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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to  
Section 14(a) of the Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement  
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))  
 Definitive Proxy Statement  
 Definitive Additional Materials  
 Soliciting Material Pursuant to §240.14a-12

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**Hancock Jaffe Laboratories, Inc.**

(Name of Registrant as Specified in Its Charter)

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N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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- 1) Title of each class of securities to which transaction applies:
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November 13, 2020

Dear Hancock Jaffe Stockholders:

It has been a year of significant accomplishments for Hancock Jaffe, which are even more noteworthy in light of the challenges caused by the COVID-19 pandemic. When I wrote to you last year, we had 90-day results on a handful of patients from our VenoValve first-in-human study, and preliminary results from a CoreoGraft animal feasibility trial. This year, we have seen phenomenal results from the nine patients that have completed the VenoValve study, as well as a successful beginning to our first-in-human CoreoGraft trial. In addition, we have significantly strengthened the company's balance sheet, giving us the resources that we need to further advance our products, including preparations for the VenoValve U.S. pivotal trial.

The results we have seen from the VenoValve first-in-human trial are extraordinary. Final results from the study will be released in December, but for the nine patients who have already completed the trial, average improvements in reflux, pain, and VCSS scores were 50%, 70%, and 58% respectively, when compared to pre-surgery levels, and VIENES quality of life scores have shown statistically significant improvement for all patients. We have also experienced dramatic ulcer healing, and rave reviews from our patients whose lives have returned to normal after many years of pain and limited mobility.

Chronic Venous Insufficiency ("CVI") is a debilitating disease which occurs when the valves in the veins of the leg malfunction, resulting in the backwards flow of blood (reflux). Severe CVI leads to swelling, discoloration, intense pain, and open sores (venous ulcers). The current standard of care for deep venous CVI includes compression garments and leg elevation, which are both generally ineffective.

In preparation for an IDE application, it is customary to file a Pre-IDE submission and to meet with the FDA, for the purpose of discussing and receiving guidance on issues that are pertinent to the pivotal trial. On October 26, 2020, we filed our Pre-IDE submission with the FDA, requesting a Pre-IDE meeting. The date of the Pre-IDE meeting was originally set for December 22, 2020, but has been moved to January 11, 2021 at the request of the FDA. Depending in part on the results of the Pre-IDE meeting, we hope to be in a position to file our IDE application seeking approval for the VenoValve U.S. pivotal trial in the first quarter of 2021.

An investigational device exemption or IDE is what is necessary for a class 3 medical device in order to proceed with a pivotal trial. Upon the successful completion of a pivotal trial, the next step is to file a premarket approval application or PMA which, if approved by the FDA, would allow for commercialization of the device.

While IDE approvals and PMA approvals are critical milestones for a class 3 medical device, industry awareness and acceptance by key opinion leaders and medical practitioners are also important to the commercial success of a product. Between January of 2019 and March of 2020 we presented the VenoValve at nine leading international vascular conferences. In March of 2020, we received an award for best presentation at the American Venous Forum conference in Jacksonville, Florida. Over 50 papers were presented at the conference and the VenoValve was recognized as the product with the most potential to impact the treatment of venous disease.

By the end of 2020, we hope to have preliminary data from our first-in-human study published by a pre-eminent, peer reviewed vascular journal, which is widely read by vascular surgeons and others involved in the treatment of vascular diseases. We will announce the name of the journal and the date of publication when it is available. We expect that this will be the first of many articles published about the VenoValve. Conference presentations, industry awards and recognition, and published articles in peer reviewed journals are extremely important in generating awareness and demand for a new medical device and we will continue these efforts in 2021. Our accomplishments in this area are even more impressive given that all vascular conferences in the second half of 2020 were cancelled due to the COVID-19 pandemic.

In addition to the cancellation of medical conferences, the COVID-19 pandemic had a profound impact on our business and tested the resiliency and creativity of our entire team. To give just a handful of examples, our first order of business after the COVID onset was to ensure the safety of our employees by implementing changes in the workplace. While non-essential employees worked from home, enhanced protocols and wellness checks were implemented to keep COVID-19 from permeating our Irvine facility. As shelter in place restrictions were put in place, wi-fi enabled remote monitoring equipment was installed in our facility to monitor our refrigeration system to ensure that none of our tissue inventory became spoiled. In Bogota, through a combination of telemedicine, in-home visits, and private ambulance transportation, we were able to ensure that every patient enrolled in our VenoValve first-in-human study continued to adhere to all study protocols. Not one patient visit or data point was missed as a result of COVID-19. Back in the U.S., Dr. Marc Glickman travelled to Minneapolis in July (the week before the George Floyd riots) to embark on 5 days of surgeries that were necessary to begin a critical 6-month GLP animal safety study for the VenoValve, which will be completed in December prior to the filing of our IDE application as required by the FDA. Finally, since the outbreak of the pandemic, and with a challenging economy, we have raised a total of over \$14 million in gross proceeds, which is more capital than our company has raised in any previous 12-month period. I am extremely proud of our team for overcoming the many challenges to our business from the COVID-19 pandemic and for thriving under very difficult circumstances. Our multiple successes and achievements during what has been a very difficult year are a reflection of our dedication and resourcefulness and will continue to serve the company well.

Although the COVID-19 pandemic delayed the start of our CoreoGraft first-in-human trial, we completed our first successful surgery in humans with the CoreoGraft at the end of October and expect additional CoreoGraft surgeries to take place by the end of the year. We have received extremely positive feedback from all of the doctors who have implanted the CoreoGrafts. Surgeons like the look and feel of the product and the way that it sews. If our human results are anywhere close to the success that we had in our animal feasibility study, the CoreoGraft could be a second viable product for our company. In January of 2020 we announced very encouraging results from our CoreoGraft animal feasibility study. All of our grafts were open (patent) at 90 days and 180 days post implantation, and post-study pathology indicated a thin layer of endothelial cells in the CoreoGrafts that were implanted for 90 days, and more complete endothelialization was observed for grafts implanted for 180 days both throughout the CoreoGrafts and into the left anterior descending arteries. Endothelium is a layer of endothelial cells that naturally exist throughout healthy veins and arteries that acts as a barrier between blood and the surrounding tissue, which helps promote the smooth passage of blood. Endothelium are known to produce a variety anti-clotting and other positive characteristics that are essential to healthy veins and arteries. The presence of full endothelialization within the longer term CoreoGrafts indicates that the graft is being accepted and assimilated in a manner similar to natural healthy veins and arteries that exist throughout the vascular system and is an indication of potential long-term biocompatibility. We will continue to monitor our first-in-human patients at 30, 90, 180, and 365 days post-surgery.

We are extremely proud that a company of our size has two, class 3 medical devices undergoing human testing. As our Chief Medical Officer Dr. Marc Glickman likes to say, these are not "me too" products where we are offering better versions of devices already on the market. Both the VenoValve and the CoreoGraft are unique devices that fill unmet medical needs, and both products have large potential addressable markets.

Finally, in June of 2020 we announced that we had signed a non-binding letter of intent to merge with a private company called Catheter Precision. Due diligence and negotiations regarding the potential merger are ongoing and we hope to have an update on the potential merger by the end of the year. Either with or without Catheter Precision, 2020 has been a year of significant accomplishments for Hancock Jaffe and we are excited about the prospects for our company in 2021 and beyond.

We look forward to seeing you at our upcoming virtual annual meeting, which is scheduled for December 17, 2020 at 10:00 AM PST.

Thank you.

Sincerely,

Robert A. Berman,  
Chief Executive Officer

**Hancock Jaffe Laboratories, Inc.**  
**70 Doppler Irvine, California 92618**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**To be held on Thursday, December 17, 2020**

The 2020 Annual Meeting of Stockholders (the “**Meeting**”) of Hancock Jaffe Laboratories, Inc. (the “**Company**”) will be held on a virtual basis on Thursday, December 17, 2020 at 10:00 A.M. PDT, for the following purposes:

1. To elect Robert C. Gray as a Class III director of the Company, to serve for a three-year term that expires at the 2023 Annual Meeting of Stockholders, or until his successor is elected and qualified or until his earlier death, incapacity, removal or resignation;
2. To ratify the appointment by the Audit Committee of the Company’s Board of Directors of Marcum LLP as the Company’s registered public accounting firm for the fiscal year ending December 31, 2020;
3. To approve an amendment to the Company’s Amended and Restated 2016 Omnibus Incentive Plan to increase the number of shares authorized to be awarded under the plan to 15,000,000 shares and to change the date of the annual 3% automatic increase of shares available under the plan from April 26 to January 1; and
4. To transact, in the discretion of the Company’s Board of Directors, such other business as may properly come before the Meeting or any adjournment thereof.

The Meeting will be a completely virtual meeting of stockholders, which will be conducted via live webcast. You will be able to attend the Meeting online, vote and submit your questions during the Meeting by visiting [www.virtualshareholdermeeting.com/HJLI2020AM](http://www.virtualshareholdermeeting.com/HJLI2020AM). We are pleased to utilize the virtual stockholder meeting technology (i) to provide ready access and cost savings for our stockholders and the Company and (ii) to promote social distancing pursuant to guidance provided by the Center for Disease Control and the U.S. Securities and Exchange Commission due to the novel coronavirus. The virtual meeting format allows attendance from any location in the world.

Even if you are planning on attending the Meeting online, please promptly submit your proxy vote via the Internet, by telephone or by completing, dating, signing and returning the enclosed proxy, so your shares will be represented at the Meeting. Instructions on voting your shares are on the proxy materials you received for the Meeting. Even if you plan to attend the Meeting online, it is strongly recommended you vote before the Meeting date, to ensure that your shares will be represented at the Meeting if you are unable to attend.

Details regarding admission to the Meeting and the business to be conducted at the meeting are more fully described in the accompanying Notice of Meeting of Stockholders and proxy statement.

We hope you will be able to attend the Meeting. Whether or not you plan to attend the Meeting, please promptly sign, date and return the enclosed proxy card or voting instruction card in the envelope provided, or submit your proxy over the Internet or by telephone (if those options are available to you) in accordance with the instructions on the enclosed proxy card or voting instruction card.

**The Board of Directors unanimously recommends a vote “FOR” the director nominee and “FOR” the approval of each of the other proposals to be submitted by the Board of Directors at the Meeting.**

BY ORDER OF THE BOARD OF DIRECTORS,

Robert A. Berman,  
Chief Executive Officer

November 13, 2020

## TABLE OF CONTENTS

	<u>Page Number</u>
<a href="#"><u>QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS</u></a>	5
<a href="#"><u>INTRODUCTION</u></a>	10
<a href="#"><u>2020 Annual Meeting of Stockholders</u></a>	10
<a href="#"><u>Record Date; Mailing Date</u></a>	10
<a href="#"><u>Proposals to be Submitted at the Meeting</u></a>	10
<a href="#"><u>Principal Offices</u></a>	10
<a href="#"><u>Information Concerning Solicitation and Voting</u></a>	10
<a href="#"><u>Expenses</u></a>	11
<a href="#"><u>Revocability of proxies</u></a>	11
<a href="#"><u>PROPOSAL 1. ELECTION OF CLASS III DIRECTOR</u></a>	12
<a href="#"><u>Introduction</u></a>	12
<a href="#"><u>Directors and Executive Officers</u></a>	12
<a href="#"><u>Family Relationships</u></a>	14
<a href="#"><u>Certain Legal Proceedings</u></a>	14
<a href="#"><u>Board Composition</u></a>	15
<a href="#"><u>Director Independence</u></a>	15
<a href="#"><u>Meetings of the Board and Stockholders</u></a>	16
<a href="#"><u>Board Committees</u></a>	16
<a href="#"><u>Code of Conduct</u></a>	17
<a href="#"><u>Board Leadership Structure</u></a>	18
<a href="#"><u>Role of Board in Risk Oversight Process</u></a>	18
<a href="#"><u>Section 16(a) Beneficial Ownership Reporting Compliance</u></a>	18
<a href="#"><u>Certain Relationships and Related Party Transactions</u></a>	18
<a href="#"><u>Executive Compensation</u></a>	20
<a href="#"><u>Employment Agreements</u></a>	21
<a href="#"><u>Potential Payments Upon Termination or Change-in-Control</u></a>	24
<a href="#"><u>Outstanding Equity Awards at Fiscal Year-End</u></a>	24
<a href="#"><u>Employee Benefit Plans</u></a>	24
<a href="#"><u>Limitation of Liability and Indemnification Matters</u></a>	27
<a href="#"><u>Director Compensation</u></a>	28
<a href="#"><u>Audit Committee Report</u></a>	29
<a href="#"><u>PROPOSAL 2. RATIFICATION OF THE APPOINTMENT OF THE COMPANY'S REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2020</u></a>	31
<a href="#"><u>PROPOSAL 3. AMENDMENT TO AMENDED AND RESTATED 2016 OMNIBUS INCENTIVE PLAN</u></a>	32
<a href="#"><u>OTHER INFORMATION</u></a>	36
<a href="#"><u>Proxy Solicitation</u></a>	36
<a href="#"><u>Proxies</u></a>	36
<a href="#"><u>Other Business</u></a>	36
<a href="#"><u>Legal Proceedings</u></a>	36
<a href="#"><u>Future Stockholder Proposals</u></a>	36
<a href="#"><u>Stockholder Communications</u></a>	36
<a href="#"><u>Householding of Proxy Materials</u></a>	37
<a href="#"><u>Additional Information</u></a>	37

Hancock Jaffe Laboratories, Inc.  
70 Doppler Irvine, California 92618  
(949) 261-2900

**PROXY STATEMENT**

**ANNUAL MEETING OF STOCKHOLDERS**

**to be held via live webcast on Thursday, December 17, 2020, 10:00 a.m., Pacific Time**

**QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS**

**Why am I receiving this Proxy Statement?**

This Proxy Statement describes the proposals on which our Board of Directors (the “**Board**”) would like you, as a stockholder, to vote on at our 2020 Annual Meeting of the Stockholders (the “**Meeting**”), which will take place on Thursday, December 17, 2020 via live webcast.

