

Sorrento Therapeutics, Inc.
Form SC 13G
February 14, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

(Amendment No. __)*

Under the Securities Exchange Act of 1934

Sorrento Therapeutics, Inc.

(Name of Issuer)

Common Stock, par value \$0.0001 per share

(Titles of Class of Securities)

83587F202

(CUSIP Number)

December 31, 2016

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

☐ Rule 13d-1(b)

☐ Rule 13d-1(c)

☒ Rule 13d-1(d)

Edgar Filing: Sorrento Therapeutics, Inc. - Form SC 13G

* The remainder of this cover page shall be filled out of a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the "Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

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83587F202

NAME OF REPORTING
PERSON

1
Wildcat Capital
Management, LLC

CHECK THE
APPROPRIATE BOX IF A
MEMBER OF A GROUP

2 (a) o

(b) o

3 SEC USE ONLY
CITIZENSHIP OR PLACE
4 OF ORGANIZATION

Delaware

5
NUMBER OF
SHARES SOLE VOTING
 POWER
 - 0 -
 SHARED VOTING
 POWER

6
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON 2,676,193 (See Item
 4)

7
OWNED BY EACH
REPORTING PERSON SOLE
 DISPOSITIVE
 POWER

- 0 -
SHARED
DISPOSITIVE
POWER

WITH: 2,676,193 (See Item
4)

AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

9

2,676,193 (See Item 4)

10 CHECK BOX IF THE
AGGREGATE AMOUNT
IN ROW (9) EXCLUDES
CERTAIN SHARES o
PERCENT OF CLASS
11 REPRESENTED BY
AMOUNT IN ROW 9

5.3% ⁽¹⁾
TYPE OF REPORTING
PERSON

12

OO

(1) The calculation assumes that there are a total of 50,882,586 shares of Common Stock (as defined herein) outstanding as of January 3, 2017, as set forth in the Issuer's Current Report on Form 8-K, filed with the Securities and Exchange Commission (the "SEC") on January 5, 2017.

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NAME OF REPORTING
PERSON

1

Wildcat – Liquid Alpha,
LLC
CHECK THE
APPROPRIATE BOX IF A
MEMBER OF A GROUP

2 (a) o

(b) o

3 SEC USE ONLY
CITIZENSHIP OR PLACE
4 OF ORGANIZATION

Delaware

SOLE VOTING
POWER

5

NUMBER
OF

- 0 -
SHARED VOTING
POWER

SHARES 6

BENEFICIALLY 184,000 (See Item
4)

OWNED
BY

SOLE
DISPOSITIVE
POWER

7

EACH

- 0 -
SHARED
DISPOSITIVE
POWER

REPORTING

PERSON 8

WITH:

184,000 (See Item
4)

9 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

184,000 (See Item 4)

10 CHECK BOX IF THE
AGGREGATE AMOUNT
IN ROW (9) EXCLUDES
CERTAIN SHARES ☐
PERCENT OF CLASS
11 REPRESENTED BY
AMOUNT IN ROW 9

0.4%⁽²⁾
12 TYPE OF REPORTING
PERSON

OO

(2) The calculation assumes that there are a total of 50,882,586 shares of Common Stock outstanding as of January 3, 2017, as set forth in the Issuer's Current Report on Form 8-K, filed with the SEC on January 5, 2017.

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NAME OF REPORTING
PERSON

1

Infinity Q Capital
Management, LLC

CHECK THE
APPROPRIATE BOX IF A
MEMBER OF A GROUP

2 (a) o

(b) o

3 SEC USE ONLY
CITIZENSHIP OR PLACE
4 OF ORGANIZATION

Delaware

5
NUMBER OF
SHARES

SOLE VOTING
POWER

- 0 -
SHARED VOTING
POWER

6
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

23,597 (See Item
4)

7
OWNED BY EACH
REPORTING PERSON

SOLE
DISPOSITIVE
POWER

- 0 -
SHARED
DISPOSITIVE
POWER

WITH: 123,597 (See Item
4)
AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

9

123,597 (See Item 4)

CHECK BOX IF THE
AGGREGATE AMOUNT
IN ROW (9) EXCLUDES
CERTAIN SHARES ☐
PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW 9

10

11

0.2% ⁽³⁾
TYPE OF REPORTING
PERSON

12

OO

(3) The calculation assumes that there are a total of 50,882,586 shares of Common Stock outstanding as of January 3, 2017, as set forth in the Issuer's Current Report on Form 8-K, filed with the SEC on January 5, 2017.

