

# SECURITIES & EXCHANGE COMMISSION EDGAR FILING

## ENDRA Life Sciences Inc.

**Form: 10-K/A**

**Date Filed: 2018-04-13**

Corporate Issuer CIK: 1681682

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

FORM 10-K/A  
(Amendment No. 1)

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2017

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-37969

**ENDRA Life Sciences Inc.**

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

26-0579295

(I.R.S. Employer Identification No.)

3600 Green Court, Suite 350, Ann Arbor, MI

(Address of Principal Executive Offices)

48105-1570

(Zip Code)

**(734) 335-0468**

(Registrant's telephone number, including area code)

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

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.0001 per share	The NASDAQ Stock Market LLC
Warrants, each to purchase one share of Common Stock	The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12 (g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act): Yes  No

The aggregate market value of voting and non-voting common equity held by non-affiliates of the registrant, as of June 30, 2017, was approximately \$14,831,809 based on the closing sales price of the common stock on such date as reported on the NASDAQ Capital Market.

As of March 14, 2018, there were 3,923,027 shares of the registrant's common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.



ENDRA LIFE SCIENCES INC.  
TABLE OF CONTENTS

Amendment No. 1 to Annual Report on Form 10-K/A

Explanatory Note	3
PART III	
Item 11. Executive Compensation	4
PART IV	
Item 15. Exhibits, Financial Statements and Schedules	8

## EXPLANATORY NOTE

ENDRA Life Sciences Inc. is filing this Amendment No. 1 to Annual Report on Form 10-K/A to amend its Annual Report on Form 10-K for the fiscal year ended December 31, 2017 as filed with the Securities and Exchange Commission (the "SEC") on March 20, 2018 (the "Original Report"). The principal purposes of this Amendment No. 1 are to include in the Summary Compensation Table under Part III, Item 11 (i) the amounts of bonuses not yet determined at the time of the filing of the Original Report and (ii) the amounts of option awards granted in May 2017 in connection with the Company's initial public offering that were inadvertently omitted from the Summary Compensation Table in the Original Report. Accordingly, this Amendment No. 1 hereby amends and restates Part III, Item 11 of the Original Report as set forth below. In addition, as required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), this Amendment No. 1 hereby amends and restates Part IV, Item 15 of the Original Report, adding as exhibits currently dated certifications of the principal executive officer and the principal financial officer.

No attempt has been made in this Amendment No. 1 to modify or update the other disclosures presented in the Original Report. This Amendment No. 1 does not reflect events occurring after the filing of the Original Report or modify or update those disclosures that may be affected by subsequent events. Accordingly, this Amendment No. 1 should be read in conjunction with the Original Report and our other filings with the SEC.

As used in this Amendment No. 1, unless the context otherwise requires, the terms "ENDRA," "we," "us," "our," and the "Company" refer to ENDRA Life Sciences Inc., a Delaware corporation.

## PART III

### Item 11. Executive Compensation

Our compensation philosophy is to offer our executive officers compensation and benefits that are competitive and meet our goals of attracting, retaining and motivating highly skilled management, which is necessary to achieve our financial and strategic objectives and create long-term value for our stockholders. We believe the levels of compensation we provide should be competitive, reasonable and appropriate for our business needs and circumstances. Our board of directors uses benchmark compensation studies in determining compensation elements and levels. The principal elements of our executive compensation program have to date included base salary, annual bonus opportunity and long-term equity compensation in the form of stock options. We believe successful long-term Company performance is more critical to enhancing stockholder value than short-term results. For this reason and to conserve cash and better align the interests of management and our stockholders, we emphasize long-term performance-based equity compensation over base annual salaries.

