

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 29, 2022**

**SONOMA PHARMACEUTICALS, INC.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-33216**  
(Commission  
File Number)

**68-0423298**  
(IRS Employer  
Identification No.)

**5445 Conestoga Court, Suite 150**  
**Boulder, CO 80301**  
(Address of principal executive offices)  
(Zip Code)

**(800) 759-9305**  
(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 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))

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	SNOA	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). 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 of Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On December 29, 2022, our Board of Directors adopted a revised Non-Employee Director Compensation Program and Stock Ownership Guidelines (the "Director Compensation Plan") in order to decrease the number of options to be granted to each non-employee director in connection with the Company's annual grant of stock options. A copy of the Director Compensation Plan is filed herewith as Exhibit 10.1.

Also on December 29, 2022, we completed our annual grant of stock options to employees, including executive officers, and directors of the Company. The annual grant is intended to recognize employees who meet certain employment criteria and retain key employees. The exercise price of the options is based on the closing price of our common stock of \$1.08 per share on December 29, 2022, and the options granted to executive officers and directors vest in three equal tranches on the first, second and third anniversary of the grant date. All options vest upon change of control and as otherwise provided in an executive officer's employment agreement. Each director received 20,000 options pursuant to the Director Compensation Plan and each executive officer received grants as follows:

- Amy Trombly, Chief Executive Officer: 40,000 options;
- Chad White, Chief Financial Officer: a prorated amount of 9,753 options based on Mr. White's start of employment with the Company on October 3, 2022; and
- Bruce Thornton, Chief Operations Officer: 40,000 options.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit Number	Description
10.1	Sonoma Pharmaceuticals, Inc. Non-Employee Director Compensation Program and Stock Ownership Guidelines, revised by the Board of Directors on December 29, 2022.
104	Cover Page Interactive Data File (formatted in inline XBRL in Exhibit 101).

**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.

**SONOMA PHARMACEUTICALS, INC.**

Date: December 30, 2022

By: /s/ Amy Trombly  
Name: Amy Trombly  
Title: Chief Executive Officer

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## SONOMA PHARMACEUTICALS, INC.

NON-EMPLOYEE DIRECTOR COMPENSATION PROGRAM  
AND  
STOCK OWNERSHIP GUIDELINES

Revised by the Board of Directors on December 29, 2022

**Non-Employee Director**

For purposes of this Non-Employee Director Compensation Program, a “non-employee director” is any director of the Company that is not also an employee of the Company or any of its subsidiaries. Directors who are employees of the Company or any of its subsidiaries will not be entitled to compensation as a director.

**Cash Compensation**Annual Retainers (as of April 1, 2016)

· Board member	\$32,500
· Lead Independent Director	\$15,000
· Chair of the Audit Committee	\$10,000
· Chair of the Compensation Committee	\$7,500
· Chair of the Nominating and Corporate Governance Committee	\$7,500
· Audit Committee member (other than Chair)	\$7,500
· Compensation Committee Member (other than the Chair)	\$7,500
· Nominating and Corporate Governance Committee Member (other than the Chair)	\$7,500

Payment Terms:

- All fees will be paid in arrears in equal quarterly installments no later than the 60th day following the last date of the applicable quarter.
- All fees, except for Audit Committee fees, can be paid in one of three ways at the director’s election: (1) in cash; (2) in options, or (3) as a stock grant.
- Any quarterly fees, except for Audit Committee fees, paid in options at the director’s election, will be granted on the first business day occurring 60 calendar days or more after the last day of each quarter. Such options shall vest immediately and have an exercise price equal to the closing price of the Company’s stock on the date such options are granted. The number of options will be determined by using the Black Scholes model as a guideline to determine a percentage of the stock price for different stock price ranges.
- Stock grants will be made on the first business day occurring 60 calendar days or more after the last day of each quarter. The actual number of shares underlying the stock grant will be determined by dividing the amount of the award due in cash by the closing price of the Company’s stock on the Trading Market on the grant date.
- Audit Committee fees will be paid in cash only, with no option for equity compensation in lieu of cash.
- Fees will be prorated for partial years of service, with partial months of service credited for full months.

**Expenses**

Non-employee directors will be reimbursed for their reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors or any of its committees that are conducted in person.

**Equity Compensation**

In addition to receiving cash compensation, under the Non-Employee Director Compensation Program and Stock Ownership Guidelines each non-employee director will, upon his or her election or appointment to the Board and upon each subsequent re-election to the Board receive the following equity compensation:

New Appointment/Initial Grant

Each newly elected or appointed non-employee director will receive an initial grant of 2,500 shares of common stock upon his or her election to the Board of Directors vesting in three equal installments over a period of three years with the first tranche vesting on the first anniversary of the grant date, the second tranche vesting on the second anniversary of the grant date, and the third tranche vesting on the third anniversary of the grant date

Annual Grant

- Each non-employee director will receive an annual grant of 20,000 options to purchase up to 20,000 shares of common stock which will be granted on the same day as the annual employee option grant, on or around January of every year. Such shares of common stock or options will have an exercise price equal to the closing price of the Company’s stock on the date such options are granted and vest in three equal tranches on the first, second and third anniversary of the grant date or upon change in control.
- No annual grant shall be granted to any non-employee director in the same calendar year that such person received his or her initial grant.

Other Terms

- Grants of equity awards made under this Non-Employee Director Compensation Program shall be made under the Company’s stock incentive plan that is in effect from time to time.
- Each director shall have twelve (12) months to exercise his or her options following termination of Board service for any reason.

· Grants may also be made to non-employee directors on a discretionary basis, subject to compliance with the Company's corporate governance codes and policies.

#### **Non-Employee Director Stock Ownership Guidelines**

In the interest of good corporate governance and to further align the interests of members of the Board of Directors with the Company's stockholders, the Nominating and Corporate Governance Committee of the Board of Directors has adopted stock ownership guidelines for directors:

· If a director exercises a stock option, it is expected that such director would, from such date of option exercise, maintain ownership of at least a number of shares equal to twenty percent (20%) of the net value of the shares acquired (after deducting the exercise price and taxes). In the case of shares acquired upon the exercise of a stock option, each director is expected to hold such shares for twelve (12) months after termination of his or her service on the Board of Directors.

#### **Program Administration**

This Non-Employee Director Compensation Program shall be administered by the Board of Directors, which shall have the power to interpret this Program and amend it from time to time as it deems proper.