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NAME OF REPORTING
PERSON

1

Infinity Q Management
Equity, LLC
CHECK THE
APPROPRIATE BOX IF A
MEMBER OF A GROUP

2 (a) o

(b) o

3 SEC USE ONLY
CITIZENSHIP OR PLACE
4 OF ORGANIZATION

Delaware

SOLE VOTING
POWER

5

NUMBER
OF
SHARES - 0 -
SHARED VOTING
POWER

6

BENEFICIALLY 123,597 (See Item
4)

OWNED
BY SOLE
DISPOSITIVE
POWER

7

EACH
REPORTING - 0 -
SHARED
DISPOSITIVE
PERSON POWER

8

WITH: 123,597 (See Item
4)

9 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

123,597 (See Item 4)

10 CHECK BOX IF THE
AGGREGATE AMOUNT
IN ROW (9) EXCLUDES
CERTAIN SHARES ☐
PERCENT OF CLASS
11 REPRESENTED BY
AMOUNT IN ROW 9

0.2% ⁽⁴⁾
12 TYPE OF REPORTING
PERSON

OO

(4) The calculation assumes that there are a total of 50,882,586 shares of Common Stock outstanding as of January 3, 2017, as set forth in the Issuer's Current Report on Form 8-K, filed with the SEC on January 5, 2017.

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NAME OF REPORTING
PERSON

1

Infinity Q Diversified
Alpha Fund
CHECK THE
APPROPRIATE BOX IF A
MEMBER OF A GROUP

2 (a) o

(b) o

3 SEC USE ONLY
CITIZENSHIP OR PLACE
4 OF ORGANIZATION

Delaware

SOLE VOTING
POWER

5

NUMBER
OF
SHARES - 0 -
SHARED VOTING
POWER

6

BENEFICIALLY 123,597 (See Item
4)

OWNED SOLE
BY DISPOSITIVE
7 POWER

EACH - 0 -
REPORTING SHARED
DISPOSITIVE
PERSON 8 POWER

WITH: 123,597 (See Item
4)

9 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

123,597 (See Item 4)

10 CHECK BOX IF THE
AGGREGATE AMOUNT
IN ROW (9) EXCLUDES
CERTAIN SHARES ☐
PERCENT OF CLASS
11 REPRESENTED BY
AMOUNT IN ROW 9

0.2% ⁽⁵⁾
12 TYPE OF REPORTING
PERSON

OO

(5) The calculation assumes that there are a total of 50,882,586 shares of Common Stock outstanding as of January 3, 2017, as set forth in the Issuer's Current Report on Form 8-K, filed with the SEC on January 5, 2017.

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NAME OF REPORTING
PERSON

1

Bonderman Family Limited
Partnership
CHECK THE
APPROPRIATE BOX IF A
MEMBER OF A GROUP

2 (a) o

(b) o

3 SEC USE ONLY
CITIZENSHIP OR PLACE
4 OF ORGANIZATION

Texas

5
NUMBER OF
SHARES

SOLE VOTING
POWER

- 0 -
SHARED VOTING
POWER

6
BENEFICIALLY OWNED
BY EACH

799,790 (See Item
4)

OWNED BY EACH

SOLE
DISPOSITIVE
POWER

REPORTING PERSON

- 0 -
SHARED
DISPOSITIVE
POWER

WITH: 2,799,790 (See Item
4)

AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

9

2,799,790 (See Item 4)

10 CHECK BOX IF THE
AGGREGATE AMOUNT
IN ROW (9) EXCLUDES
CERTAIN SHARES o
PERCENT OF CLASS
11 REPRESENTED BY
AMOUNT IN ROW 9

5.5% (6)
TYPE OF REPORTING
PERSON

12

PN

(6) The calculation assumes that there are a total of 50,882,586 shares of Common Stock outstanding as of January 3, 2017, as set forth in the Issuer's Current Report on Form 8-K, filed with the SEC on January 5, 2017.

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NAME OF REPORTING
PERSON

1

Leonard A. Potter
CHECK THE
APPROPRIATE BOX IF A
MEMBER OF A GROUP

2 (a) o

(b) o

3 SEC USE ONLY
CITIZENSHIP OR PLACE
4 OF ORGANIZATION

United States

SOLE VOTING
POWER

5

NUMBER
OF
SHARES - 0 -
6 SHARED VOTING
POWER

BENEFICIALLY 2,799,790 (See Item
4)

OWNED SOLE
BY DISPOSITIVE
7 POWER

EACH - 0 -
REPORTING SHARED
PERSON DISPOSITIVE
8 POWER

WITH: 2,799,790 (See Item
4)

9

AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

2,799,790 (See Item 4)

10 CHECK BOX IF THE
AGGREGATE AMOUNT
IN ROW (9) EXCLUDES
CERTAIN SHARES ☐
PERCENT OF CLASS
11 REPRESENTED BY
AMOUNT IN ROW 9

5.5% ⁽⁷⁾
12 TYPE OF REPORTING
PERSON

IN

(7) The calculation assumes that there are a total of 50,882,586 shares of Common Stock outstanding as of January 3, 2017, as set forth in the Issuer's Current Report on Form 8-K, filed with the SEC on January 5, 2017.