The following table sets forth information concerning the compensation earned by the individual that served as our principal executive officer during 2017 and our two most highly compensated executive officers other than the individual who served as our principal executive officer during 2017 (collectively, the "named executive officers"):

#### 2017 Summary Compensation Table

Name & Position	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards \$(1)	Option Awards \$(2)	All Other Compensation (\$)	Total (\$)
Francois Michelin Chief Executive Officer	2017	347,452 (3)	93,275	-	1,378,076	-	1,818,803
	2016	262,152	-	-	-	-	262,152
Michael Thornton Chief Technology Officer	2017	272,086 (4)	44,198	-	1,402,537	-	1,728,305
	2016	218,056	-	-	-	-	218,056
David R. Wells (5) Chief Financial Officer	2017	92,000	10,000	94,165	72,907	-	269,072
	2016	60,000	-	-	-	-	60,000

- (1) The amounts shown in this column indicate the grant date fair value of stock awards granted in the subject year computed in accordance with FASB ASC Topic 718. For additional information regarding the assumptions made in calculating these amounts, see notes 2 and 6 included in Part II, Item 8.
- (2) The amounts shown in this column indicate the grant date fair value of option awards granted in the subject year computed in accordance with FASB ASC Topic 718. For additional information regarding the assumptions made in calculating these amounts, see notes 2 and 7 included in Part II, Item 8.
- (3) Includes a payment for accrued salary accrued during 2016 of \$53,819. Annual salary was \$250,000 per year from April 2015 to May 2017, and was raised to \$325,000 per year on May 12, 2017.
- (4) Includes a payment for accrued salary accrued during 2016 of \$51,438. Annual salary was \$200,000 per year from November 2007 to May 2017, and was raised to \$245,000 per year on May 12, 2017.
- (5) Represents fees earned by StoryCorp Consulting (d/b/a Wells Compliance Group). Pursuant to the consulting agreement described below, we issued 18,833 shares of our common stock valued at \$94,165 in 2017.

#### Outstanding Equity Awards at 2017 Fiscal Year End

The following table provides information regarding equity awards held by the named executive officers as of December 31, 2017.

**Option Awards**

<b>Name</b>	<b>Number of Securities Underlying Unexercised Options (#) Exercisable</b>	<b>Number of Securities Underlying Unexercised Options (#) Unexercisable</b>	<b>Option Exercise Price (\$)</b>	<b>Option Expiration Date</b>
Francois Michelin	23,665	11,833(1)	10.01	7/1/20
Chief Executive Officer	-	307,310(2)	5.00	5/12/25
	-	31,960(2)	4.55	5/12/25
Michael Thornton	29,471	-	10.01	11/1/18
Chief Technology Officer	-	313,338(2)	5.00	5/12/25
	-	31,960(2)	4.55	5/12/25
David Wells	2,500	12,500(3)	5.00	5/12/21
Chief Financial Officer	7,000	-	5.00	5/12/22

- (1) Represents unvested portion of the options, which vest in three equal annual installments beginning on July 1, 2016.
- (2) These options vest in three equal annual installments beginning on May 12, 2018.
- (3) Represents unvested portion of the options, which vest in twelve equal quarterly installments beginning on August 12, 2017.

**Employment Agreements and Change of Control Agreements**

Employment Agreements

The following is a summary of the employment arrangements with our executive officers as currently in effect.

**Francois Michelin.** Effective May 12, 2017, the Company entered into an amended and restated employment agreement with Francois Michelin, our Chief Executive Officer and Chairman of our board of directors. The term of the employment agreement runs through December 31, 2019. The employment agreement provides for an annual base salary of \$325,000. Under the employment agreement, Mr. Michelin is eligible for an annual cash bonus based upon achievement of performance-based objectives established by our board of directors. Pursuant to Mr. Michelin's employment agreement, upon the closing of our initial public offering he was granted options to purchase 307,310 shares of common stock. The options have an exercise price of \$5.00 per share of common stock and vest in three equal annual installments beginning on May 12, 2018. Upon termination without cause, any portion of Mr. Michelin's options scheduled to vest within 12 months will automatically vest, and upon termination without cause within 12 months following a change of control, the entire unvested portion of the option will automatically vest. Upon termination for any other reason, the entire unvested portion of the option will terminate.

