

Park West Asset Management LLC
 Form 4
 May 11, 2018

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Park West Asset Management LLC

(Last) (First) (Middle)

900 LARKSPUR LANDING
 CIRCLE, SUITE 165

(Street)

LARKSPUR, CA 94939

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Kindred Biosciences, Inc. [KIN]

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/15/2018

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director 10% Owner
 ____ Officer (give title below) ____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities Acquired (A) or | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying Security (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|---|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) Code | V | Disposed of (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title |
|-------------|------------------------------|------------------|--------------------|---|---|---------|------------------|-----------------|--------------|
| | | | | | (A) | (D) | | | |
| Equity Swap | <u>(3)</u> | 02/15/2018 | J/K ⁽²⁾ | | | 340,000 | 10/04/2016 | 06/04/2018 | Common Stock |
| Equity Swap | <u>(3)</u> | 02/15/2018 | J/K ⁽²⁾ | | 340,000 | | 10/04/2016 | 06/04/2019 | Common Stock |
| Equity Swap | <u>(4)</u> | 02/15/2018 | J/K ⁽²⁾ | | | 410,000 | 10/05/2016 | 06/04/2018 | Common Stock |
| Equity Swap | <u>(4)</u> | 02/15/2018 | J/K ⁽²⁾ | | 410,000 | | 10/05/2016 | 06/04/2019 | Common Stock |
| Equity Swap | <u>(5)</u> | 02/15/2018 | J/K ⁽²⁾ | | | 800,000 | 10/06/2016 | 06/04/2018 | Common Stock |
| Equity Swap | <u>(5)</u> | 02/15/2018 | J/K ⁽²⁾ | | 800,000 | | 10/06/2016 | 06/04/2019 | Common Stock |
| Equity Swap | <u>(6)</u> | 02/15/2018 | J/K ⁽²⁾ | | | 300,000 | 10/12/2016 | 06/04/2018 | Common Stock |
| Equity Swap | <u>(6)</u> | 02/15/2018 | J/K ⁽²⁾ | | 300,000 | | 10/12/2016 | 06/04/2019 | Common Stock |
| Equity Swap | <u>(7)</u> | 02/15/2018 | J/K ⁽²⁾ | | | 30,000 | 02/01/2017 | 06/04/2018 | Common Stock |
| Equity Swap | <u>(7)</u> | 02/15/2018 | J/K ⁽²⁾ | | 30,000 | | 02/01/2017 | 06/04/2019 | Common Stock |
| Equity Swap | <u>(8)</u> | 02/15/2018 | J/K ⁽²⁾ | | | 168,213 | 03/24/2017 | 06/04/2018 | Common Stock |
| Equity Swap | <u>(8)</u> | 02/15/2018 | J/K ⁽²⁾ | | 168,213 | | 03/24/2017 | 06/04/2019 | Common Stock |
| Equity Swap | <u>(9)</u> | 02/15/2018 | J/K ⁽²⁾ | | | 31,787 | 03/27/2017 | 06/04/2018 | Common Stock |

| | | | | | | | |
|-------------|-----|------------|--------------------|--------|------------|------------|--------------|
| Equity Swap | (9) | 02/15/2018 | J/K ⁽²⁾ | 31,787 | 03/27/2017 | 06/04/2019 | Common Stock |
|-------------|-----|------------|--------------------|--------|------------|------------|--------------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Park West Asset Management LLC 900 LARKSPUR LANDING CIRCLE, SUITE 165 LARKSPUR, CA 94939 | | | X | |

Signatures

| | |
|--|------------|
| /s/ Grace Jimenez, Chief Financial Officer of Park West Asset Management LLC | 05/11/2018 |
|--|------------|

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Park West Asset Management LLC (the "Reporting Person") is the investment manager to Park West Investors Master Fund, Limited, a Cayman Islands exempted company ("PWIMF"), and Park West Partners International, Limited, a Cayman Islands exempted company ("PWPI"). Peter S. Park ("Mr. Park") is the sole member and manager of the Reporting Person.

