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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT**  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934  
Date of Report (Date of earliest event reported): October 6, 2020

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**PROCESSA PHARMACEUTICALS, INC.**  
(Exact Name of Registrant as Specified in its Charter)

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Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-39531  
(Commission  
File Number)

45-1539785  
(IRS Employer  
Identification No.)

7380 Coca Cola Drive, Suite 106, Hanover, Maryland  
(Address of Principal Executive Offices)

21076  
(Zip Code)

Registrant's telephone number, including area code: (443) 776-3133

Not Applicable  
(Former Name or Former Address, if Changed Since Last Report)

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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))
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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, \$0.0001 par value per share	PCSA	The Nasdaq Stock Market LLC

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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.

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

On October 6, 2020, Dr. David Young, President and CEO of Processa Pharmaceuticals, Inc. (the “Company” or “Processa”) appointed R. Michael Floyd, age 64, as Chief Operating Officer of the Company and entered into an employment agreement (the “Agreement”) between the Company and Mr. Floyd, governing the terms of Mr. Floyd’s employment, which became effective October 1, 2020.

Mr. Floyd has been a serial entrepreneur with over 15 years’ experience with early stage biopharma businesses in infectious diseases, oncology and rare diseases. In 1996 he founded Neurologic, an early stage enterprise that in-licensed technology from the National Institutes of Health for a diagnostic test for Alzheimer’s disease. Mr. Floyd was the co-author of the plan that created the Blanchette Rockefeller Neurosciences Institute in 1998 with the Honorable Jay Rockefeller and Johns Hopkins University. Mr. Floyd was the chief executive officer for the North American subsidiary of Arpida Ltd. from 2006 where he organized the phase 3 program for an MRSA drug and oversaw the NDA submission. Mr. Floyd led the US efforts to remediate the NDA for Gentium, SpA for defibrotide from 2011. Mr. Floyd was a founder of Bio-AIM, which is developing monoclonal antibodies for Acinetobacter baumannii and Exbaq which is developing therapies for Gram negative pathogens. In 2016, Mr. Floyd co-founded Elion Oncology and has served as its Chief Executive officer until joining Processa. Mr. Floyd received a BSBA in accounting from Georgetown University and is a CPA (inactive).

Pursuant to the Agreement, Mr. Floyd will receive an annual base salary of \$87,500. The Company granted Mr. Floyd 50,000 Restricted Stock Units of the Company’s common stock. The RSUs will vest over 4-years at 25% each year. In the event Mr. Floyd is terminated without Cause (as defined in the Agreement), or for Good Reason (as defined in the Agreement) the Company is required to provide, in writing 52 weeks’ notice. The RSUs shall fully vest upon Change in Control (as defined in the Agreement) if Mr. Floyd is terminated without Cause or for Good Reason. He may also receive a severance payment at Processa’s discretion. Mr. Floyd is entitled to participate in all employee benefits available to employees of the Company. The Employment Agreement also includes confidentiality provisions.

A press release announcing Mr. Floyd’s employment is filed as Exhibit 99.1 hereto.

The foregoing summary of the Agreement is qualified in its entirety by the copy of such agreement filed as Exhibit 10.1 hereto and incorporated herein by this reference.

**Item 9.01. Financial Statements and Exhibits.**

Exhibit No.	Description
10.1	<a href="#">Employment Agreement, dated October 6, 2020, between Processa Pharmaceuticals and R. Michael Floyd</a>
99.1	<a href="#">Press Release issued on October 13, 2020</a>

**SIGNATURES**

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.

**PROCESSA PHARMACEUTICALS, INC.**

Date: October 13, 2020

By: /s/ David Young  
David Young  
Chief Executive Officer

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PROCESSA PHARMACEUTICALS INC.

EMPLOYMENT AGREEMENT

October 1, 2020

This Employment Agreement is entered into as of the date of the last signature affixed hereto, by and between Processa Pharmaceuticals Inc., a Delaware corporation ("Processa"), and R. Michael Floyd, ("Employee").

In consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, Processa and Employee hereby agree as follows:

1. **Position of Employment.** Processa will employ the Employee in the position of Chief Operations Officer (COO) and, as COO, Employee will report to the CEO. Processa retains the right to change Employee's title, duties, and reporting relationships as may be determined to be in the best interests of Processa; provided, however, that any such change in Employee's duties shall be consistent with Employee's training, experience, and qualifications.

The terms and conditions of the Employee's employment shall, to the extent not addressed or described in this Employment Agreement, be governed by Processa's Policies and Procedures Manual and existing practices. In the event of a conflict between this Employment Agreement and the Policies and Procedures Manual or existing practices, the terms of this Agreement shall govern.

2. **Term of Employment.** Employee's employment with Processa shall begin on October 1, 2020. This agreement will remain in effect for 3 years, after which time the agreement will renew annually, after which time continued employment shall be on an "at will" basis, unless:
  - a. Employee's employment is terminated by either party in accordance with the terms of Section 5 of this Employment Agreement; or
  - b. Such term of employment is extended or shortened by a subsequent agreement duly executed by each of the parties to this Employment Agreement, in which case such employment shall be subject to the terms and conditions contained in the subsequent written agreement.

3. Compensation and Benefits.

- a. Base Salary. Employee shall receive an annual base salary of \$87,500, for a full-time effort, commensurate with other C-Suite Executives in Processa, other than the CEO. Any increases in Employee's Base Salary for years beyond December 31, 2020 shall be at the sole discretion of the Processa Board of Directors, and nothing herein shall be deemed to require any such increase.
  - b. Stock Options and Restricted Stock Units. Subject to approval by the Processa's Board of Directors (the "Board"), and pursuant to the Processa's 2017 Stock Plan (the "Plan"), Processa may grant Employee an option to purchase shares of Processa's common stock at the fair market value as determined by the Board as of the date of grant (the "Option") and commensurate with other C-Suite Executives in Processa, other than the CEO. The specifics of the stock options will be described in the Stock Option Agreement and Stock Option Award provided to the Employee. Processa may also grant Employee Restricted Stock Units of Processa's common stock commensurate with other C-Suite Executives in Processa, other than the CEO. The specifics of the Restricted Stock Units will be described in the Restricted Stock Unit Agreement and Restricted Stock Unit Award provided to the Employee.
  - c. Incentive and Deferred Compensation. Employee shall be eligible to participate in all incentive and deferred compensation programs available to other executives or officers of Processa, such participation to be in the same form, under the same terms, and to the same extent that such programs are made available to other such executives or officers. Nothing in this Employment Agreement shall be deemed to require the payment of bonuses, awards, or incentive compensation to Employee if such payment would not otherwise be required under the terms of Processa's incentive compensation programs.
  - d. Employee Benefits. Employee shall be eligible to participate in all employee benefit plans, policies, programs, or perquisites in which other Processa executive or officers participate, including the Processa Stock Option program. The terms and conditions of Employee's participation in Processa's employee benefit plans, policies, programs, or perquisites shall be governed by the terms of each such plan, policy, or program.
4. Duties and Performance. The Employee acknowledges and agrees that he is being offered a position of employment by the Processa with the understanding that the Employee possesses a unique set of skills, abilities, and experiences which will benefit Processa, and he agrees that his continued employment with Processa, whether during the term of this Employment Agreement or thereafter, is contingent upon his successful performance of his duties in his position as noted above, or in such other position to which he may be assigned.

a. General Duties.

1. Employee shall render to the very best of Employee's ability, on behalf of the Processa, services to and on behalf of the Processa, and shall undertake diligently all duties assigned to him by the Processa.
2. Employee shall devote his full time, energy and skill to the performance of the services in which Processa is engaged, at such time and place as Processa may direct. Employee shall not undertake, either as an owner, director, shareholder, employee or otherwise, the performance of services for compensation (actual or expected) for any other entity without the express written consent of the Board of Directors.
3. Employee shall faithfully and industriously assume and perform with skill, care, diligence and attention all responsibilities and duties connected with his employment on behalf of Processa.
4. Employee shall have no authority to enter into any contracts binding upon Processa, or to deliberately create any obligations on the part of Processa, except as may be specifically authorized by the Board of Directors of Processa.

b. Specific Duties.

1. Plans, coordinates, and oversees all aspects of investor relations, related meetings, and public relations.
2. Assists the CEO with general operations of the Company.
3. Other duties as assigned.

