

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): June 4, 2018



AVALON  
GLOBOCARE CORP.

(Exact name of registrant as specified in its charter)

Delaware

000-55709

47-1685128

(State or Other Jurisdiction of Incorporation)

(Commission File Number)

(IRS Employer Identification Number)

**4400 Route 9 South, Suite 3100, Freehold, New Jersey 07728**

(Address of principal executive offices) (zip code)

646-762-4517

(Registrant's telephone number, including area code)

Copies to:

Stephen M. Fleming, Esq.

Fleming PLLC

30 Wall Street, 8<sup>th</sup> Floor

New York, New York 10005

Phone: (516) 833-5034

Fax: (516) 977-1209

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))

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**

**Item 3.01 Unregistered Sales of Equity Securities**

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

*Appointment of New Director – Tevi Troy*

On June 4, 2018, Tevi Troy was appointed to the Board of Directors of Avalon GloboCare Corp. (the “Company”) to serve as a director of the Company. In addition, the Company expects to appoint Dr. Troy as Chairman of the Nominating and Corporate Governance Committee upon formation. Dr. Troy entered into an agreement pursuant to which he will serve as a director. The director agreement provides that he will receive options to acquire 40,000 shares of common stock per year commencing January 1, 2019 at an exercise price equal to the closing price on December 31st of the prior year. The options shall vest in equal amounts quarterly and shall be exercisable for a period of five years. For 2018, the Company granted Dr. Troy options to acquire 20,000 shares of common stock at an exercise price of \$2.30 for a term of five years with 10,000 options vesting immediately and the balance vesting October 1, 2018. In addition, Dr. Troy will receive \$5,000 per quarter for serving as Chairman of the Nominating and Corporate Governance Committee commencing upon formation.

There is no understanding or arrangement between Dr. Troy and any other person pursuant to which he was appointed as director. Dr. Troy does not have any family relationship with any director, executive officer or person nominated or chosen by us to become a director or an executive officer. Dr. Troy has not had direct or indirect material interest in any transaction or proposed transaction, in which the Company was or is a proposed participant, exceeding \$120,000.

Since February 2018, Dr. Troy has served as Vice President of Public Policy for Juul Labs. From 2014 to 2018, Dr. was the founder and CEO of the American Health Policy Institute. Before that, Dr. Troy was Senior Fellow at Hudson Institute, where he remains an Adjunct Fellow. He has also been a Researcher at the American Enterprise Institute. On August 3, 2007, Dr. Troy was unanimously confirmed by the U.S. Senate as the Deputy Secretary of the U.S. Department of Health and Human Services. As Deputy Secretary, Dr. Troy was the chief operating officer of the largest civilian department in the federal government, with a budget of \$716 billion and over 67,000 employees. Dr. Troy has extensive White House experience, having served in several high-level positions over a five-year period, culminating in his service as Deputy Assistant and then Acting Assistant to the President for Domestic Policy. Dr. Troy has held high-level positions on Capitol Hill as well. From 1998 to 2000, Dr. Troy served as the Policy Director for Senator John Ashcroft. From 1996 to 1998, Dr. Troy was Senior Domestic Policy Adviser and later Domestic Policy Director for the House Policy Committee, chaired by Christopher Cox. In addition to his senior level government work and health care expertise, Dr. Troy is also a presidential historian, making him one of only a handful of historians who has both studied the White House as a historian and worked there at the highest levels. He is the author of the best-selling book, *What Jefferson Read, Ike Watched, and Obama Tweeted: 200 Years of Popular Culture in the White House*, as well as *Intellectuals and the American Presidency: Philosophers, Jesters, or Technicians?*, and has written over 250 published articles, for *The New York Times*, *The Wall Street Journal*, *The Washington Post*, and many other publications. His latest book is *Shall We Wake the President? Two Centuries of Disaster Management in the Oval Office*. He is a frequent television and radio analyst, and has appeared on CNBC, CNN, C-SPAN, Fox News, and The NewsHour, among other outlets. Dr. Troy’s many other affiliations include: contributing editor for *Washingtonian* magazine; member of the publication committee of *National Affairs*; member of the Board of Fellows of the Jewish Policy Center; a Senior Fellow at the Potomac Institute; and a member of the Blue Ribbon Study Panel examining the United States’ readiness to address bioterrorism and naturally occurring outbreaks. In 2012, he was a Special Policy Adviser to the Mitt Romney presidential campaign and served as Director of Domestic Policy for the nascent Romney transition. Dr. Troy has a B.S. in Industrial and Labor Relations from Cornell University and an M.A and Ph.D. in American Civilization from the University of Texas at Austin.

