

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 Act of 1934

Date of Report (Date of earliest event reported): **August 23, 2016**

Ocean Power Technologies, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33417
(Commission
File Number)

22-2535818
(I.R.S. Employer
Identification No.)

**1590 Reed Road Pennington,
New Jersey**
(Address of principal executive offices)

08534
(Zip Code)

(609) 730-0400
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.133-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

The descriptions of the Shafer Employment Agreement and the Featherstone Letter Agreement are incorporated by reference from Item 5.02 below into this Item 1.01.

Item 1.02 Termination of a Material Definitive Agreement.

As described below under Item 5.02, the employment agreement of Mark A. Featherstone with the Company dated as of December 2, 2013 was terminated in connection his resignation as Chief Financial Officer of the Company.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers.*Appointment of Matthew T. Shafer as Chief Financial Officer and Departure of Mark Featherstone*

On August 23, 2016, Matthew T. Shafer was hired as the Chief Financial Officer, Vice President of Finance, and Treasurer of Ocean Power Technologies, Inc. (the “Company”) effective September 7, 2016. In connection with his hiring, Mr. Shafer will also serve as principal financial officer of the Company. Mr. Shafer will replace Mark Featherstone, who currently serves as the Company’s Chief Financial Officer, Treasurer, principal financial officer and principal accounting officer. Mr. Featherstone is resigning from the Company as of September 16, 2016 and will continue to work with the Company until such date, and will remain as the Company’s principal accounting officer from September 7, 2016 (the start date for Mr. Shafer) through such date. After Mr. Featherstone’s departure, Mr. Shafer will also assume the role of principal accounting officer.

Mr. Shafer, age 45, previously served as a Vice President of Finance and Corporate Controller for CMF Associates since May 2015, where he led teams in providing finance solutions for small and middle-market high-growth organizations. Prior to that, he served as Senior Director of Finance for Valeant Pharmaceuticals International, a large global publicly traded company that develops, manufactures, markets and sells specialty pharmaceuticals and medical devices. He held primary responsibility as the Business Unit Chief Financial Officer for the Valeant Dentistry, Generics and Neurology business units, and had worked closely with commercial operations and corporate level teams on numerous product launches, sales force expansions, mergers and acquisitions, financial systems integrations, and internal controls. Before joining Valeant in 2013, he served as Senior Director of Finance for Peak Resourcing providing finance and accounting solutions to small and middle market organizations since 2010. Mr. Shafer has a foundation in Public Accounting working at Arthur Andersen LLP at the beginning of his career, holds a Bachelor of Science in Accounting from The Stillman School of Business at Seton Hall University and an MBA in Finance from Rutgers Business School in New Brunswick, NJ. He is also a certified public accountant.

On August 23, 2016, and in connection with his hiring by the Company, Mr. Shafer entered into an employment agreement with the Company, to be effective on September 7, 2016 (the “Shafer Employment Agreement”). Under the Shafer Employment Agreement, Mr. Shafer is entitled to an annual base salary of \$220,000 subject to adjustment upon annual review by the Company’s Board of Directors. Mr. Shafer is also eligible to earn discretionary incentive bonuses and incentive compensation. He is also entitled to participate in all Company employee benefit plans. Upon the termination of his employment other than for cause, or if he terminates his employment for good reason (as such terms are defined in the Shafer Employment Agreement), Mr. Shafer has the right to receive severance payments. If such termination occurs before the end of six months of service, he receives no severance. If such termination occurs after completing six months of service, Mr. Shafer will receive six months of his base salary. Pursuant to this agreement, Mr. Shafer is also subject to covenants regarding confidentiality, non-competition and non-solicitation during and after the term of his employment.

There is no family relationship between Mr. Shafer and any of the Company’s officers and directors. Mr. Shafer was not appointed as a result of any arrangement or understanding between him and any other persons. Mr. Shafer and the Company have not entered into any transaction, nor is any transaction proposed, which would require disclosure pursuant to Item 404(a) of Regulation S-K.

In connection with his resignation, Mr. Featherstone's employment agreement with the Company dated December 2, 2013 will also be terminated effective as of September 16, 2016, subject to the continued enforcement of the provisions relating to non-competition, non-solicitation and confidentiality. In connection with his resignation, Mr. Featherstone and the Company entered into a letter agreement dated August 25, 2016 (the "Featherstone Letter Agreement"), which amends the terms of his employment agreement to allow for ten months of his current salary of \$22,865.66 per month to be paid as severance in connection with his resignation and the vesting of 11,500 shares of restricted stock which would have otherwise been forfeited upon his resignation.

The foregoing description of the Shafer Employment Agreement and the Featherstone Letter Agreement are qualified in their entirety by reference to the full text of the Shafer Employment Agreement and the Featherstone Letter Agreement which are filed with this Current Report on Form 8-K as Exhibits 10.1 and 10.3. A copy of Mr. Featherstone's existing employment agreement is also filed with this Current Report on Form 8-K as Exhibit 10.2.

