

**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): November 7, 2022

Talkspace, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39314
(Commission
File Number)

84-4636604
(I.R.S. Employer
Identification No.)

Address Not Applicable

Address Not Applicable

(Address of principal executive offices)

(Zip Code)

(212) 284-7206

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K 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))

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 | TALK | Nasdaq Global Select Market |
| Warrants to purchase common stock | TALKW | Nasdaq Global Select Market |

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

Chief Executive Officer Transition

On November 7, 2022, the Board of Directors (the “Board”) of Talkspace, Inc. (the “Company”) appointed Dr. Jon R. Cohen to the position of Chief Executive Officer of the Company, effective as of November 9, 2022. Mr. Cohen has served as a Class I Director since July 2022. In connection with his appointment as Chief Executive Officer, Mr. Cohen will continue to serve as a member of the Board but has stepped off the Board committees on which he was previously serving.

Mr. Cohen, age 68, has served as Executive Chairman of BioReference Laboratories and Senior Vice President of OPKO Health (NASDAQ: OPK) from 2019 until August 2022. From 2009 to 2018, Mr. Cohen served as an executive officer of Quest Diagnostics. Prior to that, Mr. Cohen served for six years as Chief Medical Officer at Northwell Health, the largest healthcare system in New York State. He served for two years as Senior Advisor to New York Governor David A. Paterson, where he was responsible for all State policy and strategic planning. Mr. Cohen does not have any family relationships with any of the Company’s directors or executive officers and is not a party to any transactions listed in Item 404(a) of Regulation S-K.

In connection with Mr. Cohen’s appointment, Mr. Douglas Braunstein, who had been serving as Interim Chief Executive Officer since November 2021, stepped down from such position as of the time at which Mr. Cohen’s appointment became effective. Mr. Braunstein will continue to serve as Chairman of the Board, a role he has held since the consummation of the Business Combination.

The Company and Mr. Cohen have into an employment letter agreement (the “Employment Agreement”), effective as of November 9, 2022. Under the Employment Agreement, Mr. Cohen is entitled to an annual base salary of \$600,000, subject to increase from time to time in the discretion of the Company, and is eligible to receive an annual performance-based bonus targeted at 100% of his base salary and based on the achievement of individual and corporate objectives determined by the Company on an annual basis. For the 2023 calendar year, Mr. Cohen’s annual bonus will be guaranteed at the target level. Mr. Cohen is also eligible to participate in the Company’s standard employee benefit programs.

Pursuant to the Employment Agreement, Mr. Cohen will receive an initial equity grant (the “Initial Grant”) consisting of 1,250,000 restricted stock units and 500,000 stock options, which are expected to be granted in December 2022. 25% of the shares underlying the Initial Grant will vest on the first anniversary of November 9, 2022, and as to the remaining 75% of the shares underlying the Initial Grant, in substantially equal installments on each of the 12 quarterly anniversaries thereafter, subject to Mr. Cohen’s continued employment with the Company on the applicable vesting dates. Mr. Cohen will also receive an annual equity grant in respect of the 2023 performance cycle consisting of 1,000,000 restricted stock units and 400,000 stock options, subject to the same vesting conditions as the Initial Grant, except that the annual equity grant in respect of the 2023 performance cycle will not start to vest until March of 2024, subject to Mr. Cohen’s continued employment.

The Employment Agreement contains customary invention assignment and confidentiality provisions, as well as a 12-month post-employment non-compete and non-solicit obligation. In the event of a qualifying termination, Mr. Cohen will be entitled to receive certain severance benefits under the Company’s Executive Severance Plan as a Tier I Participant, and would receive an additional 12 months of vesting with respect to the Initial Grant, subject to his execution and non-revocation of a release of claims.

The foregoing description of the Employment Agreement is qualified in its entirety by the text of the full Employment Agreement, which is filed as Exhibit 10.1 to this Current Report.

On November 8, the Company issued a press release in connection with the announcement of the foregoing matters. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| Exhibit Number | Description |
|----------------------|--|
| 10.1 | Employment Agreement between Mr. Cohen and Talkspace, Inc. |
| 99.1 | Press Release issued by Talkspace, Inc., dated November 8, 2022. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

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.

Talkspace, Inc.