This Proxy Statement also gives you information on these proposals so that you can make an informed decision. We intend to mail this Proxy Statement and accompanying proxy card on or about November 16, 2020, to all stockholders of record entitled to vote at the Meeting.

In this Proxy Statement, we refer to Hancock Jaffe Laboratories, Inc. as the “Company,” “we,” “us” or “our” or similar terminology.

**Who can vote at the Meeting?**

Stockholders who owned shares of our common stock, par value \$0.00001 per share (“**Common Stock**”), including persons that held unvested shares of restricted stock issued pursuant to our Amended and Restated 2016 Omnibus Incentive Plan (the “**RSAs**”), and/or our Series C Convertible Preferred Stock (the “**Preferred Stock**”) and collectively with the Common Stock, the “**Voting Stock**”) on November 2, 2020 (the “**Record Date**”) may attend and vote at the Meeting. Each share of Common Stock is entitled to one vote and each share of Preferred Stock is entitled to one vote per share. There were 49,775,443 shares of Common Stock, 250,000 RSAs, and 4,205,406 shares of Preferred Stock outstanding on the Record Date. All shares of Voting Stock vote together as a single class. Shares of the Voting Stock represented by executed proxies received by the Company will be counted for purposes of establishing a quorum at the Meeting, regardless of how or whether such shares are voted on any specific proposal. Information about the stockholdings of our directors and executive officers is contained in the section of this Proxy Statement entitled “Beneficial Ownership of Principal Stockholders, Officers and Directors”.

**What is the proxy card?**

The proxy card enables you to appoint Robert A. Berman, our Chief Executive Officer, as your representative at the Meeting. By completing and returning the proxy card or voting online as described herein, you are authorizing Mr. Berman to vote your shares at the Meeting in accordance with your instructions on the proxy card. This way, your shares will be voted whether or not you attend the Meeting. Even if you plan to attend the Meeting, we think that it is a good idea to complete and return your proxy card before the Meeting date just in case your plans change. If a proposal comes up for vote at the Meeting that is not on the proxy card, the proxies will vote your shares, under your proxy, according to their best judgment.

**What am I voting on?**

You are being asked to vote on the following proposals:

1. To elect Robert C. Gray as a Class III director of the Company, to serve for a three-year term that expires at the 2023 Annual Meeting of Stockholders, or until his successor is elected and qualified or until his earlier death, incapacity, removal or resignation;

2. To ratify the appointment by the Audit Committee of the Board of Marcum LLP as the Company's registered public accounting firm for the fiscal year ending December 31, 2020;
3. To approve an amendment to the Company's Amended and Restated 2016 Omnibus Incentive Plan to increase the number of shares authorized to be awarded under the plan to 15,000,000 shares and to change the date of the annual 3% automatic increase of shares available under the plan from April 26 to January 1; and
4. To transact such other business as may properly come before the Meeting or any adjournment thereof.

**How does the Board recommend that I vote?**

Our Board unanimously recommends that the stockholders vote "FOR" the director nominee and "FOR" all of the other proposals being put before our stockholders by the Board at the Meeting.

**What is the difference between holding shares as a stockholder of record and as a beneficial owner?**

Most of our stockholders hold their shares in an account at a brokerage firm, bank or other nominee holder, rather than holding share certificates in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

*Stockholder of Record*

If, on the Record Date, your shares were registered directly in your name with our transfer agent, VStock Transfer, LLC, you are a "stockholder of record" who may vote at the Meeting, and we are sending these proxy materials directly to you. As the stockholder of record, you have the right to direct the voting of your shares by returning the enclosed proxy card to us, voting online or voting at the Meeting via the webcast. Whether or not you plan to attend the Meeting via webcast, please complete, date and sign the enclosed proxy card or vote online to ensure that your vote is counted.

*Beneficial Owner*

If, on the Record Date, your shares were held in an account at a brokerage firm or at a bank or other nominee holder, you are considered the beneficial owner of shares held "in street name," and these proxy materials are being forwarded to you by your broker or nominee who is considered the stockholder of record for purposes of voting at the Meeting. As the beneficial owner, you have the right to direct your broker on how to vote your shares and to attend the Meeting. However, since you are not the stockholder of record, you may not vote these shares at the Meeting unless you receive a valid proxy from your brokerage firm, bank or other nominee holder. To obtain a valid proxy, you must make a special request of your brokerage firm, bank or other nominee holder. If you do not make this request, you can still vote by using the voting instruction card enclosed with this proxy statement; however, you will not be able to vote at the Meeting.

**How do I vote?**

You may vote by mail, over the Internet, by telephone or in person online at the Meeting. Please be aware that if you vote over the Internet or by telephone, you may incur costs such as Internet access charges or telephone charges for which you will be responsible.

**(1) You may vote by mail.** If you received a printed proxy card, you may vote by mail by completing, signing and dating your proxy card and returning it in the enclosed, postage-paid and addressed envelope. If we receive your proxy card prior to the Meeting and if you mark your voting instructions on the proxy card, your shares will be voted:

- as you instruct, and

- according to the best judgment of the proxy if a proposal comes up for a vote at the Meeting that is not on the proxy card.

If you return a signed card, but do not provide voting instructions, your shares will be voted:

- for Mr. Gray as the Class III director of our Board;
- to ratify the appointment of Marcum LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2020;
- To approve an amendment to the Company's Amended and Restated 2016 Omnibus Incentive Plan to increase the number of shares authorized to be awarded under the plan to 15,000,000 shares and to change the date of the annual 3% automatic increase of shares available under the plan from April 26 to January 1; and
- According to the best judgment of Mr. Berman if a proposal comes up for a vote at the Meeting that is not on the proxy card.

If you hold your shares in street name, you should follow the instructions provided by your brokerage firm, bank, broker-dealer or other similar organization that holds your shares to vote by mail.

**(2) You may vote online.** The website address for Internet voting is provided on the notice and on the proxy card. You will need to use the control number appearing on your proxy card to vote via the Internet. You can use the Internet to transmit your voting instructions up until 11:59 p.m. Eastern Daylight Time on December 16, 2020. Internet voting is available 24 hours a day. If you vote via the Internet, you do not need to return a proxy card. If you sign and return the proxy card or submit an electronic vote but do not give instructions on how to vote your shares, your shares will be voted as recommended by the Board. If your shares are held in the name of your broker or other nominee, you are considered the beneficial owner of shares held in street name. As a beneficial owner, you may vote by proxy via the Internet by following the instructions provided by your brokerage firm, bank, broker-dealer or other similar organization that holds your shares.

**(3) You may vote by telephone.** You may vote using a touch-tone telephone by calling 1-800-690-6903, 24 hours a day, seven days a week. You will need the 16-digit control number included on your proxy material. Votes submitted by telephone must be received by 11:59 p.m. Eastern Time, on December 16, 2020. If you hold your shares in street name, you should follow the instructions provided by your brokerage firm, bank, broker-dealer or other similar organization that holds your shares to vote by telephone.

**(4) During the Annual Meeting.** If you attend the Meeting online and plan to vote, you will be able to vote virtually. If your shares are registered directly in your name, you are considered the stockholder of record and you have the right to vote online at the Meeting by going to [www.virtualshareholdermeeting.com/HJLI2020AM](http://www.virtualshareholdermeeting.com/HJLI2020AM). You will need the 16-digit control number included in your proxy material. If your shares are held in the name of your broker or other nominee, you are considered the beneficial owner of shares held in street name. As a beneficial owner, if you wish to vote at the Meeting, you will need a legal proxy from your broker or other nominee authorizing you to vote those shares online at the Meeting.

**What does it mean if I receive more than one proxy card?**

You may have multiple accounts at the transfer agent and/or with brokerage firms. Please sign and return all proxy cards to ensure that all of your shares are voted.

**What if I change my mind after I return my proxy?**

You may revoke your proxy and change your vote at any time before the polls close at the Meeting. You may do this by:

- sending a written notice to the Chief Financial Officer of the Company stating that you would like to revoke your proxy of a particular date;
- signing another proxy card with a later date and returning it before the polls close at the Meeting or voting online or by telephone again at a later date; or
- participating in the Meeting live via the internet and voting again.

Please note, however, that if your shares are held of record by a brokerage firm, bank or other nominee, you must instruct your broker, bank or other nominee that you wish to change your vote by following the procedures on the voting form provided to you by the broker, bank or other nominee. If your shares are held in street name, and you wish to attend and vote at the Meeting, you will need a legal proxy from your broker or other nominee authorizing you to vote those shares online at the Meeting.

**Will my shares be voted if I do not sign and return my proxy card?**

If your shares are held in your name and you do not sign and return your proxy card or vote online, your shares will not be voted unless you vote at the Meeting. If you hold your shares in the name of a broker, bank or other nominee, your nominee may determine to vote your shares at its own discretion on the ratification of the Company's independent public accountant since such matter is a routine matter, absent instructions from you. However, due to voting rules that may prevent your bank or broker from voting your uninstructed shares on a discretionary basis in the election of directors, the amendment to our plan and other non-routine matters, it is important that you cast your vote.

**How may I vote with respect to each proposal and how are votes counted?**

Your voting options will be dependent on the particular proposal for which you wish to cast a vote. With respect to proposal 1 (the election of directors), you may vote "for" the director nominee or "withhold" authority to vote for the director nominee. With respect to proposal 2 (ratification of the Company's independent public accountant), you may vote "for" or "against" the proposal or you may "abstain" from casting a vote on such proposal. With respect to proposal 3 (the amendment to our plan), you may vote "for" or "against" the proposal or you may "abstain" from casting a vote on such proposal. Abstentions, votes marked "withheld" and broker non-votes will be counted for the purpose of determining whether a quorum is present at the Meeting.

Broker non-votes occur on a matter when a broker is not permitted to vote on that matter without instructions from the beneficial owner and instructions are not given. These matters are referred to as "non-routine" matters. The election of the directors and the amendment to our plan are "non-routine." Thus, in tabulating the voting result for these proposals, shares that constitute broker non-votes are not considered votes cast on those proposals. The ratification of the appointment of the Company's independent public accountant is a "routine" matter and therefore a broker may vote on this matter without instructions from the beneficial owner as long as instructions are not given.

**How many votes are required to elect Mr. Robert C. Gray as a Class III director?**

Our amended and restated bylaws provides that directors are to be elected by a plurality of the votes of the shares present in person or represented by proxy at the Meeting and entitled to vote on the election of directors. This means that the one (1) candidate receiving the highest number of affirmative votes at the Meeting will be elected as a Class III director. Only shares that are voted in favor of a particular nominee will be counted toward that nominee's achievement of a plurality. Shares present at the Meeting that are not voted for a particular nominee or shares present by proxy where the stockholder properly withheld authority to vote for such nominee will not be counted toward that nominee's achievement of a plurality.

**How many votes are required to ratify the Company's independent public accountants?**

The affirmative vote of a majority of the votes cast at the Meeting by the holders of shares of Voting Stock entitled to vote is required to ratify Marcum LLP as our independent registered public accounting firm for the year ending December 31, 2020. Abstentions will have no direct effect on the outcome of this proposal, but since this is a routine matter, brokers may vote at the Meeting on this proposal provided that they have not received instructions from a beneficial owner.

**How many votes are required to amend our plan?**

The affirmative vote of a majority of the votes cast at the Meeting by the holders of shares of Voting Stock entitled to vote is required to amend our plan. Because this is a non-routine matter, brokers may not vote at the Meeting on this proposal unless they have received instructions from a beneficial owner. Abstentions and broker non-votes will not be counted for purposes of determining whether such proposal has been approved and will not have the effect of negative votes.

**What happens if I don't indicate how to vote my proxy?**

If you just sign your proxy card without providing further instructions, your shares will be counted as a "for" vote for the director nominee, a "for" vote for the ratification of Marcum LLP as our independent registered public accounting firm for the year ending December 31, 2020 and a "for" vote for the amendment to our plan. If a proposal comes up for a vote at the Meeting that is not on the proxy card, the proxy will vote according to his best judgment.

**Is my vote kept confidential?**

Proxies, ballots and voting tabulations identifying stockholders are kept confidential and will not be disclosed except as may be necessary to meet legal requirements.

**Where do I find the voting results of the Meeting?**

We will announce voting results at the Meeting and file a Current Report on Form 8-K announcing the voting results of the Meeting.

**Who can help answer my questions?**

You can contact our interim Chief Financial Officer, Mr. Craig Glynn, at (949) 261-2900 or by sending a letter to Mr. Glynn at the offices of the Company at 70 Doppler Irvine, California 92618, with any questions about proposals described in this Proxy Statement or how to execute your vote.

**Hancock Jaffe Laboratories, Inc.**  
**70 Doppler Irvine, California 92618**  
**(949) 261-2900**

**PROXY STATEMENT**

**INTRODUCTION**

**2020 Annual Meeting of Stockholders**

This Proxy Statement is being furnished to the holders of our Common Stock in connection with the solicitation of proxies for use at the 2020 Annual Meeting of Stockholders of the Company. The Meeting is to be held via live webcast Thursday, December 17, 2020 at 10:00 a.m., Pacific Time, and at any adjournment or adjournments thereof.