Appointment of Mike Mekhiche as Executive Vice President - Engineering and Operations

Effective August 26, 2016, Dr. Mike Mekhiche, who previously served the Company as Vice President – Engineering, was promoted to Executive Vice President – Engineering and Operations. Dr. Mekhiche, age 49, has served as the Company's Vice President – Engineering since September 2012. Prior to joining the Company in 2012, Dr. Mekhiche worked for various commercial and defense contractors such as BAE Systems, a large global defense and aerospace contractor, DRS Technologies, Kaman Aerospace and SatCon Technology Corporation. At BAE Systems, Inc., he served most recently in the role of Director of Products and Technologies, overseeing the design, development, production and systems integration of advanced power management and hybrid propulsion product lines for various mobile and stationary applications such as naval vessels, heavy duty commercial vehicles and military combat and tactical platforms. Dr. Mekhiche holds Doctorate and Masters degrees with honors in Electrical Engineering from the Grenoble Institute of Technology.

Mr. Mekhiche is party to an employment agreement with the Company dated September 12, 2012, as amended on June 19, 2014 (as so amended, the "Mekhiche Employment Agreement"). Under the Mekhiche, Employment Agreement, Mr. Mekhiche is currently entitled to an annual base salary of \$323,392 subject to adjustment upon annual review by the Company's Board of Directors. Mr. Mekhiche is also eligible to earn discretionary incentive bonuses and incentive compensation. He is also entitled to participate in all Company employee benefit plans. Upon the termination of his employment other than for cause, or if he terminates his employment for good reason (as such terms are defined in the Mekhiche Employment Agreement), Mr. Mekhiche has the right to receive severance payments of one year of his base salary. Pursuant to this agreement, Mr. Mekhiche is also subject to covenants regarding confidentiality, non-competition and non-solicitation during and after the term of his employment

The foregoing description of the Mekhiche Employment Agreement is qualified in its entirety by reference to the full text of the Mekhiche Employment Agreement which is filed with this Current Report on Form 8-K as Exhibits 10.4 and 10.5.

Item 9.01 Financial Statements and Exhibits.

Exhibits

*# 10.1 Employment Letter between the Company and Matthew Shafer dated August 23, 2016.

10.2 Employment Agreement, dated December 2, 2013, between Mark A. Featherstone and Ocean Power Technologies, Inc. (incorporated by reference from Exhibit 10.1 to Form 10-Q filed March 14, 2014).

#* 10.3 Letter Agreement between the Company and Mark A. Featherstone dated August 25, 2016.

*# 10.4 Employment Letter between the Company and Mike Mekhiche dated September 12, 2012.

*# 10.5 Letter Agreement between the Company and Mike Mekhiche dated June 19, 2014.

* Filed herewith.

Management contract or compensatory plan or arrangement.

SIGNATURE

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

Ocean Power Technologies, Inc.

Dated: August 29, 2016

/s/ George H. Kirby
George H. Kirby
President and Chief Executive Officer

Exhibit Index

- *# 10.1 Employment Letter between the Company and Matthew Shafer dated August 23, 2016.
- # 10.2 Employment Agreement, dated December 2, 2013, between Mark A. Featherstone and Ocean Power Technologies, Inc. (incorporated by reference from Exhibit 10.1 to Form 10-Q filed March 14, 2014).
- *# 10.3 Letter Agreement between the Company and Mark A. Featherstone dated August 25, 2016.
- *# 10.4 Employment Letter between the Company and Mike Mekhiche dated September 12, 2012.
- *# 10.5 Letter Agreement between the Company and Mike Mekhiche dated June 19, 2014.

* Filed herewith.

Management contract or compensatory plan or arrangement.



August 23, 2016

Matthew T. Shafer
Allaire Country Club Estates
173 Tennis Court
Wall Township, NJ 07719

Dear Matthew:

Ocean Power Technologies, Inc. ("OPT" or the "Company") is very pleased to offer you a position as a full-time employee with the Company under the terms contained in this employment letter and the Attachment hereto.

OPT hereby offers to you the position of Chief Financial Officer ("CFO"), Vice President – Finance, and Treasurer, reporting to the Company's President and Chief Executive Officer ("CEO"), subject to the satisfactory completion of background checks. As such, your duties and responsibilities will be those duties and responsibilities consistent with similar positions in a publicly traded company in the United States, and as may be assigned by me as the Company's CEO or by the Audit Committee of the Company's Board of Directors. In addition to the foregoing, your duties and responsibilities will also include, but shall not be limited to, your management of the OPT finance department.

OPT may alter your position and your duties and responsibilities as deemed appropriate by the Company in the future. In addition, you will have the following responsibilities: (i) to devote attention, labor, skill and energy to the business of the Company; (ii) to diligently and to the best of your ability perform all duties incident to your employment as described in this letter; and (iii) to use your best efforts to promote the interests, goodwill and welfare of the Company.