Date: November 14, 2022

By: /s/ Jennifer Fulk
Chief Financial Officer



November 7, 2022

Jon R. Cohen MD 3 Lake Road North
Great Neck, New York 11020

Via Email: jon.cohen@Talkspace.com

Dear Jon,

Talkspace, Inc. (d.b.a. Talkspace) (the “**Company**”) is very pleased to offer you the position of Chief Executive Officer reporting to the Company’s Board of Directors (the “**Board**”) with a start date of November 9, 2022 (your actual start date, the “**Start Date**”). This letter agreement (this “**Agreement**”), including the exhibits attached hereto, sets forth the terms and conditions of your employment with the Company.

1. Position and Duties. You shall devote your full working time, attention and best efforts to fulfill your duties to the Company and to further the business and interests of the Company. In connection with your new position, you will resign from all other boards of directors on which you serve as of the Start Date; *provided* that you shall be entitled to serve on civic, charitable, educational, public interest or public service boards, and manage your personal and family investments, to the extent such activities do not materially interfere, individually or in the aggregate, with the performance of your duties and responsibilities to the Company.
2. Salary. While you are employed by the Company, you will receive an annual salary of Six Hundred Thousand (\$600,000) subject to tax and other withholdings as required by law, which will be paid semi-monthly in accordance with the Company’s normal payroll procedures (your “**Base Salary**”). Your Base Salary will be subject to annual review by the Board or the Compensation Committee of the Board (the “**Committee**”) and may be increased from time to time in accordance with normal business practice or taking into account any other relevant factors, at the sole discretion of the Board or the Committee.
3. Annual Bonus. While you are employed by the Company and starting for the Calendar year 2023, you will be eligible for an annual bonus under the Company’s annual incentive program (your

“**Annual Bonus**”). Your target Annual Bonus will be equal to 100% of your Base Salary as in effect from time to time. Your Annual Bonus will be earned based on the achievement of both individual and Company goals as communicated to you by the Board or the Committee on an annual basis, and subject to the terms and conditions of the applicable program. For the 2023 calendar year, your annual bonus is guaranteed for at least the target Annual Bonus level of \$600,000. You will have the opportunity to achieve up to a total of 150% of your target Annual Bonus based on achieving “maximum” level of achievement of the applicable performance goals as determined by the Board or the Committee for the applicable calendar year. Details on assessment, tracking, and eligibility is detailed in the Talkspace Handbook. In order to earn any Annual Bonus for a given calendar year, you must remain employed by the Company on the date such Annual Bonus is paid.

4. Initial Grant. Subject to approval by the Board or its Committee and your continued employment through the applicable grant date, you will receive an initial grant under the Talkspace, Inc. 2021 Incentive Award Plan (the “**Plan**”) (the “**Initial Grant**”). The Initial Grant shall be granted in the form of 1,250,000 restricted stock units and 500,000 stock options, a portion of which will be intended to qualify as “incentive stock options”. 25% of the shares underlying the Initial Grant will vest on the first anniversary of your Start Date, and as to the remaining 75% of the shares underlying the Initial Grant, in substantially equal installments on each of the 12 quarterly anniversaries thereafter, subject to your continued employment with the Company on the applicable vesting dates. The grant date applicable to the Initial Grant will be the later of December 1, 2022 and the Start Date, subject in each case to any applicable trading blackout periods. The exercise price applicable to the stock options will be equal to the closing price of a share of the Company’s common stock on the grant date. The terms and conditions of the Initial Grant shall be set forth in one or more separate award agreement(s) in a form(s) prescribed by the Company, to be entered into by the Company and you. Except as otherwise specifically provided in this Agreement, the Initial Grant shall be governed in all respects by the terms of and conditions of the Plan and the applicable award agreement(s).

6. Annual Compensation: Beginning in March 2023, the Compensation Committee and Board will determine your salary, target annual bonus level and long-term equity compensation utilizing peer data from our third party benchmarking company/independent compensation consultant, as well as your personal and the Company’s relative performance, and establish the appropriate total annual target compensation levels to be applicable for each calendar year during which you remain employed by the Company. In no case will your salary be decreased below your 2022 salary of Six Hundred Thousand Dollars (\$600,000). As part of that compensation package you will be eligible to receive an annual equity-based award with a target aggregate grant date value as determined by the Board or the Committee, subject to your continued employment with the Company on the applicable grant date (the “Annual Equity Award”). The Board or the Committee shall determine in its sole discretion the grant timing, amount, form(s) and mix, and such other terms and conditions, applicable to any such Annual Equity Award. Each Annual Equity Grant will be subject to the Board’s good faith determination that there are sufficient shares available under the Plan to make such Annual Equity Award. Except as otherwise specifically provided in this Agreement, each Annual Equity Award shall be governed in all respects by the terms of and conditions of the Plan and the applicable award agreements. Currently, the Company awards annual equity compensation awards on March 1st of each calendar year. The Annual Equity Award for the 2023 performance cycle (the “2023 LTI Award”) shall be granted in the form of 1,000,000

restricted stock units and 400,000 stock options, and will be granted on the same date that the Initial Grant is made, however the 2023 LTI Award will not start vesting until March of 2024.

