

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported) March 22, 2005**

**AVANT IMMUNOTHERAPEUTICS, INC.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**1-15629**

(Commission File Number)

**13-3191702**

(I.R.S. Employer Identification No.)

**119 Fourth Avenue, Needham, MA 02494-2725**

(Address of Principal Executive Offices) (Zip Code)

**Registrant's telephone number, including area code (781) 433-0771**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**ITEM 1.01 Entry into Material Definitive Agreement.**

**ITEM 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.**

On March 22, 2005, AVANT Immunotherapeutics, Inc. (the "Company") announced the promotion of M. Timothy Cooke, Ph.D. as its Chief Operating Officer, effective as of March 21, 2005. Attached hereto as Exhibit 99.4 is a copy of the press release dated March 22, 2005 announcing Mr. Cooke's promotion, which is incorporated herein by reference.

Dr. Cooke, 47 years old, joined the Company in June 2004 as Senior Vice President of Commercial Development. Prior to joining the Company, he was Chief Executive Officer and a Director of Mojave Therapeutics, Inc., an early stage biopharmaceutical company developing therapeutic vaccines based on heat shock protein technology. Mojave Therapeutics was purchased by Antigenics in July 2004. From 1991 to 2000, Dr. Cooke held a number of marketing and sales positions at the Merck Vaccine Division, most recently as Senior Director, Worldwide Marketing Planning. He was a founding member of Merck Vaccine Division's European and Eastern European operations, negotiated and launched the Aventis Pasteur-MSD European vaccines joint venture and created a new vaccine-focused sales force in the United States. Dr. Cooke holds a Ph.D. in bio-organic chemistry from Columbia University and an MBA from Columbia Business School.

The Company entered into a letter agreement with Dr. Cooke on June 10, 2004 (the "Letter Agreement"), which provides for the Company's employment of Dr. Cooke, as a Senior Vice President of Commercial Development, on an at-will basis, beginning on June 21, 2004. Under the terms of the Letter Agreement, if (1) there has been a Change of Control of the Company (as defined in the Letter Agreement) and Dr. Cooke's employment is thereafter terminated by Dr. Cooke for other than Good Reason (as defined in the Letter Agreement), or (2) there has been a Change of Control of the Company and Dr. Cooke's employment is thereafter terminated for Cause (as defined in the Letter Agreement) by the Company, death, Disability or Retirement (each as defined in the Letter Agreement), then no benefits shall be payable to Dr. Cooke. If Dr. Cooke's employment is terminated within one (1) year following a Change in Control of the Company by Dr. Cooke for Good Reason or by the Company other than for Cause, death, Disability or Retirement, then Dr. Cooke's benefits shall be those described in the Letter Agreement, including the continuance of Dr. Cooke's base salary for 12 months and a 100% vesting of all unvested options.

Under an offer letter dated June 14, 2004 (the "Offer Letter"), Dr. Cooke's initial annual salary commenced at \$240,000, subject to periodic review and adjustment at the discretion of the Company. Also under the Offer Letter, Dr. Cooke received an option to purchase 200,000 shares of the Company's

stock at fair market value on the first day Dr. Cooke commenced employment. Dr. Cooke also became eligible to receive additional compensation of up to 20% of his base salary through the Company's Performance Incentive Plan approved by the Board of Directors.

On June 14, 2005 Dr. Cooke's employment terms were amended (the "Amended Letter Agreement") such that the Company agreed to pay Dr. Cooke six month's of severance (at the rate of his final base pay) if Dr. Cooke's employment is terminated by the Company without cause. This Amended Letter Agreement also allows for Dr. Cooke to receive health and dental benefits during this severance period.

In connection with Dr. Cooke's promotion to Chief Operating Officer effective March 21, 2005 Dr. Cooke's annual salary was increased to \$250,000 and his bonus eligibility under the Company's Performance Incentive Plan was increased to 25% of his base salary. These changes to Dr. Cooke's original employment terms are not memorialized in an agreement.

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The foregoing summary is qualified in its entirety by reference to the copies of the Letter Agreement, Offer Letter and Amended Letter Agreement, which are attached hereto as Exhibits 99.1, 99.2 and 99.3, respectively, to this Current Report on Form 8-K and incorporated by reference herein.