Compensation for your services, subject to the terms of this letter, shall be a base salary of \$220,000 per annum, to be paid semi-monthly in accordance with OPT's standard payroll practices, for as long as you are employed by the Company or until a change is made by OPT to your salary. Payments to you will be less all amounts required to be withheld by federal, state and all other applicable income tax laws, regulations and rulings. You will receive reviews of your job performance in accordance with OPT's policies. Adjustments to your compensation, if any, will generally be considered on an annual basis and will generally occur (but are not required to occur) in May or June of each year. In addition, you will be eligible for consideration of an annual target bonus award of 35% of your base salary based upon your performance and that of the Company. In addition, subject to approval by the Company's Board of Directors following the Company's planned meeting of stockholders in the fall of 2016, you will be considered for an award of the Company's common stock targeted to equate to 50% of your base salary to vest, if at all, over the next three years (using the start date of your employment with the Company) but based on your attaining certain performance goals to be agreed upon by the Company's CEO.

In addition to the foregoing compensation, during your employment with the Company you will be entitled to participate in all employee benefit plans and programs now or in the future maintained by the Company, so long as you meet any applicable eligibility requirements. You will also receive vacation time to be accrued in accordance with the Company's policies, which total amount shall be three weeks of annual paid vacation. Under OPT's current policy, after every four week until a maximum of four weeks' vacation is earned. Consistent with the Company's existing policies, you will be permitted to use up to five paid sick days each year and you will receive ten holidays with pay each year.

If you accept this offer, the start date of your employment with the Company will be Wednesday, September 7, 2016. You will be expected to work at the Company's office in Pennington, New Jersey, or at other locations as may be directed by the Company's CEO, during OPT's normal business hours, as well as any additional hours needed in order to complete your duties, responsibilities and assigned tasks. In light of the location of your current residence in the State of New Jersey, OPT is not offering you any relocation costs.

After you have completed six months of service to the Company, in the event you terminate your employment with the Company for "Good Reason," as defined below, or if the Company should terminate your employment other than (i) for "Cause," as defined below, or (ii) because you cannot perform your services as result of physical or mental incapacitation, you will be eligible to receive six months of your base salary as a severance payment, and you will be eligible to receive medical and dental benefits under the Company's medical and dental plans then in effect. Any severance payment including the benefits described above will be paid by the Company as salary continuation in accordance with its regular payroll practices, and will be conditioned upon the execution and non-revocation by you of a severance agreement and general release provided by the Company in which you will release any and all claims you may have against the Company and its affiliates (to the extent permitted by applicable law).

1590 Reed Road
Pennington, NJ 08534 USA
Tel: 609-730-0400 - Fax: 609-730-0404

“Cause” as used in this employment letter shall mean a termination of your employment by the Company because you have done any of the following: (a) materially breached or materially failed to perform your duties and responsibilities as set forth in this employment agreement or its Attachment or under applicable law; (b) failed to follow a lawful and reasonable directive of the Company’s CEO or the Company’s Board of Directors; (c) failed to follow the Company’s policies and procedures in effect from time to time; (d) committed an act of dishonesty in the performance of your duties and responsibilities or engaged in willful misconduct detrimental to the business of the Company; (e) been indicted on felony charges; (f) been convicted of misdemeanor charges involving any crime of moral turpitude; (g) breached in any material respect or failed to perform in any material respect your obligations and duties in any agreement between you and the Company; or (h) violated your restrictive covenants with the Company including, without limit, your non-compete, non-solicit, non-hire, confidentiality obligations, and intellectual property transfer obligations regarding the ownership of intellectual property created or developed, in whole or in part, by you while an employee of the Company as set forth in the Attachment to this employment letter. “Good Reason” as used in this employment letter shall mean a material diminution of your duties and responsibilities or a material change in the position to which you report. A termination by you for Good Reason can only occur if (i) within sixty (60) days after the initial occurrence of the condition giving rise to Good Reason you have given a written notice of such to the Company, (ii) the Company has not cured the condition within thirty (30) days after receipt of such notice, and (iii) you actually cease employment within thirty (30) days after the period set forth in clause (ii) above.

By accepting this offer, you recognize and acknowledge that you may have access to certain ideas, processes, strategies, trade secrets, methods of operation or other non-public information (whether or not that non-public information is material), or involving the business, technology, operations, financial condition or services of OPT or any of its subsidiaries, or any and all other similar information all of which is collectively referred to in this employment letter as “Confidential Information” of OPT, and you further recognize and acknowledge that that all such Confidential Information constitutes valuable, special and unique property of OPT. You agree that you will not, without the prior written consent of OPT, disclose or authorize or permit anyone under your direction to disclose to anyone not properly entitled thereto any such Confidential Information. Accordingly, as part of your acceptance of this offer, you agree to execute and to be bound by that certain Proprietary Information, Restrictive Covenant and Inventions Agreement (the “Agreement”) attached hereto and incorporate herein. By accepting this offer, you further represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with OPT and carrying out your responsibilities to the Company or which in any way otherwise interferes with or is in conflict with such employment.