**Record Date; Mailing Date**

The Board has fixed the close of business on November 2, 2020 as the Record Date for the determination of stockholders entitled to notice of, and to vote and act at, the Meeting. Only stockholders of record at the close of business on that date are entitled to notice of, and to vote and act at, the Meeting. The Proxy Statement is first being mailed to stockholders of the Company on or about November 16, 2020.

**Proposals to be Submitted at the Meeting**

At the Meeting, stockholders will be acting upon the following proposals:

1. To elect Robert C. Gray as a Class III director of the Company, to serve for a three-year term that expires at the 2023 Annual Meeting of Stockholders, or until his successor is elected and qualified or until his earlier death, incapacity, removal or resignation;
2. To ratify the appointment by the Audit Committee of the Board of Marcum LLP as the Company's registered public accounting firm for the fiscal year ending December 31, 2020;
3. To approve an amendment to the Company's Amended and Restated 2016 Omnibus Incentive Plan to increase the number of shares authorized to be awarded under the plan to 15,000,000 shares and to change the date of the annual 3% automatic increase of shares available under the plan from April 26 to January 1; and
4. To transact such other business as may properly come before the Meeting or any adjournment thereof.

**Principal Offices**

The principal executive offices of the Company are located at 70 Doppler Irvine, California 92618. The Company's telephone number at such address is (949) 261-2900.

**Information Concerning Solicitation and Voting**

As of the Record Date, there were 49,775,443 outstanding shares of Common Stock, 250,000 RSAs, and 4,205,406 outstanding shares of Preferred Stock. Each share of Common Stock (including the RSAs) and Preferred Stock is entitled to one vote on each matter to be voted on at the Meeting. Only holders of shares of Voting Stock on the Record Date will be entitled to vote at the Meeting. The presence in person or by proxy of holders of record of a majority of the Voting Shares outstanding and entitled to vote as of the Record Date shall be required for a quorum to transact business at the Meeting. If a quorum should not be present, the Meeting may be adjourned until a quorum is obtained.

For purposes of Proposal 1, the one (1) candidate receiving the highest number of affirmative votes at the Meeting will be elected as a Class III director. Only shares that are voted in favor of a particular nominee will be counted toward that nominee's achievement of a plurality. Shares present at the Meeting that are not voted for a particular nominee or shares present by proxy where the stockholder properly withheld authority to vote for such nominee will not be counted toward that nominee's achievement of a plurality.

For purposes of Proposal 2, the affirmative vote of a majority of the votes cast at the Meeting by the holders of shares of Voting Stock entitled to vote is required to ratify Marcum LLP as our independent registered public accounting firm for the year ending December 31, 2020. Abstentions will have no direct effect on the outcome of this proposal, but since this is a routine matter, brokers may vote at the Meeting on this proposal provided that they have not received instructions from a beneficial owner.

For purposes of Proposal 3, the affirmative vote of a majority of the votes cast at the Meeting by the holders of shares of Voting Stock entitled to vote is required to amend our plan. Because this is a non-routine matter, brokers may not vote at the Meeting on this proposal unless they have received instructions from a beneficial owner. Abstentions and broker non-votes will not be counted for purposes of determining whether such proposal has been approved and will not have the effect of negative votes.

#### **Expenses**

The expense of preparing, printing and mailing this Proxy Statement, exhibits and the proxies solicited hereby will be borne by the Company. In addition to the use of the mails, proxies may be solicited by officers, directors and regular employees of the Company, without additional remuneration, by personal interviews, telephone, email or facsimile transmission. The Company will also request brokerage firms, nominees, custodians and fiduciaries to forward proxy materials to the beneficial owners of shares of Common Stock held of record and will provide reimbursements for the cost of forwarding the material in accordance with customary charges.

#### **Revocability of proxies**

Proxies given by stockholders of record for use at the Meeting may be revoked at any time prior to the exercise of the powers conferred. In addition to revocation in any other manner permitted by law, stockholders of record giving a proxy may revoke the proxy by an instrument in writing, executed by the stockholder or his attorney authorized in writing or, if the stockholder is a corporation, under its corporate seal, by an officer or attorney thereof duly authorized, and deposited either at the corporate headquarters of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournments thereof, at which the proxy is to be used, or with the chairman of such Meeting on the day of the Meeting or adjournments thereof, and upon either of such deposits the proxy is revoked.

**ALL PROXIES RECEIVED WILL BE VOTED IN ACCORDANCE WITH THE CHOICES SPECIFIED ON SUCH PROXIES. PROXIES WILL BE VOTED IN FAVOR OF A PROPOSAL IF NO CONTRARY SPECIFICATION IS MADE. ALL VALID PROXIES OBTAINED WILL BE VOTED AT THE DISCRETION OF THE PERSONS NAMED IN THE PROXY WITH RESPECT TO ANY OTHER BUSINESS THAT MAY COME BEFORE THE MEETING.**

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE DIRECTOR NOMINEE AND THE APPROVAL OF EACH OF THE OTHER PROPOSALS TO BE SUBMITTED AT THE MEETING BY THE BOARD.**

PROPOSAL 1

ELECTION OF A CLASS III DIRECTOR

Introduction

The Board currently consists of three classes of directors, as follows:

Director(s)	Class	Term Expires
Dr. Francis Duhay	Class I	2021
Dr. Sanjay Shrivastava	Class I	2021
Matthew M. Jenusaitis	Class II	2022
Robert A. Berman	Class II	2022
Robert C. Gray	Class III	Nominee in 2020 for term ending 2023

At the Meeting, stockholders will be asked to elect Robert C. Gray as a Class III director to hold office until the 2023 Annual Meeting of Stockholders or until his successor is elected and qualified or until his earlier death, incapacity, removal or resignation. The Board has nominated Robert C. Gray to stand for election at the Meeting.

The enclosed proxy, if returned, and unless indicated to the contrary, will be voted for the election of Mr. Gray. Proxies cannot be voted for a greater number of persons than the number of nominees named.

We have been advised by Mr. Gray that he is willing to be named as a nominee and is willing to serve as a director if elected. If some unexpected occurrence should make necessary, in the discretion of the Board, the substitution of some other person for the nominee, it is the intention of the persons named in the proxy to vote for the election of such other person as may be designated by the Board.

Directors and Executive Officers

Listed below are the names of the directors and executive officers of the Company, their ages as of the Record Date, their positions held and the year they commenced service with the Company

Name	Age	Position(s) Held	Year of Service Commencement
Robert A. Berman	57	Director, Chief Executive Officer	2018
Craig Glynn	59	Interim Chief Financial Officer and Interim Treasurer	2020
Dr. Francis Duhay	59	Director	2018
Dr. Sanjay Shrivastava	53	Director	2018
Matthew M. Jenusaitis	59	Director	2019
Robert C. Gray	73	Director	2019
Marc H. Glickman, M.D.	71	Senior Vice President and Chief Medical Officer	2016

There are no arrangements between our directors and any other person pursuant to which our directors were nominated or elected for their positions. There are no family relationships between any of our directors or executive officers.

**Robert A. Berman** has served as our Chief Executive Officer and a member of our board of directors since April 2018. From September 2017 to March 2018, Mr. Berman worked as an independent strategic business consultant. From September 2012 to July 2017, he served as the President, Chief Executive Officer, and a member of the board of directors of ITUS Corporation (now called Anixa Biosciences), a Nasdaq listed company, that develops a liquid biopsy technology for early cancer detection. Prior to ITUS Corporation, Mr. Berman was the Chief Executive Officer of VIZ Technologies, a start-up company which developed and licensed a beverage dispensing cap, and he was the founder of IP Dispute Resolution Corporation, a company focused on intellectual property licensing. From 2000 to March 2007, Mr. Berman was the Chief Operating Officer and General Counsel of Acacia Research Corporation, which was a publicly traded company engaged in the licensing and enforcement of patented technologies. Mr. Berman was a Director of Business Development at QVC where he developed and selected products for on-air sales and distribution. Mr. Berman started his career at the law firm of Blank Rome LLP. He has a Bachelor of Science in Entrepreneurial Management from the Wharton School of the University of Pennsylvania and holds a Juris Doctorate degree from the Northwestern University Pritzker School of Law, where he serves as an adjunct faculty member. We believe Mr. Berman is qualified to serve as a member of our board of directors because of his experience in broad variety of areas including healthcare, finance, acquisitions, marketing, compliance, turnarounds, and the development and licensing of emerging technologies.

**Dr. Francis Duhay** has served as member of our board of directors since October 2018. A trained cardiac and thoracic surgeon, has served the President and Chief Operating officer of Aegis Surgical Inc. and Atrius Inc., makers of cardiac accessory devices, since 2016, and as a Partner in K5\_Ventures, an early stage venture fund since 2017. Dr. Duhay is the former Chief Medical Officer at Edwards Life Sciences, a world leader in heart valve products, where he led medical and clinical affairs for transcatheter and surgical heart valves. During his tenure at Edwards Life Sciences, from 2008 to 2016, Dr. Duhay led the preparation and submission, and ultimate regulatory approval, of two FDA Premarket Approval (PMA) applications for transcatheter and surgical heart valve therapies and was responsible for the design and execution of the applicable clinical trials. Dr. Duhay was also the Vice President and General Manager of the Ascendra™ transcatheter heart valve business unit at Edwards, where he grew the unit from sixteen to eighty employees and contributed to annual growth in sales from \$3 million to \$250 million. From 1998 to 2003, Dr. Duhay served as the Chief of the Department of Cardiothoracic Surgery and Cardiology at Kaiser Permanente. Dr. Duhay has also served as an industry representative and clinical expert, and a member of the working group for ISO 5840, the international quality standard for the design, development, and testing of heart valves. Dr. Duhay received his MBA from the University of Hawaii - Shidler College of Business and received his board certification for Cardiothoracic Surgery and General Surgery from the Duke University School of Medicine and from the University of California, San Francisco, respectively. We believe that Dr. Duhay is qualified to serve as a member of our board of directors because he is a trained cardiac and thoracic surgeon and former Chief Medical Officer at Edwards Life Sciences.

**Dr. Sanjay Shrivastava** has served as a member of our board of directors since October 2018. He has been involved in developing, commercializing, evaluating, and acquiring medical devices for more than 18 years, including serving in Chief Executive Officer and board of director positions at several medical device start-ups, and leadership positions in research and development, business development, and marketing at BTG (from 2017 to 2018), Medtronic (2007 to 2017), Abbott Vascular (2003 to 2007), and Edwards Life Sciences (2000 to 2003). He is presently the Vice President of Marketing and Business Development at U.S. Vascular, LLC and a co-founder and board member of BlackSwan Vascular, Inc. While working as a vice president, upstream marketing and strategy at BTG, a medical device and specialty pharmaceutical company with annual revenue of about \$800 million, Dr. Shrivastava worked on several acquisition and investment deals. At Medtronic, Dr. Shrivastava was the Director of Global Marketing for the Cardiac and Vascular Group where he helped build the embolization business, from its initiation to a substantial revenue with a very high CAGR over a period of six years. Dr. Shrivastava was a Manager of Research and Development for the peripheral vascular business at Abbott Vascular and a Principal Research and Development Engineer for Trans-Catheter heart valves at Edwards Life Sciences. Dr. Shrivastava received his Bachelor of Science in engineering at the Indian Institute of Technology, and his Doctorate of Philosophy in materials science and engineering from the University of Florida. We believe that Dr. Shrivastava is qualified to serve as a member of our board of directors because of having served in Chief Executive Officer and board of director positions at several medical device start-ups, and leadership positions in research and development, business development, and marketing at BTG, Medtronic, Abbott Vascular, and Edwards Life Sciences.

**Matthew M. Jenusaitis** has served as a member of our board of directors since September 2019. He has over 30 years of health care experience with an emphasis on building and selling companies that develop medical devices to treat vascular diseases. Since March 2015, Mr. Jenusaitis has been the Chief of Staff and Chief of Innovation and Transformation for the UC San Diego Health System. From June 2009 to March 2015, Mr. Jenusaitis was President and CEO of OCTANe Foundation for Innovation, a non-profit focused on the development of innovation in Orange County, CA. Over the course of his career, Mr. Jenusaitis has been on the board of directors of Pulsar Vascular (2008-2017), which was sold to Johnson and Johnson, Creagh Medical (2008-2015), which was sold to SurModics, and Precision Wire Components (2009-2014), which was sold to Creganna Medical. Mr. Jenusaitis was also a Senior Vice President at ev3 (April 2006 to July 2008), which was sold to Covidian and later purchased by Medtronic. In addition, Mr. Jenusaitis was the President of the Peripheral Division at Boston Scientific (July 2003 to August 2005) and was an Executive in Residence at Warburg Pincus (September 2005 to March 2006). Mr. Jenusaitis has an MBA from the University of California, Irvine, a Masters Degree in Biomedical Engineering from Arizona State University, and a Bachelors Degree in Chemical Engineering from Cornell University. We believe that Mr. Jenusaitis is qualified to serve as a member of our board of directors because of over 30 years of health care experience with an emphasis on building and selling companies that develop medical devices to treat vascular diseases and his prior board experiences.

