

Emdeon Inc.
Form 8-K
September 19, 2014

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): September 19, 2014 (September 19, 2014)

Emdeon Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

1-34435
(Commission

File Number)

20-5799664
(I.R.S. Employer

Identification No.)

3055 Lebanon Pike, Suite 1000

Nashville, TN

37214

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (615) 932-3000

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))

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

On September 19, 2014, T. Ulrich Brechbühl resigned from his position as Executive Vice President Provider Solutions of Emdeon Inc. (the Company) effective November 4, 2014 (the Termination Date).

Mr. Brechbühl's Separation Agreement

In connection with his resignation, Mr. Brechbühl entered into a separation agreement with the Company on September 19, 2014, which includes the terms summarized below. All payments and benefits are subject to Mr. Brechbühl's non-revocation of a release of claims in favor of the Company and Mr. Brechbühl's compliance with the non-competition, non-solicitation, non-disparagement and confidentiality covenants contained in his employment agreement.

Under the terms of the separation agreement, Mr. Brechbühl will receive the following benefits:

\$365,000 payable in equal installments over 12 months;

payment of the portion of Mr. Brechbühl's annual bonus in respect of the 2014 fiscal year prorated for his service from the beginning of the fiscal year and based on actual performance as though Mr. Brechbühl remained employed with the Company through the payment date of the annual bonus; and

a lump sum cash payment equal to \$14,240 representing that portion of the health insurance premium that the Company would have paid for active employees with similar coverage for twelve months.

In addition, under the terms of the separation agreement, Mr. Brechbühl's outstanding stock options to purchase shares of the Company's parent company, Beagle Parent Corp. (Parent), common stock under Parent's equity plan will be treated as follows:

1,644 of Mr. Brechbühl's time-vesting options with an exercise price of \$1,000 per share will be vested and remain outstanding until fourteen months after the Termination Date;

1,370 of Mr. Brechbühl's options with an exercise price of \$1,000 per share, which vest on the date when Blackstone has sold at least 25% of the maximum number of Parent shares held by it from time to time, and has received cash proceeds in respect of all such Parent shares at a weighted average price per Parent share that is (i) equal to at least 2.0 times Blackstone's cumulative invested capital (measured on a per Parent share basis) in Parent or (ii) sufficient to result in an annual internal rate of return on Blackstone's cumulative invested capital in Parent of at least 20% will remain outstanding and eligible to vest until eight months after the Termination Date; and

1,370 of Mr. Brechbühl's options with an exercise price of \$1,000 per share, which vest on the date when Blackstone has sold at least 25% of the maximum number of Parent shares held by it from time to time, and has received cash proceeds in respect of all such Parent shares at a weighted average price per Parent share that is (i) equal to at least 2.5 times Blackstone's cumulative invested capital (measured on a per Parent share

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basis) in Parent or (ii) sufficient to result in an annual internal rate of return on Blackstone's cumulative invested capital in Parent of at least 25% will remain outstanding and eligible to vest until eight months after the Termination Date.

Except as described above, all of Mr. Brechbühl's other options will be treated in accordance with their terms.

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.

EMDEON INC.

Date: September 19, 2014

By: /s/ Gregory T. Stevens

Name: Gregory T. Stevens

Executive Vice President, General Counsel and

Title: Secretary