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#### ITEM 9.01 Financial Statements and Exhibits

(c) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Letter Agreement dated as of June 10, 2004, by and between AVANT Immunotherapeutics, Inc. and Dr. M. Timothy Cooke
99.2	Offer Letter dated as of June 14, 2004, by and between AVANT Immunotherapeutics, Inc. and Dr. M. Timothy Cooke
99.3	Amended Letter Agreement dated as of June 14, 2004, by and between AVANT Immunotherapeutics, Inc. and Dr. M. Timothy Cooke
99.4	Press Release dated March 22, 2005

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#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVANT IMMUNOTHERAPEUTICS, INC.

By: /s/ Avery W. Catlin  
Avery W. Catlin  
Senior Vice President and  
Chief Financial Officer

Date: March 22, 2005

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#### EXHIBIT INDEX

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99.3	Amended Letter Agreement dated as of June 14, 2004, by and between AVANT Immunotherapeutics, Inc. and Dr. M. Timothy Cooke





June 10, 2004

Timothy Cooke, Ph.D.  
910 West End Avenue, Apt. 9B  
New York, New York 10025

Dear Tim:

The Board of Directors (the "Board") of AVANT Immunotherapeutics, Inc. (the "Company") has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Company's management, including yourself, to their responsibilities without distraction arising from the possibility of a Change in Control (as defined in Section 2) of the Company, although no such change is now contemplated.

In order to induce you to accept employment and remain in the employ of the Company, the Company agrees that you shall receive the benefits set forth in this letter agreement (the "Agreement") in the event your employment with the Company is terminated subsequent to a "Change in Control" of the Company and under the circumstances described in Section 3 below.

1. **Term of Agreement.** This Agreement shall commence on the date it is executed by all parties, and each January 1 thereafter, the term of this Agreement shall automatically be extended for one additional year unless, not later than the October 31 of the preceding year, the Company shall have given notice that it does not wish to extend this Agreement. This Agreement shall cease to be operative and shall be of no further force and effect if your employment terminates for any reason prior to a Change in Control. Further, nothing contained herein shall restrict the ability of the Company to terminate your employment.

2. **Change in Control.** No benefits shall be payable hereunder if (i) there has been a Change in Control of the Company and your employment is thereafter terminated by you for other than Good Reason, or (ii) there has been a Change in Control of the Company and your employment is thereafter terminated for Cause by the Company, death, Disability or Retirement.

(a) "Change in Control" of the Company shall have the meaning set forth in Section 1.2 of the Company's Stock Compensation Plan, except that the Board agrees not to override the occurrence of a Change in Control.

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(b) "Disability" shall mean that as a result of your incapacity due to physical or mental illness, you are absent from your duties with the Company for a consecutive period of more than six (6) months, the Company may terminate your employment on account of "Disability."

(c) "Retirement" shall mean your voluntary termination of employment at age sixty-five (65) or any other early retirement arrangement established with your consent with respect to you.

(d) Only the following shall constitute "Cause" for purposes of this Agreement:

(i) dishonest statements or acts by you with respect to the Company or any affiliate of the Company;

(ii) your conviction of, or the entry of a pleading of guilty or *nolo contendere* (or the equivalent) by the you as to (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud;

(iii) gross negligence, willful misconduct or willful insubordination by you with respect to the Company or any affiliate of the Company; or

(iv) your willfully engaging in misconduct injurious to the Company.

No act or failure to act shall be considered "willful" for this purpose unless done, or omitted to be done, by the Executive other than in good faith in the reasonable belief that such act or omission was in the best interest of the Company. No termination for Cause shall be effective until you have received a copy of a resolution duly adopted by the Board.

(e) "Good Reason" shall mean:

(i) Change of Position. The assignment to you, absent your written consent, of any duties materially inconsistent with your position or status as an officer prior to the Change in Control or any alteration in the nature or status of your responsibilities to a significantly lesser position.

(ii) Compensation and Benefits. (1) A material reduction, absent your written consent, in your base salary, incentive compensation, or benefits or perquisites, as in effect immediately prior to the Change in Control; or (2) the failure by the Company to continue base salary increases, incentive compensation grants, benefits and perquisites in effect prior to the Change in Control.

(iii) **Relocation.** The relocation of the principal place of your employment prior to the Change in Control to a location more than 50 miles from that principal place without your written consent.

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(iv) **Assumption of Agreement.** If you elect to terminate your employment because of the failure of the Company to obtain the assumption of this Agreement as provided in Section 5.

