
**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 13, 2018

PROTEOSTASIS THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-37695
(Commission
File Number)

20-8436652
(I.R.S. Employer
Identification No.)

80 Guest Street, Suite 500
Boston, MA 02135
(Address of principal executive offices, including zip code)

(617) 225-0096
(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:

- 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 (§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.

Item 1.01 Entry Into a Material Definitive Agreement.

On December 13, 2018, Proteostasis Therapeutics, Inc. (the “Company”) entered into a Technology Transfer and License Agreement (the “Agreement”) with Genentech, Inc. (“Genentech”). Pursuant to the Agreement, the Company will grant to Genentech a worldwide, exclusive license for technology and materials relating to potential therapeutic small molecule modulators of an undisclosed target within the proteostasis network, which consists of more than 1,000 proteins organized into pathways that can be regulated or targeted by drugs (the “Rights”). Genentech is also entitled to sublicense the Rights. The Rights do not include cystic fibrosis transmembrane conductance regulator (CFTR) modulators and are unrelated to the Company’s investigational medicines or other ongoing research programs in cystic fibrosis.

In connection with the Agreement, the Company is eligible to receive an upfront payment and milestone payments in aggregate of approximately \$100 million, subject to certain conditions being met in the case of the upfront payment and upon the achievement of specified development, regulatory and commercial milestones in the case of the milestone payments. In addition, Genentech is obligated to pay the Company tiered royalties in the low single-digits based on net sales of products covered by the licenses granted under the Agreement. The royalty term shall terminate on a product-by-product and country-by-country basis on the latest of (i) the ten (10) year anniversary of the first commercial sale of such product in such country, and (ii) the expiration of the last-to-expire licensed patent that covers such product in such country.

Either the Company or Genentech may terminate the Agreement for any material breach of the Agreement by the other party, if such breach is not cured within sixty (60) days of notice of such breach; provided, however, that if Genentech commits the breach and it solely relates to a product, the Company may only exclude such product from the scope of the license and the Company may not terminate the entire Agreement. Genentech may terminate the Agreement (i) in its entirety, in its sole discretion, upon thirty (30) days’ notice to the Company or (ii) in whole or in part upon the Company’s bankruptcy, insolvency, dissolution or winding up and any such event has continued for sixty (60) days undismissed, unbonded and undischarged.

The foregoing description of the terms of the Agreement does not purport to be complete and is qualified in its entirety by reference to the Agreement, which the Company intends to file in redacted form with the Securities and Exchange Commission as an exhibit to its Annual Report on Form 10-K for the year ending December 31, 2018.

Item 7.01 Regulation FD Disclosures.

On December 17, 2018, the Company issued a press release announcing its entry into the Agreement with Genentech. A copy of the press release is being furnished as Exhibit 99.1 to this Report on Form 8-K.

The information in Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (“Exchange Act”) or otherwise subject to the liability of that section, nor shall such information be deemed incorporated by reference in any filing under the Exchange Act or the Securities Act of 1933, as amended, regardless of the general incorporation language of such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated December 17, 2018

INDEX TO EXHIBITS

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99.1	Press release dated December 17, 2018

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.

Date: December 17, 2018

PROTEOSTASIS THERAPEUTICS, INC.

By: /s/ Meenu Chhabra

Meenu Chhabra

President and Chief Executive Officer



Proteostasis Therapeutics Announces Global License Agreement with Genentech

Agreement Covers Small Molecule Modulators of the Cellular Proteostasis Network

BOSTON, Mass. – December 17, 2018 – Proteostasis Therapeutics, Inc. (NASDAQ:PTI), a clinical stage biopharmaceutical company dedicated to the discovery and development of groundbreaking therapies to treat cystic fibrosis (CF) and other diseases caused by dysfunctional protein processing, today announced a worldwide, exclusive license agreement with Genentech, a member of the Roche Group, for rights to potential therapeutic small molecule modulators of an undisclosed target within the proteostasis network. The agreement does not include cystic fibrosis transmembrane conductance regulator (CFTR) modulators and is unrelated to PTI's investigational medicines or other ongoing research programs in cystic fibrosis.

The proteostasis network consists of more than 1,000 proteins organized into pathways that can be regulated or targeted by drugs. Genetic mutations, environmental factors, and aging can cause the proteome to become imbalanced, which can lead to a decrease in protein quality control leading to a wide range of diseases including cancer.

Under the terms of the agreement, in exchange for rights to these small molecule modulators, Proteostasis is eligible to receive upfront and milestone payments of over \$100 million. In addition, Proteostasis is eligible to receive tiered royalties on sales of medicines resulting from the license agreement. Genentech is responsible for all further research and development expenses related to the program. Full financial terms, the therapeutic target and disease areas of focus are not disclosed.

"We are thrilled to enter into this agreement with Genentech, an industry leader with a proven record of success in small molecule research and development," said Meenu Chhabra, President and CEO of Proteostasis Therapeutics. "PTI's platform revolves around the modulation of protein homeostasis pathways within the cell, either restoring its normal state or enhancing its capacity to control or delay the progression of disease. We look forward to working with Genentech to leverage discoveries from this platform to potentially address unmet medical needs."

About Proteostasis Therapeutics, Inc.

Proteostasis Therapeutics, Inc. is a clinical stage biopharmaceutical company developing small molecule therapeutics to treat cystic fibrosis and other diseases caused by dysfunctional protein processing. Headquartered in Boston, MA, the Proteostasis Therapeutics team focuses on identifying therapies that restore protein function. For more information, visit www.proteostasis.com.

Safe Harbor

To the extent that statements in this release are not historical facts, they are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as "aim," "may," "will," "expect," "anticipate," "estimate," "intend," and similar expressions (as well as other words or expressions referencing future events, conditions or circumstances) are intended to identify forward-looking statements. Examples of forward-looking statements made in this release include, without limitation, statements regarding expected receipt of the upfront payment, future milestone-based payments and royalties which may be paid by Genentech to Proteostasis Therapeutics, and the potential for the platform or target to yield treatments addressing unmet medical need. Forward-looking statements made in this release involve substantial risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the forward-looking statements, and we, therefore cannot assure you that our plans, intentions, or expectations for our technology will be attained or achieved. Such risks and uncertainties include, without limitation, the possibility that Proteostasis Therapeutics may not realize the potential benefits of this licensing arrangement, and those set forth in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 and our other SEC filings. We assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



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