**Item 8.01 Other Events**

*Joint Venture - Airuikang Biological Technology Co., Ltd.*

On May 29, 2018, Avalon (Shanghai) Healthcare Technology Co., Ltd. (“Avalon Shanghai”), a wholly owned subsidiary of the Company entered into a Joint Venture Agreement with Jiangsu Unicorn Biological Technology Co., Ltd. (“Unicorn”) pursuant to which the parties agreed to establish a company named Airuikang Biological Technology Co., Ltd. (“ABT”), which will be owned 60% by Unicorn and 40% by Avalon Shanghai. Within two years of execution of the Joint Venture Agreement, Unicorn shall invest cash into ABT in an amount not less than RMB 8,000,000 Yuan and the premises of the laboratories of Nanjing Hospital of Chinese Medicine for exclusive use by the ABT, and Avalon Shanghai shall invest cash into ABT in an amount not less than 10,000,000 Yuan. The board of directors of ABT shall consist of five members with Unicorn appointing three members and Avalon Shanghai appointing two members. ABT will be focused on cell preparation, third party testing, biological sample repository for commercial and scientific research purposes and the clinical transformation of scientific achievements.

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The foregoing information is a summary of each of the agreements involved in the transactions described above, is not complete, and is qualified in its entirety by reference to the full text of those agreements, each of which is attached as an exhibit to this Current Report on Form 8-K. Readers should review those agreements for a complete understanding of the terms and conditions associated with this transaction.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<u>10.1</u>	<u>Director Agreement by and between Avalon GloboCare Corp. and Tevi Troy dated June 4, 2018</u>
<u>99.1</u>	<u>Joint Venture Agreement by and between Avalon (Shanghai) Healthcare Technology Co., Ltd. and Jiangsu Unicorn Biological Technology Co., Ltd. dated May 29, 2018 (English translation)</u>

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**SIGNATURES**

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**AVALON GLOBOCARE CORP.**

Dated: June 6, 2018

By: /s/ Luisa Ingargiola

Name: Luisa Ingargiola

Title: Chief Financial Officer

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Avalon GloboCare Corp.  
4400 Route 9 South, Suite 3100  
Freehold, New Jersey 07728

June 4, 2018

Tevi Troy

Letter of Appointment – Board of Directors

Dear Mr. Troy:

We are pleased to offer you the role as a director of the Board of Directors (the “Board”) of Avalon GloboCare Corp. (the “Company”). In addition, we expect to appoint you as Chairman of the Nominating and Corporate Governance Committee (the “Committee”) upon formation. This letter contains the terms of your appointment as a director of the Board of Directors of the Company and as Chairman of the Committee upon formation. This letter will be effective from the date of the signing of this letter.

1. Your Duties:

- a) You will be expected to attend all meetings (either in person or by teleconference) of the Board of the Company and the Committee, of which we expect to hold approximately four per annum for the Board and Committee as well as sign all written consents if you deem appropriate. In addition, you will be expected to perform such other duties as are reasonably contemplated by your holding office as a director of the Company, member of the Committee or which may reasonably be assigned to you by the Board from time to time.
- b) As a director and member of the Committee you will:
  - i) Perform to the best of your abilities and knowledge the duties reasonably assigned to you by the Board and the Committee from time to time, whether during or outside business hours and at such places as the Board reasonably requires;
  - ii) Use all reasonable efforts to promote the interests of the Company;
  - iii) Attend directors’ meetings and committee meetings;
  - iv) Act in the best interests of the Company; and
  - v) Work closely with the Board of Directors and the Chief Executive Officer.
- c) As you will appreciate, however, your time commitment will ultimately be a product of the matters confronting the Company from time to time and matters properly requiring your attention as a director of the Company.

2. Remuneration:

On January 1 of each year, the Company shall grant you options to purchase 40,000 shares of the Company's common stock on an annual basis at exercise price equal to the closing price on December 31st. The options will vest 25% at the beginning of each quarter and have a term of five years. As your service as a director will commence on the date set forth above, the option for this year shall be pro-rated. As a result, for 2018, you shall receive a stock option to acquire 20,000 shares of common stock at an exercise price of \$2.30 per share for a term of five years vesting immediately with respect to 10,000 shares of common stock and 10,000 shares of common stock vesting October 1, 2018.

In addition, you will receive \$5,000 per quarter for serving as Chairman of the Committee commencing upon formation.