5. Termination of Employment. Employee's employment with Processa may be terminated, prior to the expiration of the term of this Employment Agreement, in accordance with any of the following provisions:

- a. Termination by Employee. The Employee may terminate his employment at any time during the course of this agreement by giving 8 weeks' notice in writing to the Board of Directors of Processa. During the notice period, Employee must fulfill all his duties and responsibilities set forth above and use his best efforts to train and support his replacement, if any. Failure to comply with this requirement may result in Termination for Cause described below, but otherwise Employee's salary and benefits will remain unchanged during the notification period.

- b. Termination by Employee for Good Reason. The Employee may terminate employment with the Company for Good Reason. "Good Reason" shall mean the occurrence without Employee's written consent, of one or more of the following events: (i) the Company reduces Employee's base salary to a salary not typical of the other C-Suite Executives in Processa, other than the CEO, (ii) the Company materially decreases Employee's responsibilities, (iii) the Company relocates Employee's principal place of work to a location more than fifty (50) miles from the location of Employee's principal place of work on the date of this Agreement, or (iv) the Company materially breaches the terms of this Agreement; provided that no such event shall constitute Good Reason hereunder unless (a) Employee shall have given written notice to the Company of Employee's intent to resign for Good Reason within 30 days after Employee becomes aware of the occurrence of any such event (specifying in detail the nature and scope of the event), (b) such event or occurrence shall not have been cured within 30 days of the Company's receipt of such notice, (c) any Termination by Employee for Good Reason following such 30 day cure period must occur no later than the date that is 30 days following the expiration of such 30 day cure period. Employee's Termination for Good Reason shall be treated as involuntary.
- c. Termination by Processa Without Cause. Processa may terminate Employee's employment at any time during this agreement by giving fifty-two (52) weeks' notice in writing to the Employee. During the notice period, Employee must fulfill all of Employee's duties and responsibilities set forth above and use Employee's best efforts to train and support Employee's replacement, if any. Failure of Employee to comply with this requirement may result in Termination for Cause described below, but otherwise Employee's salary and benefits will remain unchanged during the notification period. Processa, may, in its sole discretion, give Employee severance pay in the amount of the remaining notice period in lieu of actual employment, and nothing herein shall require Processa to maintain employee in active employment for the duration of the notice period.
- d. Termination by Processa For Cause. Processa may, at any time and without notice, terminate the Employee for "cause". Termination by Processa of the Employee for "cause" shall include but not be limited to termination based on any of the following grounds: (a) failure to perform the duties of the Employee's position in a satisfactory manner; (b) fraud, misappropriation, embezzlement or acts of similar dishonesty; (c) conviction of a felony involving moral turpitude; (d) illegal use of drugs or excessive use of alcohol in the workplace; (e) intentional and willful misconduct that may subject Processa to criminal or civil liability; (f) breach of the Employee's duty of loyalty, including the diversion or usurpation of corporate opportunities properly belonging to Processa; (g) willful disregard of Processa policies and procedures; and (h) breach of any of the material terms of this Agreement.

- e. Termination By Death or Disability. The Employee's employment and rights to compensation under this Employment Agreement shall terminate if the Employee is unable to perform the duties of his position due to death or disability lasting more than 90 days, and the Employee's heirs, beneficiaries, successors, or assigns shall not be entitled to any of the compensation or benefits to which Employee is entitled under this Agreement, except: (a) to the extent specifically provided in this Employment Agreement (b) to the extent required by law; or (c) to the extent that such benefit plans or policies under which Employee is covered provide a benefit to the Employee's heirs, beneficiaries, successors, or assigns.
- f. Termination of Employment for Good Reason Involving a Change of Control. Employee's employment with Processa may be terminated in the event that a Change in Control occurs which is also a Cash Severance Change in Control (as defined below), and Employee's employment with the Company is terminated by the Company Without Cause at any time within the three (3) month period before the date of such Cash Severance Change in Control or during the fifty-two (52) week period following the date of such Cash Severance Change in Control, Employee will receive severance as stated in Section 5.c.

For purposes of this Section, "**Cash Severance Change in Control**" shall mean and include:

- i. Acquisition by any "Person" or "Group" of securities entitled to vote generally in the election of directors ("voting securities") of the Company that represent 50% or more of the combined voting power of the Company's then outstanding voting securities;
  - ii. Merger or consolidation in which the seller's shareholders no longer control the surviving entity;
  - iii. Sale of substantially all assets to an unrelated entity.
6. Confidentiality. Employee agrees that at all times during Employee's employment and following the conclusion of Employee's employment, whether voluntary or involuntary, Employee will hold in strictest confidence and not disclose Confidential Information (as defined below) to anyone who is not also an employee of Processa or to any employee of Processa.
- a. "Confidential Information" shall mean any trade secrets or Processa proprietary information, including but not limited to manufacturing techniques, processes, formulas, customer lists, inventions, experimental developments, research projects, operating methods, cost, pricing, financial data, business plans and proposals, data and information Processa receives in confidence from any other party, or any other secret or confidential matters of Processa. Additionally, Employee will not use any Confidential Information for Employee's own benefit or to the detriment of Processa during Employee's employment or thereafter. Employee also certifies that employment with Processa does not and will not breach any agreement or duty that Employee has to anyone concerning confidential information belonging to others.



7. Expenses. Processa shall pay or reimburse Employee for any expenses reasonably incurred by him in furtherance of his duties hereunder, including expenses for entertainment, travel, meals and hotel accommodations, upon submission by him of vouchers or receipts maintained and provided to Processa in compliance with such rules and policies relating thereto as Processa may from time to time adopt.
8. General Provisions.
  - a. Notices. All notices and other communications required or permitted by this Agreement to be delivered by Processa or Employee to the other party shall be delivered in writing to the address shown below, either personally, by facsimile transmission or by registered, certified or express mail, return receipt requested, postage prepaid, to the address for such party specified below or to such other address as the party may from time to time advise the other party, and shall be deemed given and received as of actual personal delivery, on the first business day after the date of delivery shown on any such facsimile transmission or upon the date or actual receipt shown on any return receipt if registered, certified or express mail is used, as the case may be.

Processa Pharmaceuticals, Inc.:

Processa Pharmaceuticals, Inc.  
7380 Coca Cola Drive  
Suite 106  
Hanover, MD 21076  
Attn: Wendy Guy

Employee:

Robert Michael Floyd  
5817 Ogden Court  
Bethesda, MD 20816

- b. Amendments and Termination; Entire Agreement. This Agreement may not be amended or terminated except by a writing executed by all of the parties hereto. This Agreement constitutes the entire agreement of Processa and Employee relating to the subject matter hereof and supersedes all prior oral and written understandings and agreements relating to such subject matter.
- c. Successors and Assigns. The rights and obligations of the parties hereunder are not assignable to another person without prior written consent; provided, however, that Processa, without obtaining Employee's consent, may assign its rights and obligations hereunder to a wholly-owned subsidiary and provided further that any post-employment restrictions shall be assignable by Processa to any entity which purchases all or substantially all of Processa's assets.

- d. Severability; Provisions Subject to Applicable Law. All provisions of this Agreement shall be applicable only to the extent that they do not violate any applicable law and are intended to be limited to the extent necessary so that they will not render this Agreement invalid, illegal or unenforceable under any applicable law. If any provision of this Agreement or any application thereof shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of other provisions of this Agreement or of any other application of such provision shall in no way be affected thereby.
- e. Waiver of Rights. No waiver by Processa or Employee of a right or remedy hereunder shall be deemed to be a waiver of any other right or remedy or of any subsequent right or remedy of the same kind.
- f. Definitions; Headings; and Number. A term defined in any part of this Employment Agreement shall have the defined meaning wherever such term is used herein. The headings contained in this Agreement are for reference purposes only and shall not affect in any manner the meaning or interpretation of this Employment Agreement. Where appropriate to the context of this Agreement, use of the singular shall be deemed also to refer to the plural, and use of the plural to the singular.
- g. Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed an original but both of which taken together shall constitute but one and the same instrument.
- h. Governing Laws and Forum. This Agreement shall be governed by, construed, and enforced in accordance with the laws of Maryland. The parties hereto further agree that any action brought to enforce any right or obligation under this Agreement shall be subject to the exclusive jurisdiction of the courts of Maryland.

All terms in this offer are dependent on the approval of the Processa Board of Directors. IN WITNESS WHEREOF, Processa Pharmaceuticals, Inc and Employee have executed and delivered this Agreement as of the date written below.

  
Robert Michael Floyd

Processa Pharmaceuticals, Inc.

By: Wendy J. Guy Digitally signed by Wendy J. Guy  
DN: cn=Wendy J. Guy, o=Processa Pharmaceuticals, Inc., email=Wendy.Guy@processapharma.com, c=US

Name: Wendy Guy

Title: Chief Administrative Officer

FOR IMMEDIATE RELEASE

For More Information:  
Michael Floyd  
[mfloyd@processapharma.com](mailto:mfloyd@processapharma.com)

Processa Pharmaceuticals Announces Appointment of Michael Floyd as Chief Operating Officer

HANOVER, Md. – Oct. 13, 2020 – Processa Pharmaceuticals, Inc. (NASDAQ: PCSA) (“Processa” or the “Company”), a clinical-stage biopharmaceutical company developing products to improve survival and/or quality of life for patients who have high unmet medical needs, is pleased to announce the appointment of Michael Floyd as the Company’s Chief Operating Officer.

Mr. Floyd is a serial entrepreneur who, over the last 15 years, has formed and been a senior executive in several life science organizations focused on the development of products to treat infectious and rare diseases, as well as the development of oncology drugs. He founded the early stage enterprise Neurologic, that in-licensed technology from the NIH for a diagnostic test for Alzheimer’s disease. In 2006 he served as the CEO for the North American subsidiary of Arpida Ltd. and organized the phase 3 program for the NDA submission of an MRSA drug. Then after joining Gentium, SpA in 2011, he led the US efforts to remediate the NDA for defibrotide. More recently, Mr. Floyd co-founded Elion Oncology which licensed PCS6422 to Processa.

“Adding Mike to our leadership team will enable me to spend more time focusing on our long-term strategic direction and our pipeline,” said Dr. David Young, CEO and Chairman of Processa. “Mike is a proven life science entrepreneur with a demonstrated track record of successfully delivering results. He has the leadership capabilities we are looking for to help us grow Processa. In addition to assisting me in overseeing operations, Mike will manage our public relations program and work with Patrick Lin, our Chief Business- Strategy Officer, to ensure that our existing investors and potential investors are informed as the Processa drugs hit their key milestones over the next 12-18 months.”

“I am excited and delighted to join the Processa team and to leverage the company’s incredibly talented development team to efficiently bring important, life-changing therapies to patients with underserved, serious indications,” Mr. Floyd said. “As the founder of Elion, I greatly resonated with the manner in which the Processa team operates, and I have the greatest confidence in their disciplined approach to highly efficient pharmaceutical development. I appreciate how Processa developed a pipeline of de-risked drugs while planning to efficiently and safely attack high-value milestones. Elion sought out a collaborative engagement with the very best development partners and we found that partner in Processa. Our oncology drug 6422 is in great hands with Processa given their experience with this class of oncology therapy, their experience in oncology drug development, the Regulatory Science approach they use to develop drugs, and their overall corporate approach to efficiently run and manage Processa.”

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**About Processa Pharmaceuticals, Inc.**

The mission of Processa has been to develop products for which existing clinical evidence of efficacy already exists in unmet medical need conditions – medical conditions for which patients need treatment options that will improve survival and/or quality of life. The Company has assembled a proven regulatory science development team, management team and board of directors. The members of the Processa development team have been involved with more than 30 drug approvals by the FDA (including drug products targeted to orphan disease conditions) and 100 FDA meetings throughout their careers.

**Forward-Looking Statements**

This release contains forward-looking statements. The statements in this press release that are not purely historical are forward-looking statements which involve risks and uncertainties. Actual future performance outcomes and results may differ materially from those expressed in forward-looking statements. Please refer to the documents filed by Processa Pharmaceuticals with the SEC, specifically the most recent reports on Forms 10-K and 10-Q, which identify important risk factors which could cause actual results to differ from those contained in the forward-looking statements.

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