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NAME OF REPORTING
PERSON

1

James Velissaris
CHECK THE
APPROPRIATE BOX IF A
MEMBER OF A GROUP

2 (a) o

(b) o

3 SEC USE ONLY
CITIZENSHIP OR PLACE
4 OF ORGANIZATION

United States
SOLE VOTING
POWER

5
NUMBER
OF
SHARES 6 - 0 -
SHARED VOTING
POWER

BENEFICIALLY 123,597 (See Item
4)

OWNED
BY 7 SOLE
DISPOSITIVE
POWER

EACH
REPORTING
PERSON 8 - 0 -
SHARED
DISPOSITIVE
POWER

WITH: 123,597 (See Item
4)

9

AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

123,597 (See Item 4)

10 CHECK BOX IF THE
AGGREGATE AMOUNT
IN ROW (9) EXCLUDES
CERTAIN SHARES o
PERCENT OF CLASS
11 REPRESENTED BY
AMOUNT IN ROW 9

0.2% ⁽⁸⁾

12 TYPE OF REPORTING
PERSON

IN

(8) The calculation assumes that there are a total of 50,882,586 shares of Common Stock outstanding as of January 3, 2017, as set forth in the Issuer's Current Report on Form 8-K, filed with the SEC on January 5, 2017.

Item 1(a). Name of Issuer:

Sorrento Therapeutics, Inc. (the "Issuer")

Item 1(b). Address of Issuer's Principal Executive Offices:

9830 Judicial Drive

San Diego, California 92121

Item 2(a). Name of Person Filing:

This Schedule 13G is being filed jointly on behalf of Wildcat Capital Management, LLC ("Wildcat"), Wildcat – Liquid Alpha, LLC ("WLA"), Infinity Q Capital Management, LLC ("IQCM"), Infinity Q Management Equity, LLC ("IQME"), Infinity Q Diversified Alpha Fund ("IQDA"), Bonderman Family Limited Partnership ("BFLP"), Leonard A. Potter and James Velissaris (each, a "Reporting Person" and, collectively, the "Reporting Persons") pursuant to Rule 13d-1(k)(1) under the Act. Neither the fact of this filing nor anything contained herein shall be deemed to be an admission by the Reporting Persons that a "group" within the meaning of Section 13(d)(3) of the Act exists.

Item 2(b). Address of Principal Business Office or, if none, Residence:

The principal business address of each of Wildcat, IQCM, IQME, IQDA, Leonard A. Potter and James Velissaris is:

888 7th Avenue, 37th Floor

New York, New York 10106

The principal business address of each of BFLP and WLA is:

301 Commerce Street, Suite 3150

Fort Worth, Texas 76102

Item 2(c). Citizenship:

See responses to Item 4 on each cover page.

Item 2(d). Titles of Classes of Securities:

Common Stock, \$0.0001 par value ("Common Stock")

Item 2(e). CUSIP Number:

83587F202

**If This Statement is Filed Pursuant to Rule 13d-1(b), or 13d-2(b) or (c),
Item 3.
Check Whether the Person Filing is a(n):**

- (a) ☐ Broker or dealer registered under Section 15 of the Exchange Act (15 U.S.C. 78o).
- (b) ☐ Bank as defined in Section 3(a)(6) of the Exchange Act (15 U.S.C. 78c).
- (c) ☐ Insurance company as defined in Section 3(a)(19) of the Exchange Act (15 U.S.C. 78c).

(d) o Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8).

(e) o Investment adviser in accordance with §240.13d-1(b)(1)(ii)(E).

(f) o Employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F).

(g) o Parent holding company or control person in accordance with §240.13d-1(b)(1)(ii)(G).

(h) o Savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (13 U.S.C. 1813).

(i) o Church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act (15 U.S.C. 80a-3).

(j) o Non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J).

o Group in accordance with §240.13d-1(b)(1)(ii)(K).

(k)

If filing as a non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J), please specify the type of institution:

Item 4. Ownership