3. Expenses: Subject to you providing the Company with receipts or other evidence of payment, the Company will pay for or reimburse you for all travelling, hotel and other expenses reasonably incurred by you in connection with attending and returning from Board, Committee, Company, meetings or otherwise in connection with the Company's business. Reasonable travel and out of pocket expenses used in connection with the business of the Group shall include:

- a) Cell phone bills;
- b) Domestic and international travel (economy class under 4 hours and business class over 4 hours); and
- c) Hotel accommodation.

4. Termination of Appointment:

- a) Your appointment as the Director may be terminated at any time by the vote of the stockholders of the Company in accordance with the certificate of incorporation and bylaws of the Company.
- b) You acknowledge and agree that if the shareholders of the Company terminate your appointment, you will have no claim of any kind against the Company by reason of the termination.
- c) You are at liberty to terminate the appointment at any time by notice in writing to the Company.

5. What happens after termination of appointment?

If your appointment is terminated for any reason or you resign for any reason:

- a) The Company may set off any amounts you owe the Company against any amounts the Company owes to you as a Director at the date of termination except for amounts the Company is not entitled by law to set off;
- b) You must return all the Company's property (including property leased by the Company) to the Company on termination including all written or machine readable material, software, computers, credit cards, keys and vehicles; and
- c) You must not record any confidential information in any form after termination.

6. Prohibited Activities:

- a) You undertake to the Company that you will not during the term of your appointment engage in a business or an activity that would place you in a position of conflict in respect of the performance of your duties.
- b) The terms of your appointment do not restrict you from accepting appointment as a director of any other company outside of the Company's industry, providing consulting services or any other business or other activity whatsoever. The Company acknowledges and accepts your current roles as a director. You recognize that the services to be performed by you under the Agreement are special, unique and extraordinary. The parties confirm that it is reasonably necessary for the protection of the Company's goodwill that you agree, and accordingly, you do hereby agree and covenant, that during your term as director, you will not, directly or indirectly, except for the benefit of the Company:
  - i. become an officer, director, more than 2% stockholder, partner, associate, employee, owner, proprietor, agent, creditor, independent contractor, co-venturer or otherwise, or be interested in or associated with any other corporation, firm or business engaged in the same or any similar business competitive with that of the Company (including the Company's present and future subsidiaries and affiliates) (the "Business"); or
  - ii. solicit, cause or authorize, directly or indirectly, to be solicited for or on behalf of himself or third parties from parties who were customers of the Company (including its present and future subsidiaries and affiliates) at any time during your term, any business similar to the business transacted by the Company with such customer; or
  - iii. accept or cause or authorize, directly or indirectly, to be accepted for or on behalf of your or third parties, business from any such customers of the Company (including its present and future subsidiaries and affiliates); or
  - iv. solicit, or cause or authorize, directly or indirectly, to be solicited for employment for or on behalf of you or third parties, any persons who were at any time during your term hereunder, employees of the Company (including its present and future subsidiaries and affiliates); or
  - v. employ or cause or authorize, directly or indirectly, to be employed for or on behalf of yourself or third parties, any such employees of the Company (including its present and future subsidiaries and affiliates); or
  - vi. use the tradenames, trademarks, or trade dress of any of the products of the Company (including its present and future subsidiaries and affiliates); or any substantially similar tradename, trademark or trade dress likely to cause, or having the effect of causing, confusion in the minds of manufacturers, customers, suppliers and retail outlets and the public generally.

You acknowledge the intention that the Company shall have the broadest possible protection of the value of its business consistent with public policy, and it will not violate the intent of the parties if any court should determine that, consistent with established precedent of the forum state, the public policy of such state requires a more limited restriction in geographical area or duration of the aforesaid covenant not to compete, contained in an appropriate decree.

- c) Except as permitted in this Agreement or as approved by the Company, you will not (i) use any Confidential Information (as defined below) or (ii) disseminate or in any way disclose the Confidential Information to any person, firm, business or governmental agency or department. You may use the Confidential Information to perform your Duties for the benefit of Company. You shall treat all Confidential Information with the same degree of care as you accord to your own confidential information, but in no case shall you use less than reasonable care. You shall immediately give notice to Company of any unauthorized use or disclosure of the Confidential Information. You shall assist Company in remedying any the unauthorized use or disclosure of the Confidential Information. You agree not to communicate any information to Company in violation of the proprietary rights of any third party.

