
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 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)
May 17, 2016

Pacific Biosciences of California, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-34899
(Commission
File Number)

16-1590339
(IRS Employer
Identification No.)

1380 Willow Road
Menlo Park, California 94025
(Address of principal executive offices, including zip code)

(650) 521-8000
(Registrant's telephone number, including area code)

(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):

- 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))
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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 May 17, 2016, the Pacific Biosciences of California, Inc. (the “Company”) entered into a letter agreement with each of Michael Hunkapiller, the Company’s Chairman, Chief Executive Officer and President, and Susan K. Barnes, the Company’s Executive Vice President, Chief Financial Officer and Principal Accounting Officer, to confirm that each such executive has received since January 1, 2013, and will receive through December 31, 2016, a base salary of \$1 per year (the “Reduced Salary”). The letter agreements also confirmed that each of Dr. Hunkapiller and Ms. Barnes waived his or her performance-based bonus opportunity for the annual performance periods beginning 2012 through 2016.

While the Reduced Salary remains in effect for the applicable executive, the Reduced Salary will be used to determine any accrued vacation payable to the executive in the event of termination of his or her employment, and (i) with respect to Dr. Hunkapiller, any salary severance that he may become entitled to receive under his employment agreement or change in control severance agreement with the Company, each dated January 5, 2012, or (ii) with respect to Ms. Barnes, any salary severance that she may become entitled to receive under her change in control severance agreement with the Company dated September 9, 2010 (these severance payments together, the “Termination Payments”). Pursuant to the letter agreements, the Company and each executive also may agree to a reduced base salary and the waiver of performance-based bonus opportunities for periods after 2016. In such event, any Termination Payments that the executive may become entitled to receive while any reduced base salary remains in effect will be determined based on such reduced base salary amount.

The foregoing summary of the letter agreements does not purport to be complete and is qualified in its entirety by reference to the letter agreements filed herewith as exhibits to this Current Report on Form 8-K.

ITEM 5.07. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

The Company held its Annual Meeting of stockholders (the “Annual Meeting”) on May 17, 2016. The matters voted upon at the Annual Meeting and the results of such voting are set forth below.

Proposal 1: Election of three Class III Directors

Name of Director	For	Withheld	Broker Non-Votes
William Ericson	44,494,242	4,064,088	23,791,116
David Botstein, Ph.D.	47,367,364	1,190,966	23,791,116
Kathy Ordoñez	44,406,220	4,152,110	23,791,116

Each of the nominees was elected to serve as a Class III Director.

Proposal 2: Ratification of the Appointment of Independent Registered Public Accounting Firm

For	Against	Abstain	Broker Non-Votes
72,177,954	134,958	36,534	□

The appointment of Ernst & Young LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2016 was ratified.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

- 10.1 Letter Agreement between the Company and Michael Hunkapiller, dated May 17, 2016.
 - 10.2 Letter Agreement between the Company and Susan K. Barnes, dated May 17, 2016.
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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.

Pacific Biosciences of California, Inc.

By: _____ /s/ Susan K. Barnes

Susan K. Barnes
Executive Vice President, Chief Financial Officer
and Principal Accounting Officer

Date: May 19, 2016

EXHIBIT INDEX

Exhibit No. Description

10.1 Letter Agreement between the Company and Michael Hunkapiller, dated May 17, 2016.

10.2 Letter Agreement between the Company and Susan K. Barnes, dated May 17, 2016.

May 17, 2016

Dear Michael:

This Letter Agreement is in reference to your voluntary waiver of your annual base salary (“*Base Salary*”) and your annual performance-based bonus opportunity (the “*Bonus*”) as previously discussed and agreed between you and Pacific Biosciences of California, Inc. (the “*Company*”).

This Letter Agreement serves to confirm your acknowledgement and agreement that for the period beginning January 1, 2013, through December 31, 2016, you have waived and are waiving: (a) all of your Base Salary except for \$1, such that your Base Salary payable by the Company to you is equal to \$1 per year (the “*Reduced Salary*”), and (b) one hundred percent (100%) of the amount of any Bonus otherwise payable by the Company to you beginning with the calendar year 2012 performance period (together with the Reduced Salary, the “*Reductions*,” which term shall also include all similar waivers and Reductions that you shall make and agree to, and the Company’s board of directors (or committee thereof) shall approve or ratify, in the future while you remain an employee with the Company). You and the Company acknowledge that the Company has granted to you significant equity awards covering shares of the Company’s common stock (including for the Company’s 2016 fiscal year), taking into account, among other factors, the Reductions through and in effect at time of each such grant. Further, while you are an employee of the Company, you also will remain eligible to receive future grants of equity awards covering shares of the Company’s common stock, as determined by the Company’s board of directors (or committee thereof) in its sole discretion.