**Robert C. Gray** has served as a member of our board of directors since September 2019. He had a 20-year career at Highmark, Inc., one of America's largest health insurance organizations, which serves over 20 million subscribers, and includes Highmark Blue Cross Blue Shield Pennsylvania, Highmark Blue Cross Blue Shield Delaware, and Highmark Blue Cross Blue Shield West Virginia, which he retired from in 2008. While at Highmark, Mr. Gray helped increase revenues to \$12.3 billion from \$6.9 billion, and helped generate an operating gain of \$375 million from an operating loss of \$91 million. In addition to being the board chairman, Chief Executive Officer, and President of several of Highmark's subsidiaries and affiliated companies, Mr. Gray was the Chief Financial Officer of Highmark's parent company and was the primary contact to Highmark's board of directors for Highmark's audit, investment and compensation (incentive plans) committees. His many responsibilities at Highmark included rate setting and reimbursement negotiations. Following Highmark, Mr. Gray co-founded U.S. Holdings LLC (U.S. Implants LLC.), a national distributor of orthopedic implants, and has served as Vice President since 2009. Since 2011, Mr. Gray has also been self-employed as a strategy and financial consultant. Mr. Gray engaged in Postgraduate Studies at the University of North Carolina–Chapel Hill and has an undergraduate degree from Bucknell University. We believe that Mr. Gray is qualified to serve as a member of our board of directors because of his financial and medical reimbursement expertise having served as the Chief Financial Officer at Highmark, Inc., one of America's largest health insurance organization.

**Marc H. Glickman, M.D.** has served as our Senior Vice President and Chief Medical Officer since May 2016 and served as member of our board of directors from July 2016 to August 2017. In 1981, Dr. Glickman started a vascular practice in Norfolk, Virginia. He established the first Vein Center in Virginia and also created a dialysis access center. He was employed by Sentara Health Care as director of Vascular Services until he retired in 2014. Dr. Glickman is a board certified vascular surgeon. Dr. Glickman received his Doctor of Medicine from Case Western Reserve, in Cleveland, Ohio and completed his residency at the University of Washington, Seattle. He is board certified in Vascular Surgery and was the past president of the Vascular Society of the Americas. He has served on the advisory boards of Possis Medical, Cohesion Technologies, Thoratec, GraftCath, Inc., TVA medical, Austin, Texas.

**Craig Glynn** has served since as our interim Chief Financial Officer since April 2020. Mr. Glynn has more than thirty-five years of experience providing financial services to a variety of public and private companies, including in the role as Chief Financial Officer. In 2012, Mr. Glynn founded Edward Thomas Associates, a firm that provides public and private companies with accounting and finance services, including chief financial officer services. Mr. Glynn is a Managing Director of Edward Thomas Associates. Mr. Glynn has a proven record of success managing the financial aspects of dynamic organizations either as a member of the management team or in a consulting capacity. He started his career as an auditor with Deloitte and went on to be the CFO and Controller of several technology, manufacturing, and distribution companies. Mr. Glynn earned his BS and MS degrees in Accounting from California State University Northridge. He is a member of the American Institute of CPAs.

#### **Family Relationships**

There are no family relationships between or among any of the current directors or executive officers. There are no family relationships among our officers and directors and those of our subsidiaries and affiliated companies.

#### **Certain Legal Proceedings**

None of the Company's directors or executive officers have been involved, in the past ten years and in a manner material to an evaluation of such director's or officer's ability or integrity to serve as a director or executive officer, in any of those "Certain Legal Proceedings" more fully detailed in Item 401(f) of Regulation S-K, which include but are not limited to, bankruptcies, criminal convictions and an adjudication finding that an individual violated federal or state securities laws.

## Board Composition

Our business and affairs are organized under the direction of our board of directors, which currently consists of five members. Our directors hold office until the earlier of their death, incapacity, removal or resignation, or until their successors have been elected and qualified. Our board of directors does not have a formal policy on whether the roles of a Chief Executive Officer and Chairman of our board of directors should be separate. The primary responsibilities of our board of directors are to provide oversight, strategic guidance, counseling and direction to our management. Our board of directors meets on a regular basis. Our bylaws provide that the authorized number of directors may be changed only by resolution of the board of directors.

We have no formal policy regarding board diversity. Our priority in selection of board members is identification of members who will further the interests of our stockholders through his or her established record of professional accomplishment, the ability to contribute positively to the collaborative culture among board members, knowledge of our business and understanding of the competitive landscape.

Our amended and restated certificate of incorporation divides our board of directors into three classes, with staggered three-year terms, as follows:

*Class I Directors (serving until the 2021 Annual Meeting of Stockholders, or until their earlier death, disability, resignation or removal):*

Dr. Francis Duhay\* and Dr. Sanjay Shrivastava\*

*Class II Directors (serving until the 2022 Annual Meeting of Stockholders, or until their earlier death, disability, resignation or removal):*

Matthew M. Jenusaitis\*, Robert A. Berman

*Class III Director (serving until the 2020 Annual Meeting of Stockholders, or until his earlier death, disability, resignation or removal):*

Robert C. Gray\*

(\*) Independent Director.

At each annual meeting of stockholders to be held after the initial classification, the successors to directors whose terms then expire will serve until the third annual meeting following their election and until their successors are duly elected and qualified. The authorized size of our board of directors is currently five members. The authorized number of directors may be changed only by resolution of the board of directors. Any additional directorships resulting from an increase in the number of directors will be distributed between the three classes so that, as nearly as possible, each class will consist of one-third of the directors. This classification of the board of directors may have the effect of delaying or preventing changes in our control or management. Our directors may be removed for cause by the affirmative vote of the holders of at least 66 2/3% of our voting stock.

## Director Independence

The Nasdaq Marketplace Rules require a majority of a listed company's board of directors to be comprised of independent directors within one year of listing. In addition, the Nasdaq Marketplace Rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and corporate governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act.

Under Rule 5605(a)(2) of the Nasdaq Marketplace Rules, a director will only qualify as an "independent director" if, in the opinion of our board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3 of the Exchange Act, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries.

Our board of directors has reviewed the composition of our board of directors and its committees and the independence of each director. Based upon information requested from and provided by each director concerning his background, employment and affiliations, including family relationships, our board of directors has determined that each of Dr. Duhay, Mr. Gray, Mr. Jenusaitis and Dr. Shrivastava is an “independent director” as defined under Rule 5605(a)(2) of the Nasdaq Marketplace Rules. Our board of directors also determined that Mr. Gray, Mr. Jenusaitis and Dr. Shrivastava will serve on our audit committee, Mr. Gray and Mr. Jenusaitis and Dr. Shrivastava will serve on our compensation committee, and Dr. Duhay, Mr. Jenusaitis and Dr. Shrivastava will serve on our nominating and corporate governance committee, and that each of the committees satisfy the independence standards for such committees established by the SEC and the Nasdaq Marketplace Rules, as applicable. In making such determinations, our board of directors considered the relationships that each such non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining independence, including the beneficial ownership of our capital stock by each non-employee director.

#### **Meetings of the Board and Stockholders**

Our board of directors met in person and telephonically four times during 2019 and also acted by unanimous written consent. All of the members of our board of directors (other than Mr. Gray and Mr. Jenusaitis who joined the Board in September 2019) were present during at least 75% of the board of director meetings and all of the members of the respective committees of the board of directors were present during at least 75% of such committee meetings held. Mr. Gray attended all board meetings and committee meetings in 2019 following his appointment as a director. Mr. Jenusaitis did not attend any board meetings or committee meetings in 2019 following his appointment as a director. There were four Audit Committee meetings, one Compensation Committee meetings and one Nominating or Corporate Governance meetings held in 2019. Our board of directors had 100% attendance for the annual meeting that convened on December 6, 2019. It is our policy that all directors must attend all stockholder meetings, barring extenuating circumstances.

#### **Board Committees**

Our board of directors has established three standing committees—audit, compensation, and nominating and corporate governance—each of which operates under a charter that has been approved by our board of directors. Prior to the completion of this offering, copies of each committee’s charter will be posted on the Investors section of our website, which is located at [www.hancockjaffe.com](http://www.hancockjaffe.com). Each committee has the composition and responsibilities described below. Our board of directors may from time to time establish other committees.

##### *Audit Committee*

Our audit committee consists of Mr. Gray, who is the chair of the audit committee, Mr. Jenusaitis and Dr. Shrivastava. Our board of directors has determined that each of the members of our audit committee satisfies the Nasdaq Marketplace Rules and SEC independence requirements. The functions of this committee include, among other things:

- evaluating the performance, independence and qualifications of our independent auditors and determining whether to retain our existing independent auditors or engage new independent auditors;
- reviewing and approving the engagement of our independent auditors to perform audit services and any permissible non-audit services;
- reviewing our annual and quarterly financial statements and reports, including the disclosures contained under the caption “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and discussing the statements and reports with our independent auditors and management;
- reviewing with our independent auditors and management significant issues that arise regarding accounting principles and financial statement presentation and matters concerning the scope, adequacy and effectiveness of our financial controls;
- reviewing our major financial risk exposures, including the guidelines and policies to govern the process by which risk assessment and risk management is implemented; and

- reviewing and evaluating on an annual basis the performance of the audit committee, including compliance of the audit committee with its charter.

Our board of directors has determined that Mr. Gray qualifies as an “audit committee financial expert” within the meaning of applicable SEC regulations and meets the financial sophistication requirements of the Nasdaq Marketplace Rules. Both our independent registered public accounting firm and management periodically meet privately with our audit committee.

#### *Compensation Committee*

Our compensation committee consists of Dr. Shrivastava, who is the chair of the committee, Mr. Gray and Mr. Jenusaitis. Our board of directors has determined that each of the members of our compensation committee is an outside director, as defined pursuant to Section 162(m) of the Internal Revenue Code of 1986, as amended, or the Code, and satisfies the Nasdaq Marketplace Rules independence requirements. The functions of this committee include, among other things:

- reviewing, modifying and approving (or if it deems appropriate, making recommendations to the full board of directors regarding) our overall compensation strategy and policies;
- reviewing and approving the compensation, the performance goals and objectives relevant to the compensation, and other terms of employment of our Chief Executive Officers and our other executive officers;
- reviewing and approving (or if it deems appropriate, making recommendations to the full board of directors regarding) the equity incentive plans, compensation plans and similar programs advisable for us, as well as modifying, amending or terminating existing plans and programs;
- reviewing and approving the terms of any employment agreements, severance arrangements, change in control protections and any other compensatory arrangements for our executive officers;
- reviewing with management and approving our disclosures under the caption “Compensation Discussion and Analysis” in our periodic reports or proxy statements to be filed with the SEC; and
- preparing the report that the SEC requires in our annual proxy statement.

#### *Nominating and Corporate Governance Committee*

Our nominating and corporate governance committee consists of Dr. Duhay, who is the chair of the committee, Mr. Jenusaitis and Dr. Shrivastava. Our board of directors has determined that each of the members of this committee satisfies the Nasdaq Marketplace Rules independence requirements. The functions of this committee include, among other things:

- identifying, reviewing and evaluating candidates to serve on our board of directors consistent with criteria approved by our board of directors;
- evaluating director performance on our board of directors and applicable committees of our board of directors and determining whether continued service on our board of directors is appropriate;
- evaluating, nominating and recommending individuals for membership on our board of directors; and
- evaluating nominations by stockholders of candidates for election to our board of directors.

#### **Code of Conduct**

Our board of directors has adopted a written code of conduct that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We have posted on our website a current copy of the code and all disclosures that are required by law or Nasdaq Marketplace Rules concerning any amendments to, or waivers from, any provision of the code.

## **Board Leadership Structure**

Our board of directors is free to select the Chairman of the board of directors and a Chief Executive Officer in a manner that it considers to be in the best interests of our company at the time of selection. Currently, Robert A. Berman serves as our Chief Executive Officer. The office of the Chairman of the board of directors remains vacant since the voluntary resignation of Mr. Yury Zhivilo in May 2019. We currently believe that this leadership structure is in our best interests and strikes an appropriate balance between our Chief Executive Officer's responsibility for the day-to-day management of our company and the Chairman of the board of directors' responsibility to provide oversight, including setting the board of directors' meeting agendas and presiding at executive sessions of the independent directors. Additionally, four of our five members of our board of directors have been deemed to be "independent" by the board of directors, which we believe provides sufficient independent oversight of our management. Our board of directors has not designated a lead independent director.

Our board of directors, as a whole and also at the committee level, plays an active role overseeing the overall management of our risks. Our Audit Committee reviews risks related to financial and operational items with our management and our independent registered public accounting firm. Our board of directors is in regular contact with our Chief Executive Officer, who reports directly to our board of directors and who supervises day-to-day risk management.

## **Role of Board in Risk Oversight Process**

Our board of directors believes that risk management is an important part of establishing, updating and executing on our business strategy. Our board of directors has oversight responsibility relating to risks that could affect the corporate strategy, business objectives, compliance, operations, and the financial condition and performance of our company. Our board of directors focuses its oversight on the most significant risks facing us and on our processes to identify, prioritize, assess, manage and mitigate those risks. Our board of directors receives regular reports from members of our senior management on areas of material risk to us, including strategic, operational, financial, legal and regulatory risks. While our board of directors has an oversight role, management is principally tasked with direct responsibility for management and assessment of risks and the implementation of processes and controls to mitigate their effects on us.

## **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires that our directors and executive officers and persons who beneficially own more than 10% of our common stock (referred to herein as the "reporting persons") file with the SEC various reports as to their ownership of and activities relating to our common stock. Such reporting persons are required by the SEC regulations to furnish us with copies of all Section 16(a) reports they file.

Based solely upon a review of copies of Section 16(a) reports and representations received by us from reporting persons, and without conducting any independent investigation of our own, in fiscal year 2019, other than as set forth below all Forms 3, 4 and 5 were timely filed with the SEC by such reporting persons.

Matt Jenusaitis filed one late Form 3 and one late Form 4 with Mr. Jenusaitis' Form 3 reporting that he did not beneficially own any securities prior to his appointment as a director and his Form 4 reporting four transactions.

## **Certain Relationships and Related Party Transactions**

The following is a description of transactions since January 1, 2018 to which we were a party in which (i) the amount involved exceeded or will exceed the lesser of (A) \$120,000 or (B) one percent of our average total assets at year end for the last two completed fiscal years and (ii) any of our directors, executive officers or holders of more than 5% of our capital stock, or any member of the immediate family of, or person sharing the household with, any of the foregoing persons, who had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other similar arrangements, which are described under "Executive Compensation."