“Confidential Information” means (a) any technical and non-technical information related to the Company’s business and current, future and proposed products and services of Company, including for example and without limitation, Company innovations, intellectual property, and information concerning research, development, design details and specifications, financial information, procurement requirements, engineering and manufacturing information, customer lists, business forecasts, sales information, marketing plans and business plans, and provided, in each case, that each is marked as “confidential” or “proprietary” and (b) any information that Company has received from others that may be made known to you and that Company is obligated to treat as confidential or proprietary, and provided, in each case, that each is marked as “confidential” or “proprietary”.

7. Notices and Other Communications:

a) Service of Notices

A notice, demand, consent, approval or communication under this letter (collectively a “Notice”) must be:

- i) In writing and in English directed to the address advised by the recipient for notices, as varied by any notice; and
- ii) Hand delivered or sent by prepaid post or facsimile to that address.

b) Effective on Receipt: A Notice given in accordance with section 7a takes effect when received (or at a later time specified in the Notice), and is taken to be received:

- i) If hand delivered, on delivery;
- ii) If sent by prepaid post, two Business Days after the date of posting (or seven Business Days after the date of posting if posted to or from outside The United States of America);
- iii) If sent by facsimile, when the sender’s facsimile system generates a message confirming successful transmission of the entire Notice unless, within eight Business Hours after the transmission, the recipient informs the sender that it has not received the entire Notice;

but if the delivery, receipt or transmission is not on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the Business Day after that delivery, receipt or transmission.

8. Miscellaneous

- a) Alterations: This letter may be altered only in writing signed by each party.
- b) Approvals and consents: Except where this letter expressly states otherwise, a party may, in its discretion, give conditionally or unconditionally or withhold any approval or consent under this letter.
- c) Assignment: This letter may NOT be assigned by either party.



- d) Costs: Each party must pay its own costs of negotiating, preparing and executing this letter.
  - e) Survival: Any indemnity in this letter is independent and survives termination of this letter. Any other provision by its nature intended to survive termination of this letter survives termination of this letter.
  - f) Counterparts: This letter may be executed in counterparts. All executed counterparts constitute one document.
  - g) No Merger: The rights and obligations of the parties under this letter do not merge on completion of any transaction contemplated by this letter.
  - h) Entire Agreement: This letter constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.
  - i) Further Action: Each party must do, at its own expense, everything reasonably necessary (including executing documents) to give full effect to this letter and the transactions contemplated by it.
  - j) Waiver: A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the party giving the waiver.
  - k) Relationship: Except where this letter expressly states otherwise, it does not create a relationship of employment, agency or partnership between the parties.
  - l) Confidentiality: A party may only use the confidential information of another party for the purposes of this letter, and must keep the existence of this letter and the terms of it and the confidential information of another party confidential information except where:
    - i) The information is public knowledge (but not because of a breach of this letter) or the party has independently created the information; or
    - ii) Disclosure is required by law or a regulatory body (including a relevant stock exchange).
  - m) Announcements: A public announcement in connection with this letter or a transaction contemplated by it must be agreed by the parties before it is made, except if required by law or a regulatory body (including a relevant stock exchange).
9. Insurance: The Company has directors' and officers' liability insurance under which you are covered in the US and elsewhere for all usual risks during the term of your appointment as the Director. The Company will maintain that cover for the full term of your appointment.
10. Contract for Services: This is a contract for services and is not a contract of employment.
11. Governing Law: This Agreement shall be governed by the laws of the State of Delaware (without giving effect to choice of law principles or rules thereof that would cause the application of the laws of any jurisdiction other than the State of Delaware) and the invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating or affecting the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Please sign the attached copy of this letter to indicate that you have read, understood and accept the terms of your appointment.

Yours Sincerely,

Avalon GloboCare Corp.

By:/s/ David Jin

Name: David Jin

Title: CEO

Agreed to and accepted by:

/s/ Tevi Troy

Tevi Troy

**Joint Venture Agreement**

[Party A: Jiangsu Unicorn Biological Technology Co., Ltd.]

Address: 22nd Floor, Nanjing Youyi Plaza, 27 Hanzhong Road, Qinhuai District, Nanjing

[Party B: Avalon (Shanghai) healthcare technology Co., Ltd.]