(2) On February 15, 2018, the Reporting Person amended its equity swap agreement with a securities broker (the "Counterparty") to extend the settlement date for its equity swaps under that agreement from June 4, 2018 to June 4, 2019 (the "Settlement Date"), for no additional consideration. The extension of the settlement date resulted in a deemed cancellation of the Reporting Person's existing equity swaps thereunder, and a deemed reentry into new equity swaps with a later settlement date. The deemed cancellation is exempt from liability under Section 16(b) of the Securities Exchange Act of 1934, as amended, pursuant to Rule 16b-6(d) promulgated thereunder.

(3) Commencing October 4, 2016, the Reporting Person entered into an equity swap with a securities broker (the "Counterparty") for 340,000 shares of Common Stock, par value \$0.0001 per share, of the Company (the "Common Stock"), under which, on the Settlement Date, (i) the Reporting Person will be obligated to pay to the Counterparty \$1,727,166, representing \$5.0799 per share (including a \$0.03 per share commission (the "Commission")), and (ii) the Counterparty will be obligated to pay to the Reporting Person the aggregate market value as of the Settlement Date for such shares.

(4) Commencing October 5, 2016, the Reporting Person entered into an equity swap with the Counterparty for 410,000 shares of Common Stock, under which, on the Settlement Date, (i) the Reporting Person will be obligated to pay to the Counterparty \$2,123,800, representing \$5.18 per share (including the Commission), and (ii) the Counterparty will be obligated to pay to the Reporting Person the aggregate market value as of the Settlement Date for such shares.

(5) Commencing October 6, 2016, the Reporting Person entered into an equity swap with the Counterparty for 800,000 shares of Common Stock, under which, on the Settlement Date, (i) the Reporting Person will be obligated to pay to the Counterparty \$4,144,000, representing \$5.18 per share (including the Commission), and (ii) the Counterparty will be obligated to pay to the Reporting Person the aggregate market value as of the Settlement Date for such shares.

(6) Commencing October 12, 2016, the Reporting Person entered into an equity swap with the Counterparty for 300,000 shares of Common Stock, under which, on the Settlement Date, (i) the Reporting Person will be obligated to pay to the Counterparty \$1,539,000, representing \$5.13 per share (including the Commission), and (ii) the Counterparty will be obligated to pay to the Reporting Person the aggregate market value as of the Settlement Date for such shares.

(7) Commencing February 1, 2017, the Reporting Person entered into an equity swap with the Counterparty for 30,000 shares of Common Stock, under which, on the Settlement Date, (i) the Reporting Person will be obligated to pay to the Counterparty \$197,376, representing \$6.5792 per share (including the Commission), and (ii) the Counterparty will be obligated to pay to the Reporting Person the aggregate market value as of the Settlement Date for such shares.

(8)

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Commencing March 24, 2017, the Reporting Person entered into an equity swap with the Counterparty for 168,213 shares of Common Stock, under which, on the Settlement Date, (i) the Reporting Person will be obligated to pay to the Counterparty approximately \$1,203,244, representing \$7.1531 per share (including the Commission), and (ii) the Counterparty will be obligated to pay to the Reporting Person the aggregate market value as of the Settlement Date for such shares.

- (9) Commencing March 27, 2017, the Reporting Person entered into an equity swap with the Counterparty for 31,787 shares of Common Stock, under which, on the Settlement Date, (i) the Reporting Person will be obligated to pay to the Counterparty approximately \$226,441, representing \$7.1237 per share (including the Commission), and (ii) the Counterparty will be obligated to pay to the Reporting Person the aggregate market value as of the Settlement Date for such shares.

- (10) During the term of the equity swap agreement, any dividends earned on the shares of Common Stock underlying the equity swaps will be paid to the Reporting Person, and the Reporting Person will pay to the Counterparty "interest" on the aggregate swap amount of approximately \$11,161,027, at the Federal Funds rate plus 30 basis points. Of the aggregate of 2,080,000 shares of Common Stock currently underlying the equity swaps, PWIMF holds the economic equivalent of 1,839,846 shares, and PWPI holds the economic equivalent of 240,154 shares. Pursuant to Reg. Section 240.16a-1(a)(2), the Reporting Person's and Mr. Park's beneficial ownership is limited to their pecuniary interest, if any, in such securities.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.