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This employment letter and the Attachment shall not be construed as an agreement, either express or implied, to employ you for any stated term and shall in no way alter OPT's policy of employment at-will under which both you and OPT remain free to terminate the employment relationship at any time, with or without notice, and with or without Cause (as defined above). This letter and the Agreement constitute the entire offer to you by the Company and, if you accept, they shall constitute the entire agreement between you and the Company and shall be governed by the laws of the State of New Jersey. If you agree to the terms of this offer, please sign and date below, as well as on the Agreement and return a copy to me by email message and then mail the originals to the Company to my attention.

This offer is valid through 5:00 pm (EDT), Tuesday, August 23, 2016.

Should you have any questions concerning this offer, or any other question about the Company and this position, please contact me by telephone as soon as possible. I look forward to hearing from you.

Sincerely,

George H. Kirby
OPT President and CEO

I have read and understand this employment letter and the Attachment hereto. The foregoing correctly sets forth the terms of my employment with OPT.

_____/s/ Matthew T. Shafer____ DATE: ____August 23, 2016____

Matthew T. Shafer

1590 Reed Road
Pennington, NJ 08534 USA
Tel: 609-730-0400 - Fax: 609-730-0404

ATTACHMENT

Ocean Power Technologies, Inc.

**PROPRIETARY INFORMATION, RESTRICTIVE COVENANT AND
INVENTIONS AGREEMENT**

As an employee of OCEAN POWER TECHNOLOGIES, INC., or any of its subsidiaries or affiliates (together, the "Company"), and as a condition of my employment by the Company and in consideration of the compensation now and hereafter paid to me, I agree to the following:

1. MAINTAINING CONFIDENTIAL INFORMATION

(a) **Company Information** - I agree at all times during the term of my employment and thereafter to hold in strictest confidence, and not to use, except for the benefit of the Company, or to disclose to any person, firm or corporation, without the written authorization of the Board of Directors of the Company, any trade secrets, confidential knowledge, data or other proprietary information of the Company. By way of illustration and not limitation, such Company information shall include information relating to products, processes, know-how, designs, formulas, methods, samples, media and/or cell lines, developmental or experimental work, improvements, discoveries, plans for research, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers, and information regarding the skills and compensation of other employees of the Company.

(b) **Former Employer Information** - I agree that I will not, during my employment with the Company, improperly use or disclose any proprietary information or trade secrets of my former or concurrent employers or companies, if any, and that I will not bring onto the premises of the Company any unpublished documents or any property belonging to my former or concurrent employers or companies unless previously and specifically consented to in writing by said employers or companies.

(c) **Third Party Information** - I recognize that the Company has received and in the future will receive confidential or proprietary information from third parties subject to a duty on the Company's part to maintain the confidentiality of such information and, in some cases, to use it only for certain limited purposes. I agree that I owe the Company and such third parties, both during the term of my employment and thereafter, a duty to hold all such confidential and proprietary information in the strictest confidence and not to disclose it to any person, firm or corporation (except in a manner that is consistent with the Company's agreement with the third party) or use it for the benefit of anyone other than the Company or such third party (consistent with the Company's agreement with the third party), unless expressly authorized to act otherwise by an officer of the Company.

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2. **ASSIGNMENT OF INVENTIONS AND ORIGINAL WORKS**

(a) **Inventions and Original Works Assigned to the Company** - I agree that I will make prompt written disclosure to the Company, will hold in trust for the sole right and benefit of the Company, and hereby assign to the Company all my right, title and interest in and to any ideas, inventions, original works or authorship, developments, improvements or trade secrets which I may solely or jointly conceive or reduce to practice, or cause to be conceived or reduced to practice, during the period of my employment with the Company.

I acknowledge that all original works of authorship which are made by me (solely or jointly with others) within the scope of my employment and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act (17 U.S.C., Section 101).

(b) **Inventions and Original Works Assigned to the United States** - I hereby assign to the United States government all my right, title and interest in and to any and all inventions, original works of authorship, developments, improvements or trade secrets whenever full title to same is required to be in the United States by a contract between the Company and the United States or any of its agencies.

(c) **Obtaining Letters Patent, Copyright Registrations and Other Protections** - I will assist the Company in every proper way to obtain and enforce United States and foreign proprietary rights relating to any and all inventions, original works of authorship, developments, improvements or trade secrets of the Company in any and all countries. To that end I will execute, verify and deliver such documents and perform such other acts (including appearing as a witness) that the Company may reasonable request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such proprietary rights and the assignment thereof. In addition, I will execute, verify and deliver assignments of such proprietary rights to the Company or its designee. My obligation to assist the Company with respect to proprietary rights in any and all countries shall continue beyond the termination of my employment, but the Company shall compensate me at a reasonable rate after my termination for the time actually spent by me at the Company's request on such assistance.

