the “Option Shares”), at the Exercise Price per Option Share set forth above, on the terms and subject to the conditions set forth in this Stock Option Award Agreement (this “Agreement”) and in the Plan. The Option is intended to be a Non-qualified Stock Option. Capitalized terms not defined in this Agreement have the meanings ascribed to such terms in the Plan.

2. Term of Option. The Option shall expire on the ten year anniversary of the Grant Date (the “Expiration Date”), subject to earlier expiration following termination of the Grantee’s employment with the Company or a Subsidiary as provided in Paragraph 6 below.

3. Normal Vesting. Grantee may exercise the Option only if and to the extent that the Option has become vested. For this purpose and except as provided in Paragraphs 4 and 6 below, the Option shall become vested as to 25% of the Option Shares on each of the first, second, third and fourth anniversaries of the Grant Date, provided that the Option shall cease vesting upon termination of Grantee’s employment with the Company or a Subsidiary for any reason whatsoever and the portion of the Option scheduled to vest on any such vesting date shall vest only if Grantee has remained continuously employed by the Company or a Subsidiary from the Grant Date to such vesting date.

4. Accelerated Vesting upon Termination after Change in Control. Notwithstanding Paragraph 3 above, upon the termination without Cause by the Company or a Subsidiary (or a successor, as applicable) of Grantee’s service as an employee or if Grantee resigns for Good Reason (as defined below) in connection with or within one year following the consummation of a Change in Control, then the vesting of this Option shall accelerate such that 100% of the Option Shares then unvested shall vest, effective immediately prior to such termination of Grantee’s employment. In the event of a Change in Control, if the Company’s successor (which, for the purposes of this provision, is the acquirer of the Company’s assets in a Change in Control resulting from the sale of all or substantially all of the Company’s assets) does not agree to assume this Option, or to substitute an equivalent award or right for this Option, and if Grantee has remained continuously employed from the Grant Date to the date of the Change in Control, and does not voluntarily resign without continuing with the Company’s successor, then the vesting of Option Shares shall accelerate such that this Option shall be vested to the same extent

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as if Grantee had been terminated without Cause as described in this Paragraph 4, effective immediately prior to, and contingent upon, the consummation of such Change in Control. In the event the Option accelerates pursuant to this Paragraph 4, any portion of the Option that is vested or accelerated on such date may be exercised only during the one year period following such termination, but in no event after the Expiration Date.

As used herein, “Good Reason” shall mean Grantee’s resignation due to the occurrence of any of the following conditions which occurs without Grantee’s written consent, provided that the requirements regarding advance notice and an opportunity to cure set forth below are satisfied: (1) a reduction of Grantee’s then current base salary by 10% or more unless such reduction is part of a generalized salary reduction affecting similarly situated employees; (2) a change in Grantee’s position with the Company that materially reduces Grantee’s duties, level of authority or responsibility; (3) a material breach of any employment agreement between Grantee and the Company or a Subsidiary (if any); or (4) the Company conditions Grantee’s continued service with the Company on Grantee’s being transferred to a site of employment that would increase Grantee’s one-way commute by more than 50 miles from Grantee’s then principal residence. In order for Grantee to resign for Good Reason, Grantee must provide written notice to the Company of the existence of the Good Reason condition within 30 days of the initial existence of such Good Reason condition. Upon receipt of such notice, the Company will have 30 days during which it may remedy the Good Reason condition and not be required to provide for the vesting acceleration described herein as a result of such proposed resignation. If the Good Reason condition is not remedied within such 30-day period, Grantee may resign based on the Good Reason condition specified in the notice effective no later than 30 days following the expiration of the 30-day cure period.