### Biodyne

On April 26, 2018, the Company and Biodyne Holding S.A. ("Biodyne") agreed to convert the remaining aggregate principal and accrued interests of the loan into shares of our common stock at a conversion price of \$4.30 per share. We issued to Biodyne 120,405 shares of common stock for the conversion of the loan which carried \$499,000 in aggregate principal and approximately \$18,742 in accrued interests. Yury Zhivilo, who resigned as chairman of our board of directors on May 23, 2019, is the majority shareholder of Biodyne.

Indemnification of Officers and Directors

Our amended and restated certificate of incorporation and amended and restated bylaws provide that we will indemnify each of our directors and officers to the fullest extent permitted by the Delaware General Corporations Law. Further, we entered into indemnification agreements with each of our directors and officers, and we intend to purchase a policy of directors' and officers' liability insurance that insures our directors and officers against the cost of defense, settlement or payment of a judgment under certain circumstances.

To the best of our knowledge, during the past two fiscal years, other than as set forth above, there were no material transactions, or series of similar transactions, or any currently proposed transactions, or series of similar transactions, to which we were or are to be a party, in which the amount involved exceeds the lesser of (A) \$120,000 or (B) one percent of our average total assets at year end for the last two completed fiscal years, and in which any director or executive officer, or any security holder who is known by us to own of record or beneficially more than 5% of any class of our common stock, or any member of the immediate family of any of the foregoing persons, has an interest (other than compensation to our officers and directors in the ordinary course of business).

**THE BOARD RECOMMENDS A VOTE "FOR" THE ELECTION OF  
MR. ROBERT C. GRAY TO SERVE AS A CLASS III DIRECTOR ON THE COMPANY'S BOARD, TO HOLD OFFICE UNTIL THE 2023 ANNUAL  
MEETING OF STOCKHOLDERS OR UNTIL HIS SUCCESSOR IS ELECTED AND QUALIFIED OR UNTIL THEIR EARLIER RESIGNATION OR  
REMOVAL.**

## EXECUTIVE COMPENSATION

The following table sets forth total compensation paid to our named executive officers for the years ended December 31, 2019 and 2018. Individuals we refer to as our “named executive officers” include our current Chief Executive Officer and both of our previous Co-Chief Executive Officers, our current and previous Chief Financial Officer and our two other most highly compensated executive officers whose salary and bonus for services rendered in all capacities exceeded \$100,000 during the fiscal year ended December 31, 2019.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Robert A. Berman	2019	400,000					15,285(12)	415,285
Chief Executive Officer	2018	293,308(1)		507,697(8)			7,692(13)	808,697
Benedict Broennimann, M.D. Former Co-Chief Executive Officer (2)	2018	120,000(2)	-		-	-	120,000(2)	240,000
Steven A. Cantor								
Former Co-Chief Executive Officer (3)	2018	71,539(3)		-	-	-	4,892(14)	76,431
Robert A. Rankin	2019	250,000					44,195(15)	294,195
Chief Financial Officer, Secretary and Treasurer	2018	110,577(4)		165,000(9)			17,297(16)	292,874
William R. Abbott								
Former Chief Financial Officer (5)	2018	173,077(5)					150,991(17)	324,068
Marc H. Glickman, M.D.	2019	322,115(6)		49,095(10)			50,814(18)	422,024
Chief Medical Officer and Senior Vice President	2018	300,000	-	-	-	-	62,640(19)	362,640
Chris Sarnar								
Former Vice President Regulatory Affairs and Quality Assurance (7)	2019	212,885(7)		87,000(11)			47,457(20)	347,342

- (1) Beginning March 30, 2018, Mr. Berman’s annual base salary rate under his employment agreement was \$400,000. Amounts in this column for Mr. Berman reflect his base salary earned for 2018.
- (2) Dr. Broennimann served as our Co-Chief Executive Officer from August 2017 to April 2018. Dr. Broennimann’s annual base salary rate under his employment agreement was \$360,000. On May 1, 2018, Dr. Broennimann entered into a Service Agreement to perform the role of Chief Medical Officer (Out of US) for a fee of \$15,000 monthly. Amounts in this column for Dr. Broennimann reflect his base salary earned for 2018 as Co-Chief Executive Officer.
- (3) Mr. Cantor served as our Co-Chief Executive Officer from August 2017 until Mr. Cantor’s employment with the Company was terminated on March 20, 2018. Amounts in this column for Mr. Cantor reflect base salary earned for 2018.
- (4) Beginning July 16, 2018, Mr. Rankin’s annual base salary rate under his employment agreement was \$250,000. Amounts in this column for Mr. Rankin reflect his base salary earned for 2018.
- (5) Mr. Abbott’s annual base salary rate under his employment agreement was \$300,000. Mr. Abbott’s employment with the Company was terminated on July 20, 2018. Amounts in this column for Mr. Abbott reflect base salary earned for 2018.
- (6) Beginning July 26, 2019, Dr. Glickman’s annual base salary rate under his employment agreement dated July 26, 2019, which superseded his prior employment agreement, was \$350,000. Amounts in this column for Dr. Glickman reflect his base salary earned for 2019.

- (7) Beginning January 2, 2019, Ms. Sarner's annual base salary under her employment agreement was \$225,000. Ms. Sarner resigned her employment with the Company effective December 2, 2019. Amounts in this column for Ms. Sarner reflect base salary earned for 2019.
- (8) Represents the grant date fair value of 1,080,207 stock options granted on September 24, 2018 pursuant to the terms of his Employment Agreement dated March 30, 2018, computed in accordance with FASB ASC Topic 718. The options vested 20% on the date of his Employment Agreement and the remaining 80% vests ratably on a monthly basis over the 24 months following the date of his Employment Agreement.
- (9) Represents the grant date fair value of 150,000 stock options granted on July 16, 2018, computed in accordance with FASB ASC Topic 718. 50,000 options vest on the first anniversary of Mr. Rankin's employment with the Company and the remaining 100,000 vest on a quarterly basis over the following two-year period.
- (10) Represents the grant date fair value of 180,000 stock options granted on July 26, 2019, computed in accordance with FASB ASC Topic 718. The options vest quarterly over a three year period. Also included is the fair value of his existing 184,500 options that were repriced from \$10.00 per share to \$2.00 per share in connection with entering the July 26, 2019 employment agreement.
- (11) Represents the grant date fair value of 150,000 stock options granted on January 7, 2019, computed in accordance with FASB ASC Topic 718. 50,000 options vest on the first anniversary of Ms. Sarner's employment with the Company and the remaining 100,000 vest on a quarterly basis over the following two-year period.
- (12) Includes company paid healthcare of \$1,285 and 401(k) match of \$14,000.
- (13) Includes company paid 401(k) match of \$7,692.
- (14) Includes company paid healthcare of \$4,892.
- (15) Includes company paid healthcare of \$31,695 and 401(k) match of \$12,500.
- (16) Includes company paid healthcare of \$12,490 and 401(k) match of \$4,808.
- (17) Includes severance of \$126,923 and company paid healthcare of \$16,567 and 401(k) match of \$7,500.
- (18) Includes company paid healthcare of \$36,814 and 401(k) match of \$14,000.
- (19) Includes company paid healthcare of \$35,043, 401(k) match of \$15,000 and relocation expense reimbursement of \$12,597.
- (20) Includes company paid healthcare of \$37,116 and 401(k) match of \$10,341.

#### **Employment Agreements**

We have entered into various employment agreements with certain of our executive officers. Set forth below is a summary of many of the material provisions of such agreements, which summaries do not purport to contain all of the material terms and conditions of each such agreement. For purposes of the following employment agreements:

- "Cause" generally means the executive's (i) willful misconduct or gross negligence in the performance of his or her duties to us; (ii) willful failure to perform his or her duties to us or to follow the lawful directives of the Chief Executive Officer (other than as a result of death or disability); (iii) indictment for, conviction of or pleading of guilty or nolo contendere to, a felony or any crime involving moral turpitude; (iv) repeated failure to cooperate in any audit or investigation of our business or financial practices; (v) performance of any material act of theft, embezzlement, fraud, malfeasance, dishonesty or misappropriation of our property; or (vi) material breach of his or her employment agreement or any other material agreement with us or a material violation of our code of conduct or other written policy.

- “Good reason” generally means, subject to certain notice requirements and cure rights, without the executive’s consent, (i) material diminution in his or her base salary or annual bonus opportunity; (ii) material diminution in his or her authority or duties (although a change in title will not constitute “good reason”), other than temporarily while physically or mentally incapacitated, as required by applicable law; (iii) relocation of his or her primary work location by more than 25 miles from its then current location; or (iv) a material breach by us of a material term of the employment agreement.
- “Change of control” generally means (i) the acquisition, other than from us, by any individual, entity or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act), other than us or any subsidiary, affiliate (within the meaning of Rule 144 promulgated under the Securities Act) or employee benefit plan of ours, of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 50% of the combined voting power of our then outstanding voting securities entitled to vote generally in the election of directors; (ii) a reorganization, merger, consolidation or recapitalization of us, other than a transaction in which more than 50% of the combined voting power of the outstanding voting securities of the surviving or resulting entity immediately following such transaction is held by the persons who, immediately prior to the transaction, were the holders of our voting securities; or (iii) a complete liquidation or dissolution of us, or a sale of all or substantially all of our assets.

*Robert A. Berman*

On March 30, 2018, we entered into an employment agreement with Robert A. Berman, our current Chief Executive Officer and director. Pursuant to the terms of his employment agreement, Mr. Berman’s base salary is \$400,000, subject to annual review and adjustment at the discretion of our compensation committee, and he will be eligible for an annual year-end discretionary bonus of up to 50% of his base salary, subject to the achievement of key performance indicators, as determined by our compensation committee. The initial term of Mr. Berman’s employment agreement may be terminated at anytime with or without cause and with or without notice or for good reason thereunder. In connection with his employment, Mr. Berman received an initial equity grant of an option to purchase 1,080,207 options with 216,041 vesting on the date of his employment agreement and the remaining 8-% vesting ratably over the following 24 months.

Mr. Berman is entitled to participate in our employee benefit, pension and/or profit sharing plans, and we will pay certain health and dental premiums on his behalf. Mr. Berman’s employment agreement prohibits him from inducing, soliciting or entertaining any of our employees to leave our employ during the term of the agreement and for 12 months thereafter.

Pursuant to the terms of his employment agreement, Mr. Berman is entitled to severance in the event of certain terminations of employment. In the event Mr. Berman’s employment is terminated by us without cause and other than by reason of disability or he resigns for good reason, subject to his timely executing a release of claims in our favor and in addition to certain other accrued benefits, he is entitled to receive 6 month of base salary if termination occurred prior to the second anniversary of his employment or 12 months of continued base salary on and after the second anniversary of his employment (or 24 months if such termination occurs within 24 months following a change of control).

*Robert A. Rankin*

On July 16, 2018, the Company entered into an employment agreement with Mr. Rankin which provides for an annual base salary of \$250,000 as well as standard employee insurance and other benefits. Pursuant to this agreement, Mr. Rankin is eligible for annual salary increases at the discretion of our board of directors as well as an annual year-end discretionary bonus of up to 30% of his base salary, subject to the achievement of key performance indicators, as determined by the board and the Chief Executive Officer of the Company in their sole discretion. In connection with his employment, Mr. Rankin received an initial equity grant of an option to purchase 150,000 options with 50,000 options vesting on July 16, 2019 and the remaining 100,000 vesting on a quarterly basis over the following two-year period.

Mr. Rankin's employment agreement provides for severance payments in the event of termination without Cause or he resigns for Good Reason (as defined in the agreement), equal to three months of base salary for each year that he has been employed by the Company at the time of termination, up to a total of one year of his base salary, provided, that if such termination results from a Change of Control (as defined in the agreement), Mr. Rankin's severance will not be less than six months of his base salary.

Mr. Rankin's employment with the Company is "at-will" and may be terminated at any time, with or without cause and with or without notice by either Mr. Rankin or the Company.

Effective March 30, 2020, Mr. Rankin resigned from the Company.

*Marc H. Glickman, M.D.*

On July 22, 2016, we entered into an employment agreement with Marc H. Glickman, M.D., our Senior Vice President and Chief Medical Officer (the "Pre-existing Employment Agreement"). Pursuant to the terms of his Pre-existing Employment Agreement, Dr. Glickman's base salary is \$300,000, subject to annual review and adjustment at the discretion of our board of directors, and he will be eligible for an annual year-end discretionary bonus of up to 50% of his base salary, subject to the achievement of key performance indicators, as determined by our board of directors. In connection with his Pre-existing Employment Agreement, Dr. Glickman received an initial equity grant of an option to purchase up to 184,500 shares of our common stock with 20% of the shares vesting immediately and 80% vesting on a monthly basis over 24 months thereafter. The initial term of Dr. Glickman's Pre-existing Employment Agreement ended on December 31, 2018 and was automatically extended for additional three-year terms.

On July 26, 2019, we entered into an employment agreement with Dr. Glickman (the "New Employment Agreement") that supersedes the terms of the Pre-existing Employment Agreement. Pursuant to the terms of the New Employment Agreement, Dr. Glickman's base salary is \$350,000 per year, subject to annual review and adjustment at the discretion of the Board. In connection with entering into the New Employment Agreement, Dr. Glickman's existing one hundred and eighty four thousand five hundred (184,500) options ("Existing Options") to purchase Company common stock at ten dollars (\$10.00) per share until October 1, 2026, were repriced to two dollars (\$2.00) per share. Additionally, Dr. Glickman, in connection to the New Employment Agreement, was granted stock options for the right to purchase one hundred and eighty thousand (180,000) common stock at a price equal to two dollars (\$2.00) per share exercisable until July 26, 2029, which shall vest quarterly over a three (3) year period.