7. Benefits; Expenses. During your employment, you will be entitled to the benefits generally made available to other senior executives of the Company as summarized in the Company's Benefits Overview. The Company reserves the right to adjust its benefits program from time to time as the Company sees fit. During your employment, you will be authorized to incur reasonable business expenses in carrying out your duties and responsibilities to the Company. You will be promptly reimbursed for all reasonable out-of-pocket business expenses incurred and paid by you in connection with your duties to the Company, subject to and in accordance with the Company's expense reimbursement policy as in effect from time to time.

8. Talkspace Office Location: Currently, the Company acts as a primarily remote company within the US geographic borders. As part of your employment duties, you will be expected to use the NYC office as your corporate base on an as needed basis, travel to and attend Board meetings, Senior Management meetings/offsites and investor/customer call meetings as may occur from time to time.

9. Executive Severance Plan. Effective as of the Start Date, you shall be a Tier 1 participant in the Talkspace, Inc. Executive Severance Plan (the "**Severance Plan**"), a copy of which is attached hereto as Exhibit A. Notwithstanding anything in the Severance Plan to the contrary, in the event you experience a Qualifying Termination (other than a CIC Termination) following the first anniversary of the Start Date, you will vest in a number of restricted stock units and stock options underlying the Initial Grant that you would have otherwise vested in had you remained employed by the Company for the 12-month period immediately following your termination date, subject to your compliance with all other terms and conditions of the Severance Plan and this Agreement.

10. Termination Prior to the Start Date. In the event that, prior to the State Date, the Board determines that you have engaged in any activity that would constitute "Cause" (as defined under the Severance Plan) or you otherwise engage in activity that could bring financial or reputational harm or damage to you or the Company, this Agreement shall be void *ab initio*, and the Company will have no obligations to you hereunder. In the event that your employment does not commence on the Start Date for any reason, you shall continue to be bound by the obligations set forth in paragraphs 2 and 6 of the Restrictive Covenant Agreement (as defined below).

11. Conditions to Employment; Restrictive Covenant Agreement. As a condition of your employment, you are required to review and sign the Invention, Non-Disclosure, Non-Competition and Non-Solicitation Agreement attached hereto as Exhibit B (the "**Restrictive Covenant Agreement**"). By signing this Agreement, you acknowledge that the Company will suffer irreparable injury in the event you breach any of the covenants contained in the Restrictive Covenant Agreement, and agree that the Company shall be entitled to injunctive relief or a declaratory judgment from a court of competent jurisdiction, without the necessity of posting any bond or proof of damages, to restrain my breach the Restrictive Covenant Agreement (including any anticipated breach), in addition to any other available remedies, including the cessation, forfeiture, repayment or cancellation of any payment or benefit under the Severance Plan or the Talkspace, Inc. 2021 Incentive Award Plan or successor plan (including the cancellation of any outstanding vested or unvested equity-based awards for no consideration therefor),

and the Company shall further be entitled to recover the reasonable costs and attorney's fees incurred in seeking relief for any such breach.

You shall at all applicable times be bound by all other Company policies, including the Company's Employee Handbook, Code of Business Conduct and Ethics, the Company's Clawback Policy, and the Company's Insider Trading Policy. You will also be required to complete applicable immigration, payroll and tax forms, and to provide documentation of your eligibility to work in the United States, as required by the Immigration Reform and Control Act of 1986.

12. "At-Will" Employment. Your employment with the Company is for no specified period and constitutes "at-will" employment in that it can be terminated with or without cause, and with or without notice, at any time, at the option of either the Company or yourself, except as otherwise provided by law. Similarly, nothing in this Agreement shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company other than your participation in the Severance Plan provided under Section 9.