3. **Benefits Payable.** If your employment is terminated within one (1) year following a Change in Control of the Company by you for Good Reason or by the Company other than for Cause, death, Disability or Retirement, then your benefits shall be those described in this Section 3.

- (a) Your base salary shall be continued for a period of 12 months. These special severance payments shall be in lieu of any severance payments payable under any severance plan or policy of the Company.
- (b) You shall be afforded the right to continue such insurance benefits as provided under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). If you elect to receive COBRA benefits, during the continuation of your salary payments, the Company shall continue to contribute toward the COBRA premiums in the same proportion it contributed to your health care premiums while you were employed.
- (c) All stock incentive grants or options under the Company stock option plan or stock incentive plan shall be 100% vested.
- (d) Nothing contained herein shall adversely affect your rights, if any, to receive payments under any other bonus, incentive compensation, deferred compensation plan or group term life insurance plan, long term disability plan or retirement plan of the Company.

It is the intention of the Company that no payments by the Company to or for the benefit of you under this Agreement or any other agreement or plan, if any, pursuant to which you are entitled to receive payments or benefits shall be nondeductible to the Company by reason of the operation of Section 280G of the Internal Revenue Code ("Code") relating to parachute payments or any like statutory or regulatory provision. Accordingly, and notwithstanding any other provision of this Agreement or any such agreement or plan, if by reason of the operation of said Section 280G or any like statutory or regulatory provision, any such payments exceed the amount which can be deducted by the Company, such payments shall be reduced to the maximum amount which can be deducted by the Company. To the extent that payments exceeding such maximum deductible amount have been made to or for your benefit, such excess payments shall be refunded to the Company with interest thereon at the applicable Federal rate determined under Section 1274(d) of the Internal Revenue Code, compounded annually, or at such other rate as may be required in order that no such payments shall be nondeductible to the Company by reason of the operation of said Section 280G or any like statutory or regulatory provision. To the extent that there is more than one method of reducing the payments to bring them within the limitations of said Section 280G or any like statutory

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or regulatory provision, you shall determine which method shall be followed, provided that if you fail to make such determination within forty-five (45) days after the Company has given notice of the need for such reduction, the Company may determine the method of such reduction in its sole discretion.

4. **No Mitigation.** You shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Agreement be reduced by any compensation earned by you as the result of employment by another employer after the date of termination, or otherwise.

5. **Successors; Binding Agreement.**

- (a) The Company shall require any successor entity (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume this Agreement.
- (b) This Agreement shall inure to the benefit of and be enforceable by your personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

6. **Notice.** Notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the Company at its principal office or to you at your address set forth on the first page of this Agreement, provided that all notices to the Company shall be directed to the attention of the President of the Company with a copy to the Secretary of the Company, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

7. **Modification; Waiver.** No provisions hereof may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by you and a duly authorized officer of the Company (other than you). No waiver by either party hereto of any condition or provision hereof to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or any other time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly herein

8. **Validity.** This Agreement shall be governed by and construed in accordance with the law of the State of Delaware. The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

9. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

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10. **Arbitration.** Any dispute or controversy arising in connection herewith shall be settled exclusively by arbitration to be held in Massachusetts in accordance with the rules of the American Arbitration Association then in effect. Notwithstanding the pendency of any such dispute or controversy, the Company shall continue to pay you your full compensation in effect when the notice giving rise to the dispute was given (including, without limitation, base salary and installments under any incentive plan) and continue you as a participant in all the employee pension, welfare, incentive, compensation or other similar plans, programs or policies of the Company in which you were participating when the notice giving rise to the dispute was given, until the dispute is finally resolved in accordance with this Section. Amounts paid to you under this paragraph are in addition to all other amounts due hereunder and shall not be offset against or reduce any other amounts due hereunder. Each party shall bear their own costs, including attorneys' fees of the arbitration; provided, however, that if you prevail on the claim, the Company shall reimburse you for all reasonable costs and attorneys' fees. Judgement may be entered on the arbitrator's award in any court of competent jurisdiction.