Pursuant to the terms of the New Employment Agreement, Dr. Glickman is an at-will employee and is entitled to severance in the event of certain terminations of his employment. In the event that Dr. Glickman's employment is terminated by the Company without Cause (as defined in the New Employment Agreement), other than by reason of Disability (as defined in the New Employment Agreement), or he resigns for Good Reason (as defined in the New Employment Agreement), subject to his timely executing a release of claims in favor of the Company and in addition to certain other accrued benefits, Dr. Glickman is entitled to receive three months of his base salary for each year that he has been employed by the Company at the time of termination, up to a total of one year of his base salary.

*Chris Sarner*

On November 7, 2018, we entered into an employment agreement with Chris Sarner, our Vice President Regulatory Affairs and Quality Assurance. Pursuant to the terms of her employment agreement, Ms. Sarner's start date was January 2, 2019 and provides for an annual base salary of \$225,000 as well as standard employee insurance and other benefits. Pursuant to this agreement, Ms. Sarner is eligible for annual salary increases at the discretion of our Chief Executive Officer. In connection with her employment, Ms. Sarner received an initial equity grant of an option to purchase 150,000 options with 50,000 options vesting on February 6, 2020 and the remaining 100,000 vesting on a quarterly basis over the following two-year period.

Ms. Sarner's employment agreement provides for severance payments in the event of termination without Cause or she resigns for Good Reason (as defined in the agreement), equal to three months of base salary for each year that she has been employed by the Company at the time of termination, up to a total of one year of her base salary.

Ms. Sarner's employment with the Company is "at-will", and may be terminated at any time, with or without cause and with or without notice by either Ms. Sarner or the Company.

Effective December 2, 2019, Ms. Sarner resigned from the Company.

## Potential Payments Upon Termination or Change-in-Control

Pursuant to the terms of the employment agreements discussed above, we will pay severance in the event of certain terminations of employment. In the event employment is terminated by us without cause and other than by reason of disability or if the executive resigns for good reason, subject to his or her timely executing a release of claims in our favor and in addition to certain other accrued benefits, he or she is entitled to receive severance pursuant to the terms of his or her employment agreements discussed above.

## Outstanding Equity Awards at Fiscal Year-End

The following table sets forth information regarding equity awards held by our named executive officers as of December 31, 2019.

Name	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Equity incentive plan awards: Number of securities underlying unexercised unearned options (#)	Option exercise price (\$)	Option expiration date
Robert A. Berman, Chief Executive Officer	972,186(1)	108,021(1)	N/A	\$ 4.99	September 23, 2028
Robert A. Rankin Chief Financial Officer, Secretary and Treasurer	62,500(2)	87,500(2)	N/A	\$ 2.98	July 15, 2028
Marc H. Glickman, M.D. Chief Medical Officer and Senior Vice President	15,000(3)	165,000(3)	N/A	\$ 2.00	July 25, 2029
	184,500(3)	-	N/A	\$ 2.00	October 1, 2026

- (1) Options were granted on September 24, 2018, and vested 20% on the date of his Employment Agreement, March 30, 2018, and the remaining 80% vests ratably on a monthly basis over the 24 months following the date of his Employment Agreement.
- (2) Options were granted on July 16, 2018, and 50,000 options vested on the first anniversary of Mr. Rankin's employment, July 16, 2019, with the Company and the remaining 100,000 vest on a quarterly basis over the following two-year period.
- (3) On July 26, 2019, the Company entered a new employment agreement with Dr. Glickman that superseded the terms of his existing employment agreement. In connection with entering into the new employment agreement, Dr. Glickman's existing 184,500 options that were granted on October 1, 2016 were repriced from \$10.00 to \$2.00 per share. Additionally, on July 26, 2019, Dr. Glickman was granted 180,000 options at \$2.00 per share vesting quarterly over a three-year period.

## Employee Benefit Plans

### *Amended and Restated 2016 Omnibus Incentive Plan*

On October 1, 2016, our board of directors and our stockholders adopted and approved the Hancock Jaffe Laboratories, Inc. 2016 Omnibus Incentive Plan, and, subsequently on April 26, 2018, our board of directors and our stockholders adopted and approved the Amended and Restated 2016 Omnibus Incentive Plan ("2016 Plan"). The principal features of the 2016 Plan are summarized below. This summary does not give consideration to the potential amendment to the 2016 Plan as described in Proposal 3 hereto and is qualified in its entirety by reference to the text of the 2016 Plan, which is filed as an exhibit to the registration statement of which this prospectus is a part.

## Share Reserve

We have reserved 4,924,485 shares of our common stock for issuance under the 2016 Plan, plus an annual increase on each anniversary of April 26<sup>th</sup> equal to 3% of the total issued and outstanding shares of our common stock as of such anniversary (or such lesser number of shares as may be determined by our board of directors), all of which may be granted as incentive stock options under Code Section 422. The shares of common stock issuable under the 2016 Plan will consist of authorized and unissued shares, treasury shares or shares purchased on the open market or otherwise, all as determined by our company from time to time.

If any award is canceled, terminates, expires or lapses for any reason prior to the issuance of shares or if shares are issued under the 2016 Plan and thereafter are forfeited to us, the shares subject to such awards and the forfeited shares will not count against the aggregate number of shares of common stock available for grant under the 2016 Plan. In addition, the following items will not count against the aggregate number of shares of common stock available for grant under the 2016 Plan: (1) shares issued under the 2016 Plan repurchased or surrendered at no more than cost or pursuant to an option exchange program, (2) any award that is settled in cash rather than by issuance of shares of common stock, (3) shares surrendered or tendered in payment of the option price or purchase price of an award or any taxes required to be withheld in respect of an award or (4) awards granted in assumption of or in substitution for awards previously granted by an acquired company.

## Administration

The 2016 Plan may be administered by our board of directors or our compensation committee. Our compensation committee, in its discretion, selects the individuals to whom awards may be granted, the time or times at which such awards are granted and the terms and conditions of such awards. Our board of directors also has the authority, subject to the terms of the 2016 Plan, to amend existing options (including to reduce the option's exercise price), to institute an exchange program by which outstanding options may be surrendered in exchange for options that may have different exercise prices and terms, restricted stock, and/or cash or other property.

## Eligibility

Awards may be granted under the 2016 Plan to officers, employees, directors, consultants and advisors of us and our affiliates. Incentive stock options may be granted only to employees of us or our subsidiaries.

## Awards

The 2016 Plan permits the granting of any or all of the following types of awards:

- *Stock Options.* Stock options entitle the holder to purchase a specified number of shares of common stock at a specified price (the exercise price), subject to the terms and conditions of the stock option grant. Our compensation committee may grant either incentive stock options, which must comply with Code Section 422, or nonqualified stock options. Our compensation committee sets exercise prices and terms and conditions, except that stock options must be granted with an exercise price not less than 100% of the fair market value of our common stock on the date of grant (excluding stock options granted in connection with assuming or substituting stock options in acquisition transactions). Unless our compensation committee determines otherwise, fair market value means, as of a given date, the closing price of our common stock. At the time of grant, our compensation committee determines the terms and conditions of stock options, including the quantity, exercise price, vesting periods, term (which cannot exceed 10 years) and other conditions on exercise.

- *Stock Appreciation Rights.* Our compensation committee may grant SARs, as a right in tandem with the number of shares underlying stock options granted under the 2016 Plan or as a freestanding award. Upon exercise, SARs entitle the holder to receive payment per share in stock or cash, or in a combination of stock and cash, equal to the excess of the share's fair market value on the date of exercise over the grant price of the SAR. The grant price of a tandem SAR is equal to the exercise price of the related stock option and the grant price for a freestanding SAR is determined by our compensation committee in accordance with the procedures described above for stock options. Exercise of a SAR issued in tandem with a stock option will reduce the number of shares underlying the related stock option to the extent of the SAR exercised. The term of a freestanding SAR cannot exceed 10 years, and the term of a tandem SAR cannot exceed the term of the related stock option.
- *Restricted Stock, Restricted Stock Units and Other Stock-Based Awards.* Our compensation committee may grant awards of restricted stock, which are shares of common stock subject to specified restrictions, and restricted stock units, or RSUs, which represent the right to receive shares of our common stock in the future. These awards may be made subject to repurchase, forfeiture or vesting restrictions at our compensation committee's discretion. The restrictions may be based on continuous service with us or the attainment of specified performance goals, as determined by our compensation committee. Stock units may be paid in stock or cash or a combination of stock and cash, as determined by our compensation committee. Our compensation committee may also grant other types of equity or equity-based awards subject to the terms and conditions of the 2016 Plan and any other terms and conditions determined by our compensation committee.
- *Performance Awards.* Our compensation committee may grant performance awards, which entitle participants to receive a payment from us, the amount of which is based on the attainment of performance goals established by our compensation committee over a specified award period. Performance awards may be denominated in shares of common stock or in cash, and may be paid in stock or cash or a combination of stock and cash, as determined by our compensation committee. Cash-based performance awards include annual incentive awards.

#### Clawback

All cash and equity awards granted under the 2016 plan will be subject to all applicable laws regarding the recovery of erroneously awarded compensation, any implementing rules and regulations under such laws, any policies we adopted to implement such requirements and any other compensation recovery policies as we may adopt from time to time.

#### Change in Control

Under the 2016 Plan, in the event of a change in control (as defined in the 2016 Plan), outstanding awards will be treated in accordance with the applicable transaction agreement. If no treatment is provided for in the transaction agreement, each award holder will be entitled to receive the same consideration that stockholders receive in the change in control for each share of stock subject to the award holder's awards, upon the exercise, payment or transfer of the awards, but the awards will remain subject to the same terms, conditions and performance criteria applicable to the awards before the change in control, unless otherwise determined by our compensation committee. In connection with a change in control, outstanding stock options and SARs can be cancelled in exchange for the excess of the per share consideration paid to stockholders in the transaction, minus the option or SARs exercise price.

Subject to the terms and conditions of the applicable award agreements, awards granted to non-employee directors will fully vest on an accelerated basis, and any performance goals will be deemed to be satisfied at target. For awards granted to all other service providers, vesting of awards will depend on whether the awards are assumed, converted or replaced by the resulting entity.

- For awards that are not assumed, converted or replaced, the awards will vest upon the change in control. For performance awards, the amount vesting will be based on the greater of (1) achievement of all performance goals at the "target" level or (2) the actual level of achievement of performance goals as of our fiscal quarter end preceding the change in control, and will be prorated based on the portion of the performance period that had been completed through the date of the change in control.

- For awards that are assumed, converted or replaced by the resulting entity, no automatic vesting will occur upon the change in control. Instead, the awards, as adjusted in connection with the transaction, will continue to vest in accordance with their terms and conditions. In addition, the awards will vest if the award recipient has a separation from service within two years after a change in control by us other than for “cause” or by the award recipient for “good reason” (each as defined in the applicable award agreement). For performance awards, the amount vesting will be based on the greater of (1) achievement of all performance goals at the “target” level or (2) the actual level of achievement of performance goals as of our fiscal quarter end preceding the change in control, and will be prorated based on the portion of the performance period that had been completed through the date of the separation from service.

#### Amendment and Termination of the 2016 Plan

Unless earlier terminated by our board of directors, the 2016 Plan will terminate, and no further awards may be granted, 10 years after October 1, 2016, the date on which it was approved by our stockholders. Our board of directors may amend, suspend or terminate the 2016 Plan at any time, except that, if required by applicable law, regulation or stock exchange rule, stockholder approval will be required for any amendment. The amendment, suspension or termination of the 2016 Plan or the amendment of an outstanding award generally may not, without a participant’s consent, materially impair the participant’s rights under an outstanding award.

#### **Limitation of Liability and Indemnification Matters**

Our amended and restated certificate of incorporation, which became effective upon the completion of our initial public offering, limits the liability of our directors for monetary damages for breach of their fiduciary duties, except for liability that cannot be eliminated under the DGCL. Consequently, our directors will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except liability for any of the following:

- any breach of their duty of loyalty to us or our stockholders;
- acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the DGCL; or
- any transaction from which the director derived an improper personal benefit.

Our amended and restated bylaws also provide that we will indemnify our directors and executive officers and may indemnify our other officers and employees and other agents to the fullest extent permitted by law. Our amended and restated bylaws also permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in this capacity, regardless of whether our amended and restated bylaws would permit indemnification. We have obtained directors’ and officers’ liability insurance.

We have entered into separate indemnification agreements with our directors and executive officers, in addition to indemnification provided for in our amended and restated bylaws. These agreements, among other things, provide for indemnification of our directors and executive officers for expenses, judgments, fines and settlement amounts incurred by this person in any action or proceeding arising out of this person’s services as a director or executive officer or at our request. We believe that these provisions and agreements are necessary to attract and retain qualified persons as directors and executive officers.