13. Entire Agreement. This Agreement, along with the Restrictive Covenant Agreement and the Severance Plan, set forth the terms of your employment with the Company and supersede any prior representations or agreements whether written or oral.

14. Miscellaneous.

a. The validity, interpretation, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to conflict of laws provisions thereof. Each party hereto hereby consents to the personal and exclusive jurisdiction and venue of the courts of the State of New York and expressly waives any claim of improper venue and any claim that such courts are an inconvenient forum. By your acceptance of this Agreement, you agree to submit to the jurisdiction of such courts.

b. You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement.

c. This Agreement may only be amended or modified by written agreement signed by each of the parties hereto.

d. The Company agrees to provide adequate directors and officers insurance coverage to you, and to defend and indemnify you in relation to any matters now pending or brought in the future against you, as a result of your acts or omissions relating to your employment with the Company or to your prior service as a Director of the Company. This duty includes the duty to provide and pay for counsel of your choosing.

If you agree with and accept the terms of this Agreement, please sign below and return this Agreement to me. We ask that you please return this Agreement within ten business days, otherwise this offer of employment will expire; however, if you need additional time to consider, please contact us at peopleops@talkspace.com. We look forward to having you join Talkspace.

Very truly yours,

/s/ Douglas Braunstein

Douglas Braunstein Chairman of the Board
Talkspace Inc.

AGREED AND ACCEPTED BY:

/s/ Jon R. Cohen

Jon R. Cohen

Date: November 7, 2022



Talkspace Announces Jon Cohen, M.D. As Next Chief Executive Officer

November 8, 2022

Seasoned Healthcare Executive Will Continue to Scale Company's B2B Platform and Expand Member Base

NEW YORK, Nov. 08, 2022 (GLOBE NEWSWIRE) -- Talkspace (NASDAQ: TALK), a leading online behavioral health care company, today announced that it has appointed Dr. Jon R. Cohen, a board director since September 2022, as its new Chief Executive Officer. A seasoned executive with extensive experience scaling technology-driven healthcare companies, Dr. Cohen will assume day-to-day leadership of the company from interim CEO Doug Braunstein, who will continue to serve as Chairman of the Board.

Cohen brings more than 30 years of healthcare experience as a seasoned executive with a successful track record of driving strategic transformations and implementing operational discipline while developing a number of new business ventures. Cohen has specific experience developing and scaling digital health and mobile health technology initiatives. As Executive Chairman and CEO of BioReference Laboratories, one of the nation's four largest commercial laboratories, he built and scaled Scarlet Health, the nation's largest digital at home blood draw solution utilized by major telehealth platforms, which is now a covered service for over 83 million people. Cohen has also developed successful commercial relationships with a number of large national health systems and payors while part of the executive leadership team at Quest Diagnostic and BioReference.

"I have long admired Talkspace for its commitment to transforming the delivery of mental health care, an unmet need for millions of Americans, and I couldn't be more excited to join Talkspace's talented team at this time," said Cohen. "I look forward to continuing to build out the B2B platform, working with our dedicated network of therapists to keep growing our offerings and ensure we continue to deliver best-in-class care to our members, payor and enterprise partners."

"I am thrilled to welcome Jon to Talkspace. He is a visionary leader with multi-decade experience transforming health care companies. His clinical perspective, tech-enabled mindset and deep payor connections make him the ideal candidate to lead the organization through the next phase of growth, as we continue to deliver high quality mental health services," said Doug Braunstein, Chairman of the Board.

About Talkspace

Talkspace (NASDAQ: TALK) is a leading virtual behavioral healthcare company committed to helping people lead healthier, happier lives through access to high-quality mental healthcare. At Talkspace, we believe that mental healthcare is core to overall healthcare and should be available to everyone.

Talkspace pioneered the ability to text with a licensed therapist from anywhere and now offers a comprehensive suite of mental health services from self-guided products to individual and couples therapy, in addition to psychiatric treatment and medication management. With Talkspace's core psychotherapy offering, members are matched with one of thousands of licensed providers across all 50 states and can choose from a variety of subscription plans including video, text or audio chat sessions and/or unlimited text messaging.

All care offered at Talkspace is delivered through an easy-to-use, fully-encrypted web and mobile platform that meets HIPAA, federal, and state regulatory requirements. Talkspace covered approximately 86 million lives at September 30, 2022 through our partnerships with employers, health plans, and paid benefits programs.

For more information, visit www.talkspace.com.

Contacts

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