

ChromaDex Corp.
Form 8-K
February 24, 2012

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) February 21, 2012

CHROMADEX CORP.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

000-53290
(Commission File Number)

26-2940963
(IRS Employer Identification No.)

10005 Muirlands Boulevard, Suite G, Irvine, California, 92618
(Address of principal executive offices, including zip code)

(949) 419-0288
(Registrant's telephone number, including area code)

Copies to:
Harvey Kesner, Esq.
Sichenzia Ross Friedman Ference LLP
61 Broadway, 32nd Floor
New York, New York 10006
Phone: (212) 930-9700

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)

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- o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On February 21, 2012, the Board of Directors (the “Board”) of ChromaDex Corp (the “Company”) appointed Debra Heim, its Chief Operating Officer and President of Consumer Products, of the Company.

Ms. Heim, age 43, worked for The Himmel Group for 16 years and served as its President and Chief Operating Officer since 2010. Previously, she served as the company’s Chief Financial Officer for 12 years. During her 16 years with The Himmel Group, Debra was part of the key executive management team overseeing sales and marketing of the Gold Bond and Ovaltine businesses. Additionally, Debra built and managed the organization responsible for the manufacturing, sales order processing, distribution, accounting and finance, information technology systems, human resources and consumer services of the company. The Himmel Group has built branded consumer products in a range of consumer packaged goods areas including personal health care and nutritional foods, most recently OVALTINE, under license from Novartis Nutrition, until the brand was sold to Nestle in 2007, and GOLD BOND MEDICATED POWDER, a line of medicated skin care products which Himmel built from a small New England brand with sales of \$1 million into the market leader in the U.S., when it was then sold to Chattem, Inc.

Ms. Heim received a B.S. in Accounting from the State University of New York at Oswego and passed the Unified Certified Public Accountant (CPA) examination in New York. Ms. Heim was chosen to be an executive of the Company based on her experience with consumer products and companies in transition.

There are no arrangements or understandings between Ms. Heim and any other persons pursuant to which Ms. Heim was named an executive of the Company. Ms. Heim does not have a family relationship with any of the Company's directors or executive officers or any persons nominated or chosen by the Company to be a director or executive officer.

Other than as set forth herein, Ms. Heim does not have any direct or indirect material interest in any transaction or proposed transaction required to be reported under Section 404(a) of Regulation S-K or Item 5.02(d) of Form 8-K.

On February 21, 2012, the Company entered into an employment agreement (the “Employment Agreement”) with Ms. Heim, pursuant to which, effective as of January 22, 2012, Ms. Heim shall serve as the Chief Operating Officer and President of the Consumer Products Division, of the Company until January 31, 2014, subject to renewal. Pursuant to the terms of her Employment Agreement, Ms. Heim shall receive an annual base salary equal to \$225,000 per year, which is subject to a 5% increase on January 1st of each year during the term of the Employment Agreement and a one-time \$50,000 increase upon the Company’s common stock becoming listed on either the Nasdaq Stock Market, the American Stock Exchange or the New York Stock Exchange.

Pursuant to the terms of her Employment Agreement, Ms. Heim was issued (i) 75,000 shares of the Company’s restricted common stock; (ii) an option to purchase 750,000 shares of the Company’s common stock; and (iii) an option to purchase an additional 750,000 shares of the Company’s common stock. All options issued to Ms. Heim have a term of five years and an exercise price equal to the fair market value of the common stock of the Company on the date of such grant. All options shall vest and become exercisable as follows: one third shall vest and become exercisable on the first anniversary of the grant, and the remaining two thirds of the options shall vest monthly over the twenty-four months following the first anniversary of the grant date.

Under the terms of the Employment Agreement, the Company will also sell Ms. Heim an aggregate of 750,000 shares of the Company’s restricted common stock at a purchase price of \$0.001 per share. The shares will vest in full on

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February 1, 2015 provided that the Stock Performance Condition is met. The “Stock Performance Condition” shall be met if at any time on or prior to February 1, 2015 the per share Fair Market Value (as defined in the Employment Agreement) is at least equal to \$1.296, subject to adjustment.

Under her Employment Agreement, Ms. Heim is entitled to receive an annual bonus if the Company meets or exceeds certain criteria adopted by the Board's Compensation Committee. The "Target Bonus" for Ms. Heim for 2012 shall be 100% of Ms. Heim's base salary upon substantially meeting the budgeted revenues and the budgeted EBITDA, and shall be paid pro-rata for performance in excess of such benchmarks, up to a maximum of 300% of Ms. Heim's base salary.

Upon the non-renewal or termination of Ms. Heim's employment (other than termination due to death or disability or or for "Cause" or termination by Ms. Heim without "Good Reason", as defined in the Employment Agreement), Ms. Heim shall be entitled to receive two (2) weeks' base salary for each full year of service, with a maximum payment equal to eight weeks' base salary. Additionally, if Ms. Heim provides the Company with a standard form of separation, waiver and release agreement releasing the Company and its affiliates from any liability associated with the Employment Agreement, Ms. Heim will also be entitled to receive (i) her base salary, as then in effect, until the later of (a) the expiration of the remaining portion of the Initial Term or Renewal Term, as the case may be (as defined in the Employment Agreement) or (b) the 12 month period commencing on the date Ms. Heim is terminated; (ii) reimbursements for certain benefits Ms. Heim was entitled to receive under the Employment Agreement; (iii) a lump sum equal to the product of (x) the maximum annual bonus which Ms. Heim would have been otherwise entitled to receive and (y) the fraction in which the numerator is the number of calendar months in the Severance Period (as defined in the Employment Agreement) and the denominator of which is 12; and (iv) the vesting of all outstanding options and other equity awards held by Ms. Heim immediately prior to such termination, which shall become exercisable for such period of time indicated in such option or equity award ((i)-(iv) collectively, the "Separation Payment").

Upon a Change of Control (as defined in the Employment Agreement), the Company shall pay to Ms. Heim the Separation Payment without regard to whether Ms. Heim continues in the employ of the Company or its successor.

This summary of the Employment Agreement is not complete, and is qualified in its entirety by reference to the full text of the agreement that is attached as Exhibit 10.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

| Exhibit No. | Description |
|-------------|--------------------------------------|
| 10.1 | Employment Agreement with Debra Heim |

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 thereunto duly authorized.

Dated: February 24, 2012

CHROMADEX CORP.

By: /s/ Jeffrey Himmel
Name: Jeffrey Himmel
Title: Chief Executive Officer