In the event the Company is unable for any reason, after reasonable effort, to secure my signature on any document needed in connection with the actions specified in the preceding paragraph, I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of the preceding paragraph with the same legal force and effect as if executed by me. I hereby waive and quitclaim to the Company any and all claims of any nature whatsoever which I now or may hereafter have for infringement of any proprietary rights assigned to the Company.

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(d) **Obligation to Keep the Company Informed** - In addition to my obligations under paragraph 2(a) above, during the period of my employment I will promptly disclose to the Company fully and in writing all patent applications filed by me or on my behalf. I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the Company) of all proprietary information developed by me and all inventions made by me during the period of my employment by the Company, which records shall be available to and remain the sole property of the Company at all times.

3. **NON-COMPETITION**

I agree that, during my employment with the Company and for a period of one (1) year after termination of my employment with the Company, I will not, without the Company's expressed written consent, engage in any consulting, employment or business that is directly or indirectly competitive with the Company or assist others in any business that is competitive with the Company. A company shall be considered "competitive" with the Company if such company engages in any line of business in competition with the energy generation technology services and/or products with which I was, directly or indirectly, engaged while an employee of the Company.

4. **NON-SOLICITATION/NON-INTERFERENCE**

(a) **Employees and Independent Contractors** - During my employment and for a period of one (1) year after termination of my employment with the Company, I will not recruit, solicit, or hire, or assist others in recruiting, soliciting or hiring, any past or present employee, director, contractor or other business associate (collectively each a "Business Relation") or otherwise induce any Business Relation to terminate or cease his/her employment or other business relationship with the Company. The term Business Relation shall include those individuals or entities who were employed, engaged or associated with the Company during my employment or, if after the termination of my employment, within the twelve (12) month period prior to the termination of my employment.

(b) **Clients, Customers and Business Contacts** - During my employment and for the period of one (1) year after termination of my employment with the Company, I will not solicit, divert, or take away, or attempt to solicit, divert or take away the business or patronage of any of the clients, customers, business contacts or accounts of the Company which were contacted, solicited or served by me at any time during my employment with the Company or regarding which I had access to substantive confidential information.

5. **NO CONFLICTING OBLIGATIONS**

I represent that my performance of all the terms of this Agreement and as an employee of the Company does not and will not breach any agreement or obligation of mine relating to any time prior to my employment by the Company. I have not entered into, and I agree I will not enter into, any agreement either written or oral in conflict herewith.

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6. **RETURN OF COMPANY PROPERTY**

When I leave the employ of the Company or upon any request from the Company, I will deliver to the Company (and will not keep in my possession, recreate or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, together with all copies thereof (in whatever medium recorded) belonging to the Company, its successors or assigns whether kept at the Company, home or elsewhere. I further agree that all Company property, including disks and other storage media and filing cabinets or other work areas, is subject to inspection by Company personnel at any time with or without notice.

7. **NOTIFICATION OF NEW EMPLOYER**

In the event that I leave the employ of the Company, I hereby consent to the notification of my new employer of my rights and obligations under this Agreement.

8. **LEGAL AND EQUITABLE REMEDIES**

Because my services are personal and unique and because I may have access to and become acquainted with the proprietary information of the Company, the Company shall have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement.

9. **GENERAL PROVISIONS**

(a) **Not an Employment Contract** - I agree and understand that nothing in this Agreement shall confer any right with respect to continuation of my employment by the Company, nor shall it interfere in any way with my right or the Company's right to terminate my employment at any time, with or without cause.

(b) **Governing Law; Consent to Personal Jurisdiction** - This Agreement will be governed by and construed according to the laws of the State of New Jersey, excluding conflicts of laws principles. I hereby expressly consent to the personal jurisdiction of the state and federal courts located in New Jersey for any lawsuit filed there against me by the Company arising from or relating to this Agreement.

(c) **Entire Agreement** - This Agreement sets forth the final, complete and exclusive agreement and understanding between the Company and me relating to the subject matter hereof and supersedes all prior and contemporaneous understandings and agreements relating to its subject matter. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by both the Company and me. Any subsequent change or changes in my duties, salary or compensation will not affect the validity or scope of this Agreement.

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(d) **Severability** - If one or more of the provisions in this Agreement are deemed unenforceable by law, then the remaining provisions will continue in full force and effect.

(e) **Successors and Assigns** - This Agreement will be binding upon my heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors and its assigns.

(f) **Survival** - The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by the Company to any successor in interest of other assignee.