Address: 1016, Reignwood Centre, No.8 Jianguomenwai Ave, Chaoyang District, Beijing

In view of the letter of intent for strategic cooperation executed by and between both Parties, now with respect to the establishment of a joint venture company, both Parties hereby agree as follows:

- I. Establishment of the Company
  1. Both Parties agree to jointly establish a company named Airuikang (to be reviewed) Biological Technology Co., Ltd. (hereinafter referred to as the "JV Company").
  2. The registered capital of the JV Company shall be RMB 25,000,000 Yuan, of which 60% shall be contributed by Party A, and 40% by Party B.
  3. Both Parties agree that within 2 years upon the execution hereof, Party A shall invest cash in an amount not less than RMB 8,000,000 Yuan and the premises of the laboratories of Nanjing Hospital of Chinese Medicine for exclusive use by the JV Company, and Party B shall invest cash in an amount not less than 10,000,000 Yuan.
  4. The JV Company will, based on the laboratories of Nanjing Hospital of Chinese Medicine as its principal place of business, set up laboratories for office affairs and those meeting GMP standards. Both Parties shall do their best to acquire corresponding qualifications for the JV Company and equip the same with an operation team. The scope of business thereof is preliminarily determined as follows:
    - a. Cell preparation;
    - b. Third party testing;

- c. Biological sample repository (for commercial and scientific research purposes);
- d. Clinical transformation of scientific achievements;
5. The JV Company shall have a board of directors, which shall consist of 5 members, of whom 3 shall be designated by Party A and 2 by Party B; see the appendix hereto for the name list;
6. The board of directors shall supervise the establishment, deliberate on and adopt the articles of association, and supervise the establishment of processes for the daily management of the JV Company.

## II. Rights and Obligations

1. Both Parties agree that Party A shall transfer its title to the laboratories under the agreement executed by it in respect of the project on Nanjing Hospital of Chinese Medicine to the JV Company, and assist the same in obtaining relevant qualifications for the laboratories;
2. Business planning of the JV Company, including but not limited to project design, budget, staff, team, and other specific matters, shall be subject to resolution of the board of directors;
3. Where the planned business of the JV Company overlaps with the existing business of both Parties, negotiation over business setting-up and other specific matters shall be conducted through the board of directors; in case the two are complementary to each other, the existing technologies, services and etc. of both Parties shall be used preferentially.

## III. Good faith deposit: given that Party A has provided resources for the JV Company at the early stage, in order to show Party B's sincerity for cooperation, both Parties agree that Party B shall pay prior to the establishment of the JV Company a good faith deposit:

1. Party B shall pay within three days upon the execution hereof to Party A RMB Two Million (2,000,000) Yuan as a good faith deposit, which will be returned by Party A to Party B upon the completion of the establishment and the opening of a bank account of the JV Company, and then be paid by Party B as an investment into the JV Company's account;

**Account name:** Jiangsu Unicorn Biological Technology Co., Ltd.

**Opening bank:** Xuanwu Sub-branch, Industrial and Commercial Bank of China

**Account number:** 4301 0159 0910 0645 367

2. Where the original joint venture plan is terminated or changed by both Parties for whatever reason, Party A shall return the good faith deposit to Party B.

- IV. Termination of Agreement and Liability for Breach of Contract:
1. Both Parties may terminate this Agreement by executing a written document;
  2. Either Party may terminate this Agreement by notifying the other Party in writing thirty days in advance, without bearing any liability.
  3. In case of any violation by either Party of any of its obligations or warranties hereunder, the other Party may by written notice forthwith dissolve this Agreement, and request the former to compensate for all losses and damages suffered and expenses incurred by it as a result thereof, including but not limited to any punishment imposed on it by any competent authority or any claim for compensation filed by any third party against it as a result thereof.
- V. Dispute Settlement:
1. Any dispute arising from or in connection with this Agreement shall be settled by both Parties through friendly negotiation;
  2. Where the negotiation fails, the dispute shall be submitted to Nanjing Arbitration Commission for arbitration in accordance with its then existing rules in force;
  3. The arbitration award shall be final and binding upon both Parties.
- VI. Miscellaneous
1. Both Parties have taken part in the negotiation over this Agreement and the drafting hereof. In case of any dispute or issue arising with respect to the purpose or interpretation hereof, this Agreement shall be deemed to have been drafted jointly by both Parties, and may not be interpreted in any way favorable or unfavorable to either Party on the grounds that any terms hereof is actually drafted by such Party.
  2. Anything not covered herein shall be specified through negotiation by and between both Parties in supplementary provisions in writing, which shall have the same force and effect as this Agreement.
  3. The appendix hereto shall be an integral part hereof, and have the same force and effect as the terms hereof.
  4. The original hereof is made in two copies, with each Party holding one copy respectively, which shall have the same force and effect.

[No text below]

[Signature and seal page]

Party A: Jiangsu Unicorn Biological Technology Co., Ltd.

Date:

Party B: Avalon (Shanghai) healthcare technology Co., Ltd.

Date: