

**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): **January 5, 2022**

TERRASCEND CORP.

Commission File Number: **000-56363**

Ontario, Canada
(State or other jurisdiction
of incorporation)

N/A
(IRS Employer
Identification No.)

3610 Mavis Road
Mississauga, Ontario
(Address of principal executive offices)

L5C 1W2
(Zip Code)

(855) 837-7295

(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
N/A		

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.

On January 5, 2022, TerrAscend Corp. (the "Company") appointed Ziad Ghanem as the Company's President and Chief Operating Officer, effective immediately (the "Effective Date").

Mr. Ghanem, age 44, joins the Company from Surterra Holdings, Inc. (doing business as Parallel), a privately held, vertically integrated, multi-state cannabis operator in the U.S., where he served as President of all markets since November 2020. Prior to his time at Parallel, he served in a variety of roles at Walgreens Boots Alliance, Inc. from August 2004 to November 2020, eventually serving as Senior Director of Global Pharmacy Development.

In connection with Mr. Ghanem's appointment, TerrAscend USA, Inc., the Company's wholly-owned subsidiary, entered into an employment agreement with Mr. Ghanem (the "Employment Agreement"). Pursuant to the terms of the Employment Agreement, Mr. Ghanem is entitled to receive an annual base salary of \$425,000 and is eligible for an annual bonus in an amount equal to 40% of his base salary. Mr. Ghanem is entitled to receive a guaranteed bonus of \$170,000 for 2022.

In connection with his appointment as President and Chief Operating Officer of the Company, Mr. Ghanem will be granted 30,000 restricted stock units under the Company's Share Unit Plan (the "RSU Award"). The RSU Award will vest in four equal annual installments, subject to Mr. Ghanem's continued employment with the Company on each applicable vesting date, and in the event that Mr. Ghanem's employment is terminated without cause or due to a disability or death, the unvested RSUs will vest pro rata through the date of such termination. Mr. Ghanem will be eligible for an additional award of restricted stock units under the Company's Share Unit Plan of up to 40% of his annual salary, as determined by the Board of Directors of the Company.

Additionally, Mr. Ghanem will be granted stock options to purchase 325,000 common shares of TerrAscend Corp. (the "Option Award") subject to requisite approvals pursuant to the Company's Stock Option Plan. Unless otherwise provided for in the option agreement, the Option Award will vest in four equal annual installments starting on the first anniversary of the grant date, subject to Mr. Ghanem's continued employment with the Company on each applicable vesting date. In the event that Mr. Ghanem's employment is terminated without cause or due to a disability or death, the unvested portion of the Option Award will vest pro rata through the date of such termination. The Option Award

will have a ten-year term.

If Mr. Ghanem's employment is terminated by TerrAscend USA, Inc. for cause (as defined in the Employment Agreement), he will be entitled to receive his annual base salary accrued and unpaid through the date of termination, together with all accrued and unpaid paid time off and expenses reimbursable pursuant to the Employment Agreement ("Earned Pay").

If Mr. Ghanem's employment is terminated by TerrAscend USA, Inc. without cause, he will be entitled to receive (i) the Earned Pay, (ii) payment of the Company's share of COBRA premiums for 12 months following the termination date (the "COBRA Cash Stipend") and (iii) 12 months of continued base salary payments ("Severance Pay"). In addition, if such termination without cause occurs within 12 months of the Effective Date, (i) a portion of each of the RSU Award and the Option Award shall be accelerated such that, as of the date of termination, 7,500 restricted stock units under the RSU Award shall be vested and 81,250 shares subject to the Option Award shall be vested and (ii) Mr. Ghanem will be entitled to receive a cash payment of \$212,500 in lieu of any annual bonus (the "Bonus Termination Payment"). Payment of the foregoing severance benefits is subject to Mr. Ghanem's execution and non-revocation of a waiver and general release of claims.

If Mr. Ghanem resigns his employment for good reason (as defined in the Employment Agreement), his resignation will be treated in all respects as an involuntary termination of employment by TerrAscend USA, Inc. without cause, and he will be entitled to receive the COBRA Cash Stipend and the Severance Pay. If TerrAscend USA, Inc. terminates Mr. Ghanem's employment on account of his disability preventing Mr. Ghanem from returning to work for six months, he will be entitled to receive the Earned Pay and the COBRA Cash Stipend for the six months of the initial disability and for an additional twelve month period following a written notice by TerrAscend USA, Inc. of such termination. In the event of Mr. Ghanem's death while being employed by TerrAscend USA, Inc., the personal representative of his estate shall be entitled to receive the Earned Pay, a pro-rated bonus and any vested but unexercised options.

Under the Employment Agreement, Mr. Ghanem is subject to certain restrictive covenant obligations, including non-solicitation and non-competition obligations for 12 months following termination of employment. If Mr. Ghanem breaches these obligations, as determined by a court of competent jurisdiction, Mr. Ghanem must repay the Severance Pay and, if applicable, the Bonus Termination Payment.

The foregoing description of the Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the agreement, which agreement will be filed as an exhibit to the Company's Form 10.

Item 7.01 Regulation FD Disclosure.

On January 5, 2022 the Company issued a press release announcing the appointment of Mr. Ghanem as the Company's President and Chief Operating Officer. A copy of the press release is attached hereto as Exhibit 99.1.