If Mr. Michelin's employment is terminated by the Company without cause, Mr. Michelin will be entitled to receive 12 months' continuation of his current base salary and a lump sum payment equal to 12 months of continued healthcare coverage (or 24 months' continuation of his current base salary and a lump sum payment equal to 24 months of continued healthcare coverage if such termination occurs within one year following a change in control).

Under his employment agreement, Mr. Michelin is eligible to receive benefits that are substantially similar to those of the Company's other senior executive officers.

**Michael Thornton.** Effective May 12, 2017, the Company entered into an amended and restated employment agreement with Michael Thornton, our Chief Technology Officer. The term of the employment agreement runs through December 31, 2019. The employment agreement provides for an annual base salary of \$245,000. Under the employment agreement, Mr. Thornton is eligible for an annual cash bonus based upon achievement of performance-based objectives established by our board of directors. Pursuant to Mr. Thornton's employment agreement, upon the closing of our initial public offering he was granted options to purchase 313,338 shares of common stock. The options have an exercise price of \$5.00 per share of common stock and vest in three equal annual installments beginning on May 12, 2018. Upon termination without cause, any portion of Mr. Thornton's option scheduled to vest within 12 months will automatically vest, and upon termination without cause within 12 months following a change of control, the entire unvested portion of the option will automatically vest. Upon termination for any other reason, the entire unvested portion of the option will terminate.

If Mr. Thornton's employment is terminated by the Company without cause, Mr. Thornton will be entitled to receive 12 months' continuation of his current base salary and a lump sum payment equal to 12 months of continued healthcare coverage (or 24 months' continuation of his current base salary and a lump sum payment equal to 24 months of continued healthcare coverage if such termination occurs within one year following a change in control).

Under his employment agreement, Mr. Thornton is eligible to receive benefits that are substantially similar to those of the Company's other senior executive officers.

**David R. Wells.** On May 12, 2017, the Company entered into a consulting agreement with StoryCorp Consulting ("StoryCorp"), pursuant to which David Wells provides services to the Company as its Chief Financial Officer. Pursuant to the consulting agreement, the Company pays to StoryCorp a monthly fee of \$9,000. Additionally, pursuant to the consulting agreement, the Company granted to Mr. Wells a stock option to purchase 15,000 shares of common stock in connection with the closing of our initial public offering, having an exercise price per share equal to \$5.00 and vesting in twelve equal quarterly installments, and, for so long as the consulting agreement is in place, will grant to Mr. Wells a stock option to purchase the same number of shares of common stock with the same terms on each annual anniversary of the date of the consulting agreement.

### Director Compensation

Effective on May 12, 2017 the Company adopted a non-employee director compensation policy pursuant to which our non-employee directors receive on an annual basis a \$36,000 retainer paid in cash and an annual equity award with a value of \$30,000. The equity award consists of a stock option grant made on the first trading day following December 31 of each year covering a number of shares of common stock equal to \$30,000 divided by the closing price of its common stock on such date which vests in full on the one year anniversary of grant; provided, the grants for 2017 were made on May 12, 2017 upon the closing of the Company's initial public offering and each covered 6,000 shares of common stock.