The above description of the indemnification provisions of our amended and restated bylaws and our indemnification agreements is not complete and is qualified in its entirety by reference to these documents, each of which is incorporated by reference as an exhibit to the registration statement to which this prospectus forms a part.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might benefit us and our stockholders. A stockholder’s investment may be harmed to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. Insofar as indemnification for liabilities under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and may be unenforceable. There is no pending litigation or proceeding naming any of our directors or officers as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

## Director Compensation

The Board determines the form and amount of director compensation after its review of recommendations made by the Compensation Committee. A substantial portion of each director's annual retainer is in the form of equity. Under the Company's nonemployee director compensation program members of the Board who are not also Company employees ("Non-Employee Directors") are granted twenty thousand (20,000) options and restricted stock units ("RSUs") worth up to twenty-five thousand dollars (\$25,000) per annum (the "Annual Award"). A Non-Employee Director who is newly appointed to the Board other than in connection with an annual meeting of stockholders will generally receive a grant of sixty-thousand (60,000) options and RSUs worth up to seventy-five thousand dollars (\$75,000) upon appointment (an "Initial Award"), which covers their compensation for their first three years of service. The Initial Award and Annual Award to Non-Employee Directors will vest as long as they remain directors in equal annual portions over three years following the date in which the award is granted. In July 2020, the Board approved certain changes to the Annual Award payable to the directors each year to increase the number of options granted to one hundred thousand (100,000) options and to change the RSU grant to a grant of restricted stock awards worth up to twenty-five thousand dollars (\$25,000) per annum. Additionally, the directors will receive cash compensation of \$20,000 per annum, plus an additional \$5,000 per annum for audit committee participation (\$7,500 for the chair of audit committee).

The table below shows the compensation paid to our non-employee directors during 2019 and 2018.

Name		Fees earned or paid in cash	Stock awards (\$)	Option awards (\$)	Non-equity incentive plan compensation (\$)	Nonqualified deferred compensation earnings (\$)	All other compensation(\$)	Total (\$)
Francis Duhay,	2019	-	-	-	-	-	-	-
M.D.	2018	-	\$ 57,491(1)	\$ 33,600(2)	-	-	-	\$ 91,091
Dr. Sanjay	2019	-	-	-	-	-	-	-
Shrivastava	2018	-	\$ 57,491(1)	\$ 33,600(2)	-	-	-	\$ 91,091
Robert Gray	2019	-	\$ 75,000(3)	\$ 7,800(4)	-	-	-	\$ 82,800
Matthew Jenusaitis	2019	-	\$ 75,000(3)	\$ 7,800(4)	-	-	-	\$ 82,800
Yury Zhivilo	2019	-	-	-	-	-	-	-
Former Chairman of the BOD (5)	2018	-	-	-	-	-	-	-
Marcus Robins,	2019	-	-	-	-	-	-	-
Former Director (6)	2018	-	\$ 57,491(1)	\$ 33,600(2)	-	-	-	\$ 91,091
Robert A. Anderson, Former Director	2018	-	-	\$ 9,960(7)	-	-	-	\$ 9,960
Robert W. Doyle, Former Director	2018	-	-	\$ 9,960(7)	-	-	-	\$ 9,960
Steven Girgenti, Former Director	2018	-	-	\$ 9,000(7)	-	-	-	\$ 9,000

(1) Under the Company's nonemployee director compensation program, Dr. Duhay and Dr. Shrivastava in connection with their appointment to the BOD on October 2, 2018 were each granted 29,183 Restricted Stock units on November 27, 2018, which based on the Company's closing stock price on the grant date were valued at \$1.97 per unit. These units vest in equal annual portions on the 10/2/2019, 10/2/2020 and 10/2/2021.

(2) Under the Company's nonemployee director compensation program, Dr. Duhay and Dr. Shrivastava in connection with their appointment to the BOD on October 2, 2018 were each granted 60,000 options to purchase shares of our common stock on November 27, 2018 at an exercise price of \$2.57 per share. The options were valued at \$.56 per share as of the date of the grant. All of these options vest in equal quarterly portions over a 3 year period starting from October 2, 2018 and valued in accordance with FASB ASC Topic 718.

(3) Under the Company's nonemployee director compensation program, Messrs. Gray and Jenusaitis in connection with their appointment to the BOD on September 13, 2019 were each granted 78,125 Restricted Stock units, which based on the Company's closing stock price on the grant date were valued at \$.96 per unit. These units vest in equal annual portions on the 9/13/2020, 9/13/2021 and 9/3/2022

(4) Under the Company's nonemployee director compensation program, Messrs. Gray and Jenusaitis in connection with their appointment to the BOD on September 13, 2019 were each granted 60,000 options to purchase shares of our common stock at an exercise price of \$2.00 per share. The options were valued at \$.13 per share as of the date of the grant. All of these options vest in equal quarterly portions over a 3 year period starting from September 13, 2019 and valued in accordance with FASB ASC Topic 718.

(5) On May 23, 2019, Mr. Zhivilo resigned as chairman of the board of directors for the Company.

(6) In April 2019, Mr. Robins passed away.

(7) Messrs. Anderson, Doyle and Girgenti resigned as Directors on Oct 1, 2018. Effective upon their resignation, each resigning director received a grant of 10,000 options to purchase shares of our common stock at an exercise price of \$2.90, the closing price of our common stock on October 1, 2018. The options were valued at \$.50 per share as of the date of the grant. All of these options were vested in full as of the date of grant and valued in accordance with FASB ASC Topic 718. Per the Amended and Restated 2016 Omnibus Incentive Plan, the options that were awarded in prior years to the resigning directors and vested, would have to be exercised within 90 days of their resignation date or be forfeited. As part of their resignation agreement, all options granted to the Directors before their resignation date were modified such that they can be exercised by the resigning directors for a 10 year period from their issuance dates. These options are treated as a modification and valued in accordance with FASB ASC Topic 718. The 40,000 options to purchase shares of our common stock issued to each of our former directors Robert Doyle, Robert Anderson, and Steven Girgenti in 2017 at an exercise price of \$12.00 per share were valued at \$.10 per share as of the date of the modification. The 3,000 options to purchase shares of our common stock issued to each of our former directors Robert Doyle and Robert Anderson in 2017 at an exercise price of \$7.00 per share were valued at \$.32 per share as of the date of the modification.

#### **AUDIT COMMITTEE REPORT**

*The following Report of the Audit Committee (the "Audit Report") does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other Company filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent the Company specifically incorporates this Audit Report by reference therein.*

##### **Role of the Audit Committee**

The Audit Committee's primary responsibilities fall into three broad categories:

First, the Audit Committee is charged with monitoring the preparation of quarterly and annual financial reports by the Company's management, including discussions with management and the Company's outside auditors about draft annual financial statements and key accounting and reporting matters.

Second, the Audit Committee is responsible for matters concerning the relationship between the Company and its outside auditors, including recommending their appointment or removal; reviewing the scope of their audit services and related fees, as well as any other services being provided to the Company; and determining whether the outside auditors are independent (based in part on the annual letter provided to the Company pursuant to Independence Standards Board Standard No. 1).

Third, the Audit Committee reviews financial reporting, policies, procedures and internal controls of the Company. The Audit Committee has implemented procedures to ensure that during the course of each fiscal year it devotes the attention that it deems necessary or appropriate to each of the matters assigned to it under the Audit Committee's charter. In overseeing the preparation of the Company's financial statements, the Audit Committee met with management and the Company's outside auditors, including meetings with the Company's outside auditors without management present, to review and discuss all financial statements prior to their issuance and to discuss significant accounting issues. Management advised the Audit Committee that all financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee discussed the statements with both management and the outside auditors. The Audit Committee's review included discussion with the outside auditors of matters required to be discussed pursuant to Statement on Auditing Standards No. 61 (Communication with Audit Committees).

With respect to the Company's outside auditors, the Audit Committee, among other things, discussed with Marcum LLP matters relating to its independence, including the disclosures made to the Audit Committee as required by the Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees).

*Recommendations of the Audit Committee.* In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board that the Board approve the inclusion of the Company's audited financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, for filing with the SEC.

*/s/ Robert Gray*

*/s/ Matthew Jenusaitis*

*/s/ Dr. Sanjay Shrivastava*

**PROPOSAL 2**

**RATIFICATION OF THE APPOINTMENT OF THE  
COMPANY'S REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL 2020**

The Audit Committee of the Board appointed the firm of Marcum LLP ("**Marcum**") to serve as our registered public accounting firm for our fiscal year ended December 31, 2020. The independent accountant's report of Marcum on our consolidated financial statements for the year ended December 31, 2019 contained no adverse opinion or disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope or accounting principles. A representative of Marcum is not expected to attend the Meeting.

**Audit Fees.** The aggregate fees billed by Marcum for professional services rendered for the audit of our annual financial statements, review of the financial information included in our Forms 10-Q for the respective periods and other required filings with the SEC for the years ended December 31, 2019 and 2018 totaled \$101,350 and \$103,195, respectively. The above amounts include interim procedures and audit fees, as well as attendance at audit committee meetings.

**Audit-Related Fees.** The aggregate fees billed by Marcum for audit-related fees for the years ended December 31, 2019 and 2018 were \$74,057 and \$184,432, respectively. The fees were provided in consideration of services consisting of review and update procedures associated with registration statements and other SEC filings.

**Tax Fees.** The aggregate fees billed by Berman, Romeri & Associates, LLP for professional services rendered for tax compliance for the years ended December 31, 2019 and 2018 were \$4,000 and \$4,000, respectively. The fees were provided in consideration of services consisting of preparation of tax returns and related tax advice.

**All Other Fees.** None.

The Audit Committee of our board of directors has established its pre-approval policies and procedures, pursuant to which the Audit Committee approved the foregoing audit and non-audit services provided by Marcum in 2019. Consistent with the Audit Committee's responsibility for engaging our independent auditors, all audit and permitted non-audit services require pre-approval by the Audit Committee. The full Audit Committee approves proposed services and fee estimates for these services. The Audit Committee chairperson has been designated by the Audit Committee to approve any audit-related services arising during the year that were not pre-approved by the Audit Committee. Any non-audit service must be approved by the full Audit Committee. Services approved by the Audit Committee chairperson are communicated to the full Audit Committee at its next regular meeting and the Audit Committee reviews services and fees for the fiscal year at each such meeting. Pursuant to these procedures, the Audit Committee approved the foregoing services provided by Marcum.

**Changes In and Disagreements with Accountants on Accounting and Financial Disclosure.** None.

**THE BOARD RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE AUDIT  
COMMITTEE'S APPROVAL OF THE APPOINTMENT OF MARCUM LLP AS THE  
COMPANY'S REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2020.**

## PROPOSAL 3

### AMENDMENT TO AMENDED AND RESTATED 2016 OMNIBUS INCENTIVE PLAN

#### Overview

Our Board has approved the amendment (the “Amendment”) to our Amended and Restated 2016 Omnibus Incentive Plan (as amended, the “2016 Plan”), which is our primary plan for providing equity incentive compensation to our eligible employees, directors and consultants. We are amending the 2016 Plan to increase the number of our shares of common stock available for issuance under the 2016 Plan 15,000,000 and to change the date of the annual 3% automatic increase of shares available under the plan from April 26 to January 1.

Our Board believes that the number of shares of Common Stock subject to the 2016 Plan remaining available is insufficient to achieve the purpose of the 2016 Plan. Therefore, our Board believes the Amendment is necessary to allow flexibility in granting awards to attract and retain key personnel and to provide a means for directors, officers, employees, consultants and advisors to acquire and maintain an interest in us, which interest may be measured by reference to the value of our Common Stock. Our Board is seeking to change the trigger date of our evergreen policy for administrative convenience.

As of the Record Date, and excluding the requested share increase, there are 5,760,700 shares authorized for issuance under the 2016 Plan and 0 shares of common stock remain available for future grants of awards under the 2016 Plan. If stockholders approve the Amendment, the total number of shares available for grants under the 2016 Plan would initially be 15,000,000 shares of Common Stock (subject to increase in accordance with the evergreen provision of the 2016 Plan) and approximately 9,239,300 shares of Common Stock will be available for new grants under the 2016 Plan. Additionally, the current evergreen provision in the 2016 Plan provides for an annual increase on each anniversary of the effective date of the 2016 Plan (April 26) before the 2016 Plan is terminated equal to 3% of the total issued and outstanding shares of our Common Stock as of such anniversary. If stockholders approve the Amendment, the date on which that increase occurs will change from April 26 to January 1. The full text of the proposed Amendment is set out in Appendix A to this Proxy Statement.

#### Description of the 2016 Plan (as proposed to be amended)

##### Share Reserve

We have reserved 15,000,000 shares of our common stock for issuance under the 2016 Plan, plus an annual increase on each anniversary of January 1<sup>st</sup> equal to 3% of the total issued and outstanding shares of our common stock as of such anniversary (or such lesser number of shares as may be determined by our board of directors), all of which may be granted as incentive stock options under Code Section 422. The shares of common stock issuable under the 2016 Plan will consist of authorized and unissued shares, treasury shares or shares purchased on the open market or otherwise, all as determined by our company from time to time.

If any award is canceled, terminates, expires or lapses for any reason prior to the issuance of shares or if shares are issued under the 2016 Plan and thereafter are forfeited to us, the shares subject to such awards and the forfeited shares will not count against the aggregate number of shares of common stock available for grant under the 2016 Plan. In addition, the following items will not count against the aggregate number of shares of common stock available for grant under the 2016 Plan: (1) shares issued under the 2016 Plan repurchased or surrendered at no more than cost or pursuant to an option exchange program, (2) any award that is settled in cash rather than by issuance of shares of common stock, (3) shares surrendered or tendered in payment of the option price or purchase price of an award or any taxes required to be withheld in respect of an award or (4) awards granted in assumption of or in substitution for awards previously granted by an acquired company.

##### Administration

The 2016 Plan may be administered by our board of directors or our compensation committee. Our compensation committee, in its discretion, selects the individuals to whom awards may be granted, the time or times at which such awards are granted and the terms and conditions of such awards. Our board of directors also has the authority, subject to the terms of the 2016 Plan, to amend existing options (including to reduce the option's exercise price), to institute an exchange program by which outstanding options may be surrendered in exchange for options that may have different exercise prices and terms, restricted stock, and/or cash or other property.