In addition, for purposes of the Employment Agreement entered into between you and the Company, dated January 5, 2012 (the “*Employment Agreement*”), and the Change in Control Severance Agreement entered into between you and the Company, dated January 5, 2012 (the “*Severance Agreement*”), you acknowledge and agree that the Reductions have not, and will not, constitute “*Good Reason*,” as defined in each of Section 13(e) of the Employment Agreement and Section 7(d) of the Severance Agreement. Further, you acknowledge and agree that (i) the amount of any salary severance that you may become entitled to receive under Section 9(a)(i) of the Employment Agreement or Section 3(a)(i) of the Severance Agreement, and (ii) accrued vacation (if any) payable to you in connection with a termination of your employment, will be calculated based solely on the amount of your Reduced Salary while it remains in effect or, if the Reduced Salary no longer is in effect at such time, your then-current Base Salary.

This Letter Agreement supersedes that letter agreement between you and the Company dated December 14, 2012. Except as expressly modified by the terms of this Letter Agreement, your Employment Agreement and Severance Agreement will remain in full force and effect in accordance with their terms. This Letter Agreement will remain in effect during your employment with the Company until determined otherwise by mutual written agreement between you and the Company. This Letter Agreement may be amended at any time only by mutual written agreement between you and the Company.

Acknowledged and Agreed:

Sincerely,

PACIFIC BIOSCIENCES OF CALIFORNIA, INC.

By: /s/ Susan K. Barnes

Susan K. Barnes
Executive Vice President, Chief Financial Officer and
Principal Accounting Officer

/s/ Michael Hunkapiller
Michael Hunkapiller

May 17, 2016
Date

May 17, 2016

Dear Susan:

This Letter Agreement is in reference to your voluntary waiver of your annual base salary ("*Base Salary*") and your annual performance-based bonus opportunity (the "*Bonus*"), as previously discussed and agreed between you and Pacific Biosciences of California, Inc. (the "*Company*").

This Letter Agreement serves to confirm your acknowledgement and agreement that for the period beginning January 1, 2013, through December 31, 2016, you have waived and are waiving: (a) all of your Base Salary except for \$1, such that your Base Salary payable by the Company to you is equal to \$1 per year (the "*Reduced Salary*"), and (b) one hundred percent (100%) of the amount of any Bonus otherwise payable by the Company to you beginning with the calendar year 2012 performance period (together with the Reduced Salary, the "*Reductions*," which term shall also include all similar waivers and Reductions that you shall make and agree to, and the Company's board of directors (or committee thereof) shall approve or ratify, in the future while you remain an employee with the Company). You and the Company acknowledge that the Company has granted to you significant equity awards covering shares of the Company's common stock (including for the Company's 2016 fiscal year), taking into account, among other factors, the Reductions through and in effect at time of each such grant. Further, while you are an employee of the Company, you also will remain eligible to receive future grants of equity awards covering shares of the Company's common stock, as determined by the Company's board of directors (or committee thereof) in its sole discretion.

In addition, for purposes of the Change in Control Severance Agreement entered into between you and the Company, dated September 9, 2010 (the "*Severance Agreement*"), you acknowledge and agree that the Reductions have not, and will not, constitute "*Good Reason*," as defined in Section 6(d) of the Severance Agreement. Further, you acknowledge and agree that (i) the amount of any salary severance that you may become entitled to receive under Section 3(a)(i) of the Severance Agreement, and (ii) accrued vacation (if any) payable to you in connection with a termination of your employment, will be calculated based solely on the amount of your Reduced Salary while it remains in effect or, if the Reduced Salary no longer is in effect at such time, your then-current Base Salary.

This Letter Agreement supersedes that letter agreement between you and the Company dated December 14, 2012. Except as expressly modified by the terms of this Letter Agreement, your employment letter agreement entered into between you and the Company, dated September 15, 2010, and the Severance Agreement will remain in full force and effect in accordance with their terms. This Letter Agreement will remain in effect during your employment with the Company until determined otherwise by mutual written agreement between you and the Company. This Letter Agreement may be amended at any time only by mutual written agreement between you and the Company.

Acknowledged and Agreed:

Sincerely,

PACIFIC BIOSCIENCES OF CALIFORNIA, INC.

By: /s/ Michael Hunkapiller

Michael Hunkapiller

Chairman, President and Chief Executive Officer

/s/ Susan K. Barnes

Susan K. Barnes

May 17, 2016

Date