The following table sets forth information with respect to compensation earned by or awarded to each of our non-employee directors who served on our board of directors during the fiscal year ended December 31, 2017:

Name	Paid in Cash (\$)	Option Awards (\$)(1)	All Other Compensation (\$)	Total (\$)
Anthony DiGiandomenico	14,129	48,696	-	62,825
Dr. Sanjiv Sam Gambhir	14,129	48,696	-	62,825
Michael Harsh	14,129	48,696	-	62,825
Alexander Tokman	14,129	48,696	-	62,825

(1) The amounts shown in this column indicate the grant date fair value of option awards granted in the subject year computed in accordance with FASB ASC Topic 718. For additional information regarding the assumptions made in calculating these amounts, see note 7 to our audited financial statements included herein. The following table shows the number of shares subject to outstanding option awards held by each non-employee director as of December 31, 2017:

Name	Shares subject to Outstanding Stock Option Awards (#)
Anthony DiGiandomenico	23,157
Dr. Sanjiv Sam Gambhir	34,893
Michael Harsh	23,432
Alexander Tokman	27,231

**2016 Omnibus Incentive Plan**

In September 2016, our board of directors and stockholders approved the 2016 Omnibus Incentive Plan, which permits the grant of stock options and shares to our employees, consultants and non-employee members of our board of directors for up to 1,345,074 shares of common stock.

**PART IV**

**Item 15. Exhibits, Financial Statements and Schedules**

(a) The following documents were filed as part of this Annual Report:

1. Financial Statements (see “Financial Statements and Supplementary Data” at Part II, Item 8 of the Original Report)
2. Financial Statement Schedules (Schedules to the Financial Statements have been omitted because the information required to be set forth therein is not applicable or is shown in the accompanying Financial Statements or notes thereto)
3. Exhibits

The following is a list of exhibits filed as part of this Annual Report:

Exhibit Number	Exhibit Description	Incorporated by Reference				
		Filed Herewith	Form	Exhibit	Filing Date	Registration/File No.
<a href="#">3.1</a>	Fourth Amended and Restated Certificate of Incorporation of the Registrant		8-K	3.2	05/12/17	001-37969
<a href="#">3.2</a>	Amended and Restated Bylaws of the Registrant		S-1	3.4	11/21/16	333-214724
<a href="#">4.1</a>	Specimen Certificate representing shares of common stock of the Registrant		S-1	4.1	11/21/16	333-214724
<a href="#">4.2</a>	Form of Warrant Agreement and Warrant comprising a part of the Registrant’s units issued in its 2017 initial public offering		S-1	4.2	11/21/16	333-214724
<a href="#">4.3</a>	Form of Underwriters’ Warrant issued to certain designees of the underwriters in the Registrant’s 2017 initial public offering		S-1	4.3	11/21/16	333-214724
<a href="#">4.4</a>	Form of Convertible Promissory Note		S-1	4.8	11/21/16	333-214724
<a href="#">10.1</a>	ENDRA Life Sciences Inc. Second Amended and Restated 2013 Stock Incentive Plan*		S-1	10.1	11/21/16	333-214724
<a href="#">10.2</a>	Form of Non-Qualified Stock Option Award under Second Amended and Restated 2013 Stock Incentive Plan*		S-1	10.2	11/21/16	333-214724
<a href="#">10.3</a>	Form of Incentive Stock Option Agreement under Second Amended and Restated 2013 Stock Incentive Plan*		S-1	10.3	11/21/16	333-214724