(g) **Waiver** - No waiver by the Company of any breach of this Agreement shall be waiver of any preceding or succeeding breach. No waiver by the Company of any right under this Agreement shall be construed as a waiver of any other right. The Company shall not be required to give notice to enforce strict adherence to all terms of this Agreement.

(h) **Notice** - Any notices required or permitted hereunder shall be given to the appropriate party at the address specified below or at such other address as the party shall specify in writing. Such notice shall be deemed given upon personal delivery, or sent by certified or registered mail, postage prepaid, three (3) days after the date of mailing.

This Agreement shall be effective as of the first day of my employment with the Company, namely: September 7, 2016.

I UNDERSTAND THAT THIS AGREEMENT AFFECTS MY RIGHTS TO INVENTIONS I MAKE DURING MY EMPLOYMENT, AND RESTRICTS MY RIGHT TO DISCLOSE OR USE THE COMPANY'S PROPRIETARY INFORMATION DURING OR SUBSEQUENT TO MY EMPLOYMENT.

I HAVE READ THIS AGREEMENT CAREFULLY AND UNDERSTAND ITS TERMS.

Dated: August 23, 2016_

/s/ Matthew T. Shafer
Signature

Matthew T. Shafer
Printed Name of Employee

1590 Reed Road
Pennington, NJ 08534 USA
Tel: 609-730-0400 - Fax: 609-730-0404



August 25, 2016

Via Hand Delivery

Mark A. Featherstone
c/o Ocean Power Technologies, Inc.
1590 Reed Road
Pennington, NJ 08534

Dear Mark:

The terms of your employment relationship with Ocean Power Technologies, Inc. (OPT or the "Company") are set forth in that certain letter (signed by both OPT and yourself) dated November 26, 2013. Therein, the terms of your severance provisions upon the end of your employment are set forth in the twelfth and thirteenth unnumbered paragraphs. Of particular relevance to this letter, those severance provisions (assuming you execute, and do not thereafter revoke, a severance and release agreement) require the Company to provide you with twelve (12) months of severance pay (including medical and dental benefits) if you are terminated by the Company (other than for cause or mental or physical incapacitation), and further require that such severance will be paid to you by the Company as salary continuation.

This past week the Company has been discussing with you the end of your employment, which is scheduled to occur at the end of the business day on Friday, September 16, 2016. Based upon those discussions, the Company and you have agreed to make two changes to the severance provisions of your employment letter dated November 26, 2013. First, you have requested, and the Company has agreed, that in lieu of a Company termination of your employment that you instead would agree to resign from the Company provided that your severance provisions (as summarized above and as modified below) will continue to apply. Second, the Company has requested, and you have agreed, that lieu of 12 months of salary continuance that your severance will consist of 10 months of salary continuance and the vesting of your currently awarded but unvested restricted stock units representing 11,500 shares of the Company's common stock prior to the end of your employment with the Company.

The Company and you have also agreed that you will continue to perform the duties and responsibilities of Chief Financial Officer (CFO) and Treasurer until September 7, 2016 when the new CFO is hired. The Company and you have further agreed that you will thereafter and until September 16, 2016 continue your employment with the Company as Principal Accounting Officer, which shall include those duties and responsibilities typically associated with that position, and further agree that this change in title will not and does not trigger the "Good Reason" provisions in the employment letter of November 26, 2013.

Accordingly, OPT and you hereby agree to amend your employment letter dated November 26, 2016 consistent with the foregoing changes. Specifically, OPT and you hereby agree that the entirety of the twelfth and thirteenth paragraphs of that letter are hereby revised, in their entirety, to read as follows:

“In the event you terminate your employment with the Company for Good Reason or if you resign or the Company terminates your employment for any reason other than (i) for Cause or (ii) because you cannot perform your services as a result of physical or mental incapacitation, you will receive the following severance: (a) your outstanding but unvested restricted stock units, totaling no more than 11,500 shares of the Company’s stock, shall be vested before your date of termination or resignation; and (b) for a period of 10 months following your date of termination or resignation the Company will continue to pay to you your Base Salary, and will pay medical and dental benefits under the Company’s medical and dental plans then in effect.”

“Any cash severance will be paid by the Company as salary continuation in accordance with its regular payment practices and will be conditioned upon the execution and nonrevocation by you of a severance and release agreement provided by the Company and releasing all claims against it and its affiliates (to the extent permitted by applicable law). All payments to you hereunder shall be less taxes and other any other deductions required by law.”

The remaining provisions of your employment letter dated November 26, 2013 remain unchanged by this letter agreement.

Please evidence your agreement with these changes to your employment letter dated November 26, 2013 by signing and dating in the space provided below, and then return to me this fully signed letter no later than 5 pm EDT tomorrow, Friday, August 26, 2016.