Sincerely,

AVANT IMMUNOTHERAPEUTICS, INC.,

By: /s/ Paula R. Freeman

Agreed to this 21<sup>st</sup> day of June, 2004

/s/ Michael Timothy Cooke

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June 14, 2004

Timothy Cooke, Ph D.  
910 West End Avenue, Apt. 9B  
New York, New York 10025

Dear Tim:

I am pleased to offer you the position of Senior Vice President, Commercial Development, reporting to Una S. Ryan, Ph.D OBE, President and Chief Executive Officer. Your annual base salary will be \$240,000 (\$9,230.77 to be paid biweekly). You will also receive an option to purchase 200,000 shares of the Company's stock at the fair market value on the first day you commence employment. In addition, you will be eligible for our Performance Incentive Plan approved by the Board of Directors, which links additional compensation directly to achieved corporate goals. Under this plan, you will be eligible to earn up to an additional 20% of your base salary. Your anticipated start date is August 1, 2004 and you will be eligible for a performance appraisal in December 2004. Your employment with AVANT will be at-will and accordingly you or the Company may terminate employment with or without cause.

AVANT will also reimburse you for up to \$20,000 for expenses you incur in connection with your relocation from New York to Massachusetts. In consideration of this you agree that if you resign from employment at AVANT within the first six months after you commence employment you will reimburse AVANT 100% of the relocation expenses paid. If you resign from AVANT in the second six months of employment you agree to reimburse AVANT 50% of the paid relocation expenses. The Company will also provide relocation assistance for you and your family with an AVANT authorized corporate relocation specialist.

AVANT Immunotherapeutics, Inc. currently offers employee benefits, which include medical/dental health insurance, paid vacation, basic life insurance, short and long term disability benefits, tuition reimbursement, free parking, and a 401(k) plan, which includes a Company contribution. You will be required to sign a confidentiality agreement, which includes a non-compete section on your first day of employment at AVANT.

Your employment is contingent upon presentation of proper employment verification documentation, which is in compliance with the immigration laws of the United States of America.

Please indicate your acceptance by signing both copies of this letter and returning one copy to me. We believe that you will find this position challenging and we look forward to the contribution you can make to AVANT Immunotherapeutics, Inc.

Sincerely,

/s/ Paula R. Freeman

Paula R. Freeman  
Senior Director, Human Resources

Timothy Cooke, PhD:

Date:

/s/ Timothy Cooke

June 21, 2004

Attachments: Change of Control letter  
Severance letter  
Benefits list

# AVANT

IMMUNOTHERAPEUTICS, INC.

June 14, 2004

Timothy Cooke, Ph.D.  
910 West End Avenue, Apt. 9B  
New York, New York 10025

Dear Tim:

This letter will amend and supplement the terms of employment described in your offer letter from AVANT Immunotherapeutics, Inc., dated June 14, 2004.

AVANT has agreed to pay you six-month's of severance if your employment is terminated by the Company without cause. Such severance will be paid according to the Company's regular payroll schedule, and at the rate of your final base pay. During the severance period, you will also be eligible for continued health and dental benefits according to COBRA. During the severance period, the Company will pay your share of the COBRA premium. Following the severance period, if you wish to continue receiving COBRA benefits, you will be responsible for paying the full premium. This severance will be subject to an offset if you obtain new employment or are self employed during the severance period. All of these severance benefits will be paid pursuant to a severance agreement, which you shall be required to execute and which will contain a full release of claims against AVANT.

Your employment with AVANT shall continue to be at-will and the Company may terminate your employment at any time with or without notice or cause, subject to the payment of the benefits described in this letter.

Sincerely yours,

/s/ Paula R. Freeman

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Paula R. Freeman  
Senior Director, Human Resources

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FOR IMMEDIATE RELEASE/March 22, 2005

Una S. Ryan, Ph.D.  
President and CEO  
AVANT Immunotherapeutics, Inc.  
(781) 433-0771

Avery W. Catlin  
Chief Financial Officer  
AVANT Immunotherapeutics, Inc.  
(781) 433-0771  
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Joan Kureczka  
Kureczka/Martin Associates  
(415) 821-2413  
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### AVANT PROMOTES TIMOTHY COOKE TO CHIEF OPERATING OFFICER

**NEEDHAM, MA (March 22, 2005):** AVANT Immunotherapeutics, Inc. (NASDAQ: AVAN) today announced the promotion of M. Timothy Cooke, Ph.D. to the newly created position of Chief Operating Officer. Dr. Cooke had previously been Senior Vice President, Commercial Development, at AVANT since August, 2004. In his new role, Dr. Cooke assumes responsibility for the research and product development functions of AVANT as well as manufacturing and business development. He will continue to oversee the project management and strategic marketing activities of the company.