<a href="#">10.4</a>	ENDRA Life Sciences Inc. 2016 Omnibus Incentive Plan *	S-1	10.4	12/06/16	333-214724
<a href="#">10.5</a>	Form of Stock Option Award under 2016 Omnibus Incentive Plan*	S-1	10.5	12/06/16	333-214724
<a href="#">10.6</a>	Form of Restricted Stock Unit Award under 2016 Omnibus Incentive Plan*	S-1	10.6	12/06/16	333-214724
<a href="#">10.7</a>	Non-Employee Director Compensation Policy*	S-1	10.7	01/20/17	333-214724
<a href="#">10.8</a>	Form of Indemnification Agreement by and between the Registrant and each of its directors and executive officers*	S-1	10.8	11/21/16	333-214724
<a href="#">10.9</a>	Amended and Restated Employment Agreement, dated May 12, 2017, by and between the Registrant and Francois Michelin*	8-K	10.1	05/12/17	001-37969
<a href="#">10.10</a>	Amended and Restated Employment Agreement, dated May 12, 2017, by and between the Company and Michael Thornton*	8-K	10.2	05/12/17	001-37969
<a href="#">10.11</a>	Consulting Agreement, dated May 12, 2017, by and between the Company and StoryCorp Consulting*	8-K	10.3	05/12/17	001-37969
<a href="#">10.12</a>	Collaborative Research Agreement, dated April 22, 2016, by and between the Registrant and General Electric Company	S-1	10.17	11/21/16	333-214724
<a href="#">10.13</a>	Amendment to Collaborative Research Agreement, dated April 21, 2017, by and between the Registrant and General Electric Company	S-1	10.21	05/03/17	333-214724
<a href="#">10.14</a>	Amendment 2 to Collaborative Research Agreement, dated January 30, 2018, by and between the Registrant and General Electric Company	8-K	10.10	01/30/18	001-37969
<a href="#">10.15</a>	Gross Lease, dated January 1, 2015, between the Registrant and Green Court LLC	S-1	10.18	11/21/16	333-214724

<a href="#">10.16</a>	Sublicense Agreement, dated August 2, 2007, by and between the Registrant and Optosonics, Inc.	S-1	10.19	11/21/16	333-214724
<a href="#">10.17</a>	Amendment to Sublicense Agreement, dated January 18, 2011, by and between the Registrant and Optosonics, Inc.	S-1	10.20	11/21/16	333-214724
<a href="#">10.18</a>	Master Services Agreement, dated October 24, 2017, by and between the Registrant and CriTech Research, Inc.	10-K	10.18	03/20/2018	001-37969
<a href="#">10.19</a>	Consulting Agreement, dated October 31, 2017, by and between the Registrant and StarFish Product Engineering, Inc.	10-K	10.18	03/20/2018	001-37969
<a href="#">21.1</a>	Subsidiaries of the Registrant	10-K	21.1	03/20/2018	001-37969
<a href="#">23.1</a>	Consent of RBSM LLP, Independent Registered Public Accounting Firm	10-K	23.1	03/20/2018	001-37969
<a href="#">24.1</a>	Power of Attorney (included on signature page of Original Report)	10-K	24.1	03/20/2018	001-37969
<a href="#">31.1</a>	Certification Pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934				X
<a href="#">31.2</a>	Certification Pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934				X
<a href="#">32.1</a>	Certification Pursuant to 18 U.S.C Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	10-K	32.1	03/20/2018	001-37969
101.INS	XBRL Instance Document	10-K	101.INS	03/20/2018	001-37969
101.SCH	XBRL Taxonomy Schema	10-K	101.SCH	03/20/2018	001-37969
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	10-K	101.CAL	03/20/2018	001-37969
101.DEF	XBRL Taxonomy Extension Definition Linkbase	10-K	101.DEF	03/20/2018	001-37969
101.LAB	XBRL Taxonomy Extension Label Linkbase	10-K	101.LAB	03/20/2018	001-37969
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	10-K	101.PRE	03/20/2018	001-37969

\* Indicates management compensatory plan, contract or arrangement.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ENDRA Life Sciences Inc.

Dated: April 13, 2018

By: /s/ Francois Michelin

\_\_\_\_\_  
Francois Michelin  
Chief Executive Officer and Director  
(Principal Executive Officer)

**CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Francois Michelin, certify that:

1. I have reviewed this Annual Report on Form 10-K of ENDRA Life Sciences Inc. ;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Date: April 13, 2018

/s/ Francois Michelin

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Name: Francois Michelin

Title: Chief Executive Officer

(Principal Executive Officer)

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**CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, David R. Wells, certify that:

1. I have reviewed this Annual Report on Form 10-K of ENDRA Life Sciences Inc. ;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Date: April 13, 2018

/s/ David R. Wells

Name: David R. Wells

Title: Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

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