Sincerely,

/s/ George H. Kirby
 George H. Kirby
 OPT President & CEO

AGREED TO: ___/s/ Mark A. Featherstone_____
 Mark. A. Featherstone

___August 25, 2016___
 Date

OPT

OCEAN POWER TECHNOLOGIES

1590 Reed Road
 Pennington, NJ 08534 USA
 Tel: 609-730-0400 - Fax: 609-730-0404

September 12, 2012

Mr. Michael M. Mekhiche
 27 Fernwood Lane
 Binghamton, New York 13901*

Dear Mike:

Ocean Power Technologies, Inc. ("OPT" or the "Company") is very pleased to offer you a position as a full time employee.

OPT hereby offers to you the position of Vice President, Engineering, reporting to me, subject to our satisfactory completion of reference checks on your background. As such, your duties and responsibilities will be those duties and responsibilities consistent with your position as may from time to time be assigned by me, including your focus on the Company's engineering departments.

OPT may add to or alter your position and responsibilities as deemed appropriate in the future. In addition, you will have the following responsibilities: (a) devote attention, labor, skill and energy to the business of OPT and diligently, and to the best of your ability, perform all duties incident to your employment as described in this letter, and (b) use your best efforts to promote the interests, goodwill and welfare of OPT.

Compensation for your services, subject to the terms of this letter, shall be a salary of \$24,583.33 monthly, which is equivalent to **\$295,000.00** on an annual basis, for as long as you are employed or until a change is made by OPT to your salary. I expect that your next salary review will be as of May 1, 2013. Also, subject to approval of the Board of Directors of OPT, subsequent to the commencement of your employment with the Company you will be awarded **options to acquire 30,000 shares** of the common stock of OPT, and **10,000 restricted shares** of the common stock of OPT, under the OPT 2006 Stock Incentive Plan, as amended and the Company's standard restricted stock and stock option agreements. Of the option grant, the 30,000 shares will be vested over five years, i.e. 6,000 shares vested at each anniversary of the date of grant, assuming you remain employed by the Company on such dates. The term of these options will be for a period of ten (10) years from the date of grant, in accord with the Company's standard form of stock option agreement. Of the restricted stock grant, the 10,000 shares will be vested over three years, based on your attainment of performance goals to be agreed upon with me, assuming you remain employed by the Company on such vesting dates.



You will also be eligible to participate in the Company's 401(k) Plan, which provides for a **50% employer match** to employee contributions, under stated terms and conditions.

You shall be expected to work during OPT's normal operating hours, as well as any additional hours needed in order to complete your assigned tasks. Payments to you shall be less all amounts required to be withheld by Federal, State and all applicable income tax laws, regulations and rulings. You will receive reviews of your job performance in accordance with OPT's policies. Adjustments to your compensation, if any, will generally be considered on an annual basis, except as related to the expected review as of May 1, 2013 mentioned above. You will be eligible for consideration of a **bonus award of up to 30%** of your base salary and awards of stock options in connection with reviews of your job performance and overall performance of the Company, which typically have been done as of May of each year.

In addition to the compensation stated in this offer, during your employment you may be entitled to participate in all employee benefit plans and programs now or in the future maintained by OPT, so long as you meet any applicable eligibility requirements. You also will receive vacation time to be accrued in accordance with OPT's policies, of **four weeks' annual paid vacation**. In addition, you will be permitted to use up to **five paid sick days**. You will also receive a total of **ten holidays with pay**, each year.

Your position with the Company requires you to relocate to the Pennsylvania / New Jersey area. In recognition of such relocation, the Company will reimburse you for up to **\$50,000.00** for costs incurred by you in connection with, and directly related to, that relocation. Eligible costs for such reimbursement include moving costs, the costs of two house-hunting trips in the area for your family, reasonable costs incurred by you in connection with your temporary living arrangements in or near Pennington, New Jersey prior to your permanently relocating to the Pennsylvania/New Jersey area, and customary and reasonable costs incurred in connection with the buying and selling of a home. All reimbursement requests must be supported by documentation evidencing the costs incurred by you. If you terminate your employment with the Company for reasons other than for Good Reason, or if the Company terminates your employment with the Company for reasons other than for Cause:

- (a) prior to the one-year anniversary of your commencement of work, you shall repay to the Company any amount received by you pursuant to your relocation expenses;
- (b) after the one-year anniversary of your commencement of work, but before the two-year anniversary of your commencement of work, you shall repay to the Company one half (1/2) of any amount received by you pursuant to your relocation expenses;
- (c) following the two-year anniversary of your commencement of work, you shall not be required to repay to the Company any amount received by you pursuant to your relocation expenses.

By accepting this offer, you recognize and acknowledge that you may have access to certain ideas, processes, strategies, trade secrets, methods of operation or other non-public information ("Confidential Information") of OPT and that all such information constitutes valuable, special and unique property of OPT. You agree that you will not, without the prior written consent of OPT, disclose or authorize or permit anyone under your direction to disclose to anyone not properly entitled thereto any such Confidential Information relative to the business, technology,



operations, financial condition or services of OPT or any subsidiary. Accordingly, as part of your acceptance of this offer, you agree to execute and be bound by the attached Proprietary Information, Restrictive Covenant and Inventions Agreement (Agreement).