The information (including Exhibit 99.1) being furnished pursuant to this Item 7.01 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) The following exhibit is furnished with this report:

<u>Exhibit No.</u>	<u>Description</u>
<u>99.1</u>	<u>Press Release issued by TerrAscend Corp. on January 5, 2022</u>
104	Cover Page Interactive Data File (formatted as Inline XBRL)

SIGNATURE

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: January 11, 2022

TerrAscend Corp.

By: /s/ Keith Stauffer
Keith Stauffer
Chief Financial Officer

TERRASCEND APPOINTS ZIAD GHANEM AS PRESIDENT AND CHIEF OPERATING OFFICER

Experienced Healthcare, Pharmacy and Cannabis Industry Veteran to Manage and Lead All Operations

NEW YORK and TORONTO, Jan. 5, 2022 /CNW/ - TerrAscend Corp. (“TerrAscend” or the “Company”) (CSE: TER) (OTCQX: TRSSF), a leading North American cannabis operator, today announced the appointment of Ziad Ghanem as President and Chief Operating Officer effective immediately. Mr. Ghanem brings nearly two decades of experience in large-scale healthcare services, cannabis, pharmacy, and retail operations to TerrAscend where he will manage and oversee all operations.



“Ziad’s cannabis industry expertise and experience, together with his significant healthcare and pharmacy background, is a rare find and makes him the ideal person for this role,” said Jason Wild, Executive Chairman of TerrAscend. “Ziad’s proven success in business optimization, financial management and leadership development will be a strong asset to TerrAscend as we execute on our growth strategy”

Mr. Ghanem added, “TerrAscend is building one of the most robust operating footprints in the highest quality cannabis markets in the country. I am thrilled to join this team and help deliver value for TerrAscend’s patients, consumers, and shareholders.”

Most recently, Mr. Ghanem served as President of all markets at Parallel, one of the largest privately held, vertically integrated, multi-state cannabis operators in the U.S. Before entering the cannabis industry, Mr. Ghanem gained over 15 years of experience in senior leadership roles at Walgreens Boots Alliance. Mr. Ghanem received a Doctor of Pharmacy from the University of Houston.

About TerrAscend

TerrAscend is a leading North American cannabis operator with vertically integrated operations in Pennsylvania, New Jersey, and California, licensed cultivation and processing operations in Maryland and licensed production in Canada. TerrAscend operates The Apothecarium dispensary retail locations as well as scaled cultivation, processing, and manufacturing facilities on both the East and West coasts. TerrAscend’s cultivation and manufacturing practices yield consistent, high-quality cannabis, providing industry-leading product selection to both the medical and legal adult-use markets. The Company owns several synergistic businesses and brands, including The Apothecarium, Ilera Healthcare, Kind Tree, Prism, State Flower, Valhalla Confections, and Arise Bioscience Inc. For more information, visit www.terrascent.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This news release contains “forward-looking information” within the meaning of applicable securities laws. Forward-looking information contained in this press release may be identified by the use of words such as, “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook” and other similar expressions. Forward-looking statements in this press release include, but are not limited to, statements regarding the Company’s goals regarding its financial position, value proposition, market position and business strategy. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors relevant in the circumstances, including assumptions in respect of current and future market conditions, the current and future regulatory environment, and the availability of licenses, approvals and permits.

Actual results and developments may differ materially from those contemplated by these statements. Such forward-looking statements are based on certain assumptions regarding expected growth, results of operations, performance, industry trends and growth opportunities. These assumptions may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements.

Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to, current and future market conditions; risks related to federal, state, provincial, territorial, local and foreign government laws, rules and regulations, including federal and state laws in the United States relating to cannabis operations in the United States; and the risk factors described in our Registration Statement on Form 10 and other filings with the U.S. Securities and Exchange Commission, which are available at www.sec.gov, and other filings with Canadian securities regulators, including TerrAscend’s management information circular dated October 4, 2021, and TerrAscend’s most recently filed MD&A, both filed with the Canadian securities regulators and available under TerrAscend’s profile on SEDAR at www.sedar.com.

The statements in this press release are made as of the date of this release. TerrAscend disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Caution Regarding Cannabis Operations in the United States

Investors should note that there are significant legal restrictions and regulations that govern the cannabis industry in the United States. Cannabis remains a Schedule I drug under the US Controlled Substances Act, making it illegal under federal law in the United States to, among other things, cultivate, distribute or possess cannabis in the United States. Financial transactions involving proceeds generated by, or intended to promote, cannabis-related business activities in the United States may form the basis for prosecution under applicable US federal money laundering legislation.

While the approach to enforcement of such laws by the federal government in the United States has trended toward non-enforcement against individuals and businesses that comply with medical or adult-use cannabis programs in states where such programs are legal, strict compliance with state laws with respect to cannabis will neither absolve TerrAscend of liability under U.S. federal law, nor will it provide a defense to any federal proceeding which may be brought against TerrAscend. The enforcement of federal laws in the United States is a significant risk to the business of TerrAscend and any proceedings brought against TerrAscend thereunder may adversely affect TerrAscend’s

operations and financial performance.

SOURCE TerrAscend