5. Procedure for Exercise and Payment of Exercise Price. Grantee may exercise all or any portion of the Option, to the extent it is vested and outstanding, at any time prior to its expiration, by (i) delivering a properly executed written notice of exercise to the Company, in such form as shall be approved by the Company, specifying the number of Option Shares to be purchased, and (ii) paying to the Company the aggregate Exercise Price of the Option Shares to be purchased. Grantee shall pay the aggregate Exercise Price of the Option Shares to be purchased on exercise of the Option (i) by payment of such aggregate Exercise Price in cash or by certified or bank cashier’s check payable to the order of the Company, (ii) by delivery of irrevocable instructions to a stockbroker to sell immediately some or all of the Option Shares acquired by exercise of the Option and to promptly deliver to the Company an amount of the sale proceeds sufficient to pay the aggregate Exercise Price, or (iii) in the discretion of the Committee, by such other cashless means authorized by Paragraph 6(g) of the Plan.

6. Termination of Employment. Upon termination of Grantee’s employment with the Company or a Subsidiary for any reason (other than as set forth in Paragraph 4 above), vesting of the Option shall terminate and any portion of the Option that is unvested at the time of termination of Grantee’s employment with the Company or a Subsidiary shall expire, terminate and be forfeited and of no further force or effect. If the Company or a Subsidiary terminates Grantee’s employment for Cause, any portion of the Option which is vested at the time of such termination shall also expire, terminate and be forfeited and of no further force or effect. If Grantee’s employment with the Company or a Subsidiary terminates due to the death or Disability of Grantee, any portion of the Option that is vested on the date of such termination

may be exercised only during the one year period following such termination, but in no event after the Expiration Date. If Grantee's employment with Company or a Subsidiary terminates for any reason other than death, Disability or Cause, or as set forth in Paragraph 4 above, any portion of the Option that is vested on the date of such termination may be exercised only during the 90 day period following such termination, but in no event after the Expiration Date.

7. Non-Transferability of Option. The Option is personal to Grantee. Unless permitted otherwise in the discretion of the Committee, the Option is not transferable by Grantee (other than by will or the laws of descent and distribution) and, during Grantee's lifetime, only Grantee (or his guardian or legal representative) may exercise the Option. In the event of Grantee's death, the Option may be exercised (i) by the executor or administrator of Grantee's estate or the person or persons to whom Grantee's rights under the Option shall pass by will or the laws of descent and distribution, and (ii) to the extent and during the period Grantee was allowed to exercise the Option at the date of Grantee's death.

8. Restrictive Covenants; Compensation Recovery. By signing this Agreement, Grantee acknowledges and agrees that the Option and the Option Shares (and any stock or stock-based award previously granted by the Company or a Subsidiary to Grantee under the Plan or otherwise) shall (i) be subject to forfeiture as a result of Grantee's violation of any agreement with the Company or a Subsidiary regarding non-competition, non-solicitation, confidentiality, non-disparagement, inventions and/or similar restrictive covenants (the "Restrictive Covenants Agreement"), and (ii) be subject to forfeiture and/or recovery under any compensation recovery policy that may be adopted from time to time by the Company or any of its Subsidiaries. For avoidance of doubt, compensation recovery rights to the Option Shares or other shares of Company stock (including shares of stock acquired under previously granted stock-based awards) shall extend to the proceeds realized by Grantee due to sale or other transfer of such stock. Grantee's prior execution of the Restrictive Covenants Agreement was a material inducement for the Company's grant of the Option under this Agreement.

9. Conformity with Plan. The Option is intended to conform in all respects with and is subject to all applicable provisions of the Plan, which is incorporated herein by reference. Any inconsistencies between the provisions of this Agreement and the Plan shall be resolved in accordance with the provisions of the Plan.

10. Rights as a Participant. Nothing contained in this Agreement shall (i) interfere with or limit in any way the right of the Company or a Subsidiary to terminate Grantee's employment at any time and for any or no reason, (ii) confer upon Grantee any right to be selected again as a Plan Participant, or (iii) require or permit any adjustment to the number of Option Shares or to the Exercise Price upon or as a result of the occurrence of any subsequent event (except as provided in Paragraph 13 of the Plan).

11. Withholding of Taxes. Any income or employment tax required to be withheld upon exercise of the Option shall be paid by Grantee to the Company or a Subsidiary (whichever is the employer of Grantee), or the Company or a Subsidiary (whichever is the employer of Grantee) may withhold such tax from the cash compensation otherwise payable to Grantee. Alternatively, Grantee may pay any such withholding tax (i) by delivery of irrevocable instructions to a stockbroker to sell immediately some or all of the Option Shares acquired by

exercise of the Option and to promptly deliver to the Company an amount of the sale proceeds sufficient to pay the withholding tax due on exercise of the Option, or (ii) such other cashless means as may be permitted under law and in the discretion of the Committee.

12. Resale Restrictions. The Company currently has an effective registration statement on file with the Securities and Exchange Commission with respect to the Option Shares. The Company currently intends to maintain this registration, but has no obligation to do so. If the registration ceases to be effective, Grantee will not be able to sell or transfer Option Shares issued to Grantee upon exercise of the Option unless an exemption from registration under applicable securities laws is available. Grantee agrees that any resale by Grantee of Option Shares acquired upon exercise of the Option shall comply in all respects with the requirements of all applicable securities laws, rules and regulations (including, without limitation, the provisions of the Securities Act of 1933, as amended, the Exchange Act, and the respective rules and regulations promulgated thereunder) and any other law, rule or regulation applicable thereto, as such laws, rules and regulations may be amended from time to time. The Company shall not be obligated to issue the Option Shares or permit their resale if such issuance or resale would violate any such requirements.

13. Consent to Transfer of Personal Data. In administering this Agreement and the Plan, or to comply with applicable legal, regulatory, tax or accounting requirements, it may be necessary for the Company to transfer certain Grantee personal data to a Subsidiary, or to outside service providers, or to governmental agencies. By signing this Agreement and accepting the award of the Option, Grantee consents, to the fullest extent permitted by law, to the use and transfer, electronically or otherwise, of Grantee's personal data to such entities for such purposes.

14. Consent to Electronic Delivery. In lieu of receiving documents in hard copy paper format, Grantee agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company may be required to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other agreements, documents, forms and communications) in connection with the Option and any other prior or future incentive award or program made or offered by the Company, a Subsidiary and their predecessors or successors. Electronic delivery of a document to Grantee may be via a Company or Subsidiary email system or by reference to a location on a Company or Subsidiary intranet site to which Grantee has access.

15. No Ownership of Option Shares Until Exercise. Prior to the Grantee's exercise of the Option and purchase of the Option Shares, the Grantee shall not possess any incidents of ownership of the Option Shares, including voting or dividend rights.

16. Notices. Any and all notices, designations, consents, offers, acceptances and any other communications provided for herein shall be given in writing and shall be delivered either personally or by registered or certified mail, postage prepaid, which shall be addressed, in the case of the Company, to the Chief Financial Officer of the Company at the principal office of the Company and, in the case of the Grantee, to the Grantee's address appearing on the books of the Company or to such other address as may be designated in writing by the Grantee.

17. Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns, and of the Grantee and the beneficiaries, executors, administrators, heirs and successors of the Grantee.

18. Invalid Provision. The invalidity or unenforceability of any particular provision hereof shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision had been omitted.

19. Modifications. Except as provided in the Plan, no change, modification or waiver of any provision of this Agreement shall be valid unless the same is in writing and signed by the parties hereto.

20. Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and therein and supersede all prior communications, representations and negotiations in respect thereto.

21. Governing Law. This Agreement and the rights of the Grantee hereunder shall be governed, construed, and administered in accordance with and governed by the laws of the State of Michigan (regardless of the laws that might otherwise govern under applicable principles of conflicts of laws of such jurisdiction or any other jurisdiction).

22. Headings. The headings of the Paragraphs hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

23. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

24. Committee Determinations Final and Binding. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations thereunder, and its decision shall be binding and conclusive upon the Grantee and his/her legal representative in respect of any questions arising under the Plan or this Agreement.

[signature page follows]

Very Truly Yours,

Diplomat Pharmacy, Inc.

By \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

The undersigned hereby acknowledges having read this Agreement and the Plan and agrees to be bound by all provisions set forth herein and in the Plan.

Dated as of: \_\_\_\_\_

GRANTEE: \_\_\_\_\_

Name: \_\_\_\_\_