By accepting this offer, you further represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with OPT and carrying out your responsibilities to the Company or which in any way otherwise interferes with or is in conflict with such employment.

This letter shall not be construed as an agreement, either express or implied, to employ you for any stated term, and shall in no way alter OPT's policy of employment at-will, under which both you and OPT remain free to terminate the employment relationship at any time, with or without notice and with or without Cause (as defined below). Notwithstanding the above, the Company shall provide you with two (2) weeks' notice prior to terminating your employment; provided, however, that the Company may, in its sole discretion, pay to you in lieu of such notice an amount equal to the Base Salary that would otherwise be payable to you for such two-week period. This payment will be made in accordance with the Company's regular payroll policies.

In the event you terminate your employment with the Company for Good Reason or the Company terminates your employment for any reason other than (i) for Cause or (ii) because you cannot perform your services as a result of physical or mental incapacitation, you will receive the following severance: for a period of 3 months following your date of termination the Company will continue to pay to you your base salary. Any such severance will be paid by the Company as salary continuation in accordance with its regular payroll practices, and will be conditioned upon the execution and nonrevocation by you of a severance and release agreement provided by the Company and releasing all claims against it and its affiliates (to the extent permitted by applicable law). All payments to you hereunder shall be less taxes and any other deductions required by law. Further, in such conditions, the relocation expense repayment clauses above will not apply.

For purposes of this Agreement:

"Cause" means a termination of your employment by the Company because you have done any of the following: (a) materially breached or materially failed to perform your duties under applicable law, (b) failed to follow lawful and reasonable directives of the Board, or any executive officer to whom you report, (c) failed to follow the Company's policies and procedures in effect from time to time, (d) committed an act of dishonesty in the performance of your duties or engaged in willful misconduct detrimental to the business of the Company, (e) been indicted on felony charges, (f) been convicted of misdemeanor charges involving any crime of moral turpitude, (g) breached in any material respect or failed to perform in any material respect your obligations and duties or any Agreement between you and the Company, or (h) violated your restrictive covenants with the Company (including, without limit, your noncompete, nonsolicit, nonhire, confidentiality obligations, and intellectual property transfer obligations regarding the ownership of intellectual property created or developed, in whole or in part, by you while an employee of the Company).

"Good Reason" means a material diminution of your duties or responsibilities or a material change in the position to which you report. A termination by you for Good Reason can only occur if (i) within sixty (60) days after the initial occurrence of the condition giving rise to Good Reason, you have given a written notice of such to the Company, (ii) the Company has not



cured the condition within thirty (30) days after receipt of such notice, and (iii) you actually cease employment within thirty (30) days after the period set forth in clause (ii).

This letter and the Agreement attached constitute the entire offer to you and, if you accept, they shall constitute the entire agreement and shall be governed by the laws of the state of New Jersey. If you agree to the terms of this offer, please sign and date below, as well as on the attached Agreement and return the originals to me.

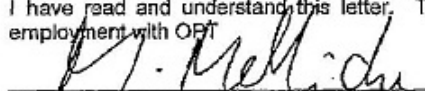
This offer is valid through September 17, 2012.

Should you have any questions concerning this offer, or any other question about the Company and this position, please contact me. I look forward to hearing from you.

Sincerely,


Charles F. Dunleavy
Chief Executive Officer

I have read and understand this letter. The foregoing correctly sets forth the terms of my employment with OPT


Michael M. Mekhiche

DATE: 09/13/2012

OPT

OCEAN POWER TECHNOLOGIES

June 19, 2014

Dr. Mike Mekhiche
3125 E. Brighton St.
Furlong, PA 18925

Dear Mike:

Re: Your Employment Agreement with Ocean Power Technologies

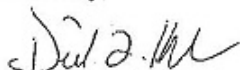
In recognition of your service to Ocean Power Technologies, I am please to inform you that the Compensation Committee of the Board of Directors of Ocean Power Technologies, Inc. has approved of the following change to your employment agreement and/or conditions with Ocean Power Technologies:

Effective February 7, 2014 your severance in the event of your termination other than for cause has been increased to 26 weeks. As of November 5, 2014 the second anniversary of your employment, your severance in the event of your termination other than for cause will be 52 weeks.

All other terms and conditions of your employment offer letter dated September 13, 2012 with OPT remain the same.

I look forward to continuing to work closely with you as we build a leading company in our sector.

Sincerely,



David L. Keller
Interim Chief Executive Officer

DLK:lms

1590 Reed Road
Pennington, NJ 08534 USA
Tel: 609-730-0400 - Fax: 609-730-0404