## Eligibility

Awards may be granted under the 2016 Plan to officers, employees, directors, consultants and advisors of us and our affiliates. Incentive stock options may be granted only to employees of us or our subsidiaries.

## Awards

The 2016 Plan permits the granting of any or all of the following types of awards:

- *Stock Options.* Stock options entitle the holder to purchase a specified number of shares of common stock at a specified price (the exercise price), subject to the terms and conditions of the stock option grant. Our compensation committee may grant either incentive stock options, which must comply with Code Section 422, or nonqualified stock options. Our compensation committee sets exercise prices and terms and conditions, except that stock options must be granted with an exercise price not less than 100% of the fair market value of our common stock on the date of grant (excluding stock options granted in connection with assuming or substituting stock options in acquisition transactions). Unless our compensation committee determines otherwise, fair market value means, as of a given date, the closing price of our common stock. At the time of grant, our compensation committee determines the terms and conditions of stock options, including the quantity, exercise price, vesting periods, term (which cannot exceed 10 years) and other conditions on exercise.
- *Stock Appreciation Rights.* Our compensation committee may grant SARs, as a right in tandem with the number of shares underlying stock options granted under the 2016 Plan or as a freestanding award. Upon exercise, SARs entitle the holder to receive payment per share in stock or cash, or in a combination of stock and cash, equal to the excess of the share's fair market value on the date of exercise over the grant price of the SAR. The grant price of a tandem SAR is equal to the exercise price of the related stock option and the grant price for a freestanding SAR is determined by our compensation committee in accordance with the procedures described above for stock options. Exercise of a SAR issued in tandem with a stock option will reduce the number of shares underlying the related stock option to the extent of the SAR exercised. The term of a freestanding SAR cannot exceed 10 years, and the term of a tandem SAR cannot exceed the term of the related stock option.
- *Restricted Stock, Restricted Stock Units and Other Stock-Based Awards.* Our compensation committee may grant awards of restricted stock, which are shares of common stock subject to specified restrictions, and restricted stock units, or RSUs, which represent the right to receive shares of our common stock in the future. These awards may be made subject to repurchase, forfeiture or vesting restrictions at our compensation committee's discretion. The restrictions may be based on continuous service with us or the attainment of specified performance goals, as determined by our compensation committee. Stock units may be paid in stock or cash or a combination of stock and cash, as determined by our compensation committee. Our compensation committee may also grant other types of equity or equity-based awards subject to the terms and conditions of the 2016 Plan and any other terms and conditions determined by our compensation committee.
- *Performance Awards.* Our compensation committee may grant performance awards, which entitle participants to receive a payment from us, the amount of which is based on the attainment of performance goals established by our compensation committee over a specified award period. Performance awards may be denominated in shares of common stock or in cash, and may be paid in stock or cash or a combination of stock and cash, as determined by our compensation committee. Cash-based performance awards include annual incentive awards.

### Clawback

All cash and equity awards granted under the 2016 plan will be subject to all applicable laws regarding the recovery of erroneously awarded compensation, any implementing rules and regulations under such laws, any policies we adopted to implement such requirements and any other compensation recovery policies as we may adopt from time to time.

### Change in Control

Under the 2016 Plan, in the event of a change in control (as defined in the 2016 Plan), outstanding awards will be treated in accordance with the applicable transaction agreement. If no treatment is provided for in the transaction agreement, each award holder will be entitled to receive the same consideration that stockholders receive in the change in control for each share of stock subject to the award holder's awards, upon the exercise, payment or transfer of the awards, but the awards will remain subject to the same terms, conditions and performance criteria applicable to the awards before the change in control, unless otherwise determined by our compensation committee. In connection with a change in control, outstanding stock options and SARs can be cancelled in exchange for the excess of the per share consideration paid to stockholders in the transaction, minus the option or SARs exercise price.

Subject to the terms and conditions of the applicable award agreements, awards granted to non-employee directors will fully vest on an accelerated basis, and any performance goals will be deemed to be satisfied at target. For awards granted to all other service providers, vesting of awards will depend on whether the awards are assumed, converted or replaced by the resulting entity.

- For awards that are not assumed, converted or replaced, the awards will vest upon the change in control. For performance awards, the amount vesting will be based on the greater of (1) achievement of all performance goals at the "target" level or (2) the actual level of achievement of performance goals as of our fiscal quarter end preceding the change in control, and will be prorated based on the portion of the performance period that had been completed through the date of the change in control.
- For awards that are assumed, converted or replaced by the resulting entity, no automatic vesting will occur upon the change in control. Instead, the awards, as adjusted in connection with the transaction, will continue to vest in accordance with their terms and conditions. In addition, the awards will vest if the award recipient has a separation from service within two years after a change in control by us other than for "cause" or by the award recipient for "good reason" (each as defined in the applicable award agreement). For performance awards, the amount vesting will be based on the greater of (1) achievement of all performance goals at the "target" level or (2) the actual level of achievement of performance goals as of our fiscal quarter end preceding the change in control, and will be prorated based on the portion of the performance period that had been completed through the date of the separation from service.

### Amendment and Termination of the 2016 Plan

Unless earlier terminated by our board of directors, the 2016 Plan will terminate, and no further awards may be granted, 10 years after October 1, 2016, the date on which it was approved by our stockholders. Our board of directors may amend, suspend or terminate the 2016 Plan at any time, except that, if required by applicable law, regulation or stock exchange rule, stockholder approval will be required for any amendment. The amendment, suspension or termination of the 2016 Plan or the amendment of an outstanding award generally may not, without a participant's consent, materially impair the participant's rights under an outstanding award.

The following is a summary of the principal features of the Plan. This summary is qualified in its entirety by reference to the full text of the Plan.

### **Vote Sought**

The proposal to amend the 2016 Plan will be approved if approved by a majority of the votes properly cast on this proposal.

**THE BOARD RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE AMENDMENT TO THE 2016 PLAN.**

## PRINCIPAL STOCKHOLDERS

The following table sets forth certain information concerning the ownership of our common stock as of the Record Date, with respect to: (i) each person known to us to be the beneficial owner of more than five percent of our common stock; (ii) all directors; (iii) all named executive officers; and (iv) all directors and executive officers as a group. Beneficial ownership is determined in accordance with the rules of the SEC that deem shares to be beneficially owned by any person who has voting or investment power with respect to such shares. Shares of common stock subject to options or warrants that are exercisable as of the date of the Record Date or are exercisable within 60 days of such date are deemed to be outstanding and to be beneficially owned by the person holding such options for the purpose of calculating the percentage ownership of such person but are not treated as outstanding for the purpose of calculating the percentage ownership of any other person. Applicable percentage ownership is based on 49,775,443 shares of common stock outstanding as of the Record Date.

Name and Address of Beneficial Owner <sup>(1)</sup>	Beneficial Ownership Number of Shares	Percentage
<b>Named Executive Officers and Directors</b>		
Robert A. Berman <sup>(2)</sup>	1,237,478	2.4%
Marc Glickman, M.D. <sup>(2)</sup>	383,389	*
Francis Duhay, M.D. <sup>(2)</sup>	158,556	*
Craig Glynn <sup>(2)</sup>	13,889	*
Dr. Sanjay Shrivastava <sup>(2)</sup>	149,278	*
Robert Gray <sup>(2)</sup>	146,583	*
Matthew Jenusaitis <sup>(2)</sup>	145,833	*
All directors and executive officers as a group (7 persons)	2,235,006	4.2%

\* Represents beneficial ownership of less than 1%.

(1) Except as otherwise noted below, the address for each person or entity listed in the table is c/o Hancock Jaffe Laboratories, Inc., 70 Doppler, Irvine, California 92618.

(2) Includes shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of November 2, 2020.

## OTHER INFORMATION

### Proxy Solicitation

All costs of solicitation of proxies will be borne by us. In addition to solicitation by mail, our officers and regular employees may solicit proxies personally or by telephone. We do not intend to utilize a paid solicitation agent.

### Proxies

A stockholder may revoke his, her or its proxy at any time prior to its use by giving written notice to our Chief Financial Officer, by executing a revised proxy at a later date or by attending and voting at the virtual Meeting. Proxies in the form enclosed, unless previously revoked, will be voted at the Meeting in accordance with the specifications made thereon or, in the absence of such specifications in accordance with the recommendations of our Board.

### Other Business

Our Board knows of no other matter to be presented at the Meeting. If any additional matter should properly come before the Meeting, it is the intention of the persons named in the enclosed proxy to vote such proxy in accordance with their judgment on any such matters.

### Legal Proceedings

There are no material proceedings in which any of the Company's directors, officers or affiliates, or any associate of any such director, officer, affiliate of the Company, is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries.

### Future Stockholders Proposals

The Board has not yet determined the date on which the next annual meeting of stockholders will be held. Stockholders may submit proposals on matters appropriate for stockholder action at annual meetings in accordance with the rules and regulations adopted by the Securities and Exchange Commission. Any proposal which an eligible stockholder desires to have included in our proxy statement and presented at the next annual meeting of stockholders will be included in our proxy statement and related proxy card if it is received by us a reasonable time before we begin to print and send our proxy materials and if it complies with Securities and Exchange Commission rules regarding inclusion of proposals in proxy statements. In order to avoid controversy as to the date on which we receive a proposal, it is suggested that any stockholder who wishes to submit a proposal submit such proposal by certified mail, return receipt requested.

Other deadlines apply to the submission of stockholder proposals for the next annual meeting that are not required to be included in our proxy statement under Securities and Exchange Commission rules. With respect to these stockholder proposals for the next annual meeting, a stockholder's notice must be timely. To be timely, a stockholder's notice shall be delivered to the Chief Financial Officer at the principal executive offices of the corporation not later than the close of business on the ninetieth (90th) day, nor earlier than the close of business on the one hundred twentieth (120th) day, prior to the first anniversary of the preceding year's annual meeting. The form of proxy distributed by the Board of Directors for such meeting will confer discretionary authority to vote on any such proposal not received by such date. If any such proposal is received by such date, the proxy statement for the meeting will provide advice on the nature of the matter and how we intend to exercise our discretion to vote on each such matter if it is presented at that meeting.

### Stockholder Communications

Stockholders wishing to communicate with the Board may direct such communications to the Board c/o the Company, Attn: Robert A. Berman. Mr. Berman will present a summary of all stockholder communications to the Board at subsequent Board meetings. The directors will have the opportunity to review the actual communications at their discretion.

### **Householding of Proxy Materials**

The SEC has adopted rules that permit companies and intermediaries (such as banks and brokers) to satisfy the delivery requirements for notices of annual meetings, proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as “householding,” potentially means extra convenience for stockholders and cost savings for companies. This year, a single notice of the annual meeting of stockholders, or copy of the proxy statement and annual report, will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your bank or broker that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement and annual report, please notify your bank or broker, and direct your written request to Craig Glynn, Interim Chief Financial Officer of the Company, at (949) 261-2900 or at offices of the Company at 70 Doppler Irvine, California 92618. Stockholders who currently receive multiple copies of the proxy statement at their address and would like to request householding of their communications should contact their bank or broker.

### **Additional Information**

We are subject to the information and reporting requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith, we file periodic reports, documents and other information with the SEC relating to our business, financial statements and other matters. Such reports and other information may be inspected and are available for copying at the offices of the SEC, 100 F Street, N.E., Washington, D.C. 20549 or may be accessed at [www.sec.gov](http://www.sec.gov). Information regarding the operation of the public reference rooms may be obtained by calling the SEC at 1-800-SEC-0330.

**Hancock Jaffe Laboratories, Inc.**  
**70 Doppler Irvine, California 92618**  
**(949) 261-2900**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

THE UNDERSIGNED HEREBY APPOINTS ROBERT A. BERMAN AS PROXY OF THE UNDERSIGNED, WITH FULL POWER OF SUBSTITUTION, TO VOTE ALL THE SHARES OF VOTING STOCK OF HANCOCK JAFFE LABORATORIES, INC. HELD OF RECORD BY THE UNDERSIGNED ON NOVEMBER 2, 2020, AT THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON THURSDAY, DECEMBER 17, 2020, OR ANY ADJOURNMENT OR POSTPONEMENT THEREOF.

1. To elect Mr. Robert C. Gray as a Class III director, to hold office until the 2023 Annual Meeting of Stockholders or until his successor is elected and qualified or until their earlier death, incapacity, removal or resignation.

(i) Mr. Robert C. Gray  FOR NOMINEE  
 WITHHOLD AUTHORITY FOR NOMINEE

2. To ratify the appointment by the Audit Committee of the Company's Board of Directors of Marcum LLP as the Company's registered public accounting firm for the fiscal year ending December 31, 2020.

FOR  AGAINST  ABSTAIN

3. To approve an amendment to the Company's Amended and Restated 2016 Omnibus Incentive Plan to increase the number of shares authorized to be awarded under the plan to 15,000,000 shares and to change the date of the annual 3% automatic increase of shares available under the plan from April 26 to January 1.

FOR  AGAINST  ABSTAIN

**The shares represented by this proxy, when properly executed, will be voted as specified by the undersigned stockholder(s). If this card contains no specific voting instructions, the shares will be voted FOR the director nominee and each of the proposals described on this card.**

**In his discretion, the proxy is authorized to vote upon such other business as may properly come before the Meeting.**

\_\_\_\_\_  
Signature of Stockholder(s)

\_\_\_\_\_  
Date

Please sign exactly as the name appears below. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign the corporate name by the president or other authorized officer. If a partnership, please sign in the partnership name by an authorized person.

**VOTE BY INTERNET—[www.proxyvote.com](http://www.proxyvote.com)**

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

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