"I am very pleased to announce Tim's promotion to Chief Operating Officer," said Una S. Ryan, President and Chief Executive Officer of AVANT Immunotherapeutics. "Tim has made significant contributions to the company and has demonstrated his leadership ability. His strong commercial and operational experience will ensure that AVANT's development programs realize their full commercial potential."

Prior to joining AVANT, Dr. Cooke was Chief Executive Officer of Mojave Therapeutics, a privately-held therapeutic vaccine company, and held a number of domestic and international marketing and commercial development positions in the Merck Vaccine Division. Dr. Cooke received a B.S. from Saint Joseph's University, a Ph.D. from Columbia University in bio-organic chemistry and an MBA from the Columbia Business School.

AVANT Immunotherapeutics, Inc. discovers, develops and sells innovative vaccines and therapeutics that harness the human immune system to prevent and treat disease. The company has developed a broad, well-staged pipeline of vaccines and therapeutics for large, high-value, under-served markets. Three of AVANT's products are marketed, including two food safety vaccines and an oral human rotavirus vaccine, which gained its first marketing approval in Mexico in July 2004. Six of AVANT's products are in clinical development, including a treatment to reduce complement-mediated tissue damage associated with cardiac bypass surgery and a novel vaccine for cholesterol management. AVANT has also

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assembled a technology platform that enables the creation of rapid-protecting, single-dose, oral vaccines that remain stable without refrigeration. The company is developing applications of this vaccine technology in four areas: biodefense, travelers' vaccines, global health needs, and human food safety. Further, AVANT has established a state-of-the-art vaccine manufacturing facility for the implementation of its VitriLife<sup>®</sup> technology and the production of its own vaccines and other companies' products. AVANT's goal is to demonstrate proof-of-concept for its products in the clinic before leveraging further development through both traditional pharmaceutical partnerships and collaborations with governmental and other organizations.

Additional information on AVANT Immunotherapeutics, Inc. can be obtained through our site on the World Wide Web: <http://www.avantimmune.com>.

**Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995:** This release includes forward-looking statements which reflect AVANT's current views with respect to future events and financial performance. These forward-looking statements are based on management's beliefs and assumptions and information currently available. The words "believe", "expect", "anticipate", "intend", "estimate", "project" and similar expressions which do not relate solely to historical matters identify forward-looking statements. Investors should be cautious in relying on forward-looking statements because they are subject to a variety of risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed in any such forward-looking statements. These factors include, but are not limited to: (1) the integration of multiple technologies and programs; (2) the ability to adapt AVANT's vectoring systems to develop new, safe and effective orally administered vaccines against anthrax and plague or other bioterrorism threats or emerging health care threats; (3) the ability to successfully complete development and commercialization of TP10, CETi-1, CholeraGarde<sup>®</sup> (Peru-15), Ty800 and other products; (4) the cost, timing, scope and results of ongoing safety and efficacy trials of TP10, CETi-1, CholeraGarde<sup>®</sup> (Peru-15), Ty800 and other preclinical and clinical testing; (5) the ability to successfully complete product research and further development, including animal, pre-clinical and clinical studies of TP10, CETi-1, CholeraGarde<sup>®</sup> (Peru-15), Ty800 and other products; (6) the ability of the Company to manage multiple late stage clinical trials for a variety of product candidates; (7) the volume and profitability of product sales of Megan<sup>®</sup>Vac 1, Megan<sup>®</sup>Egg and other future products; (8) the process of obtaining regulatory approval for the sale of Rotarix<sup>®</sup> in major commercial markets, as well as the timing and success of worldwide commercialization of Rotarix<sup>®</sup> by our partner, GlaxoSmithKline; (9) changes in existing and potential relationships with corporate collaborators; (10) the availability, cost, delivery and quality of clinical and commercial grade materials supplied by contract manufacturers; (11) the timing, cost and uncertainty of obtaining regulatory approvals to use TP10, CETi-1, CholeraGarde<sup>®</sup> (Peru-15) and Ty800, among other purposes, for adults undergoing cardiac surgery, to raise serum HDL cholesterol levels and to protect travelers and people in endemic regions from diarrhea causing diseases, respectively; (12) the ability to obtain substantial additional funding; (13) the ability to develop and commercialize products before competitors; (14) the ability to retain certain members of management; and (15) other factors detailed from time to time in filings with the Securities and Exchange Commission. We expressly disclaim any responsibility to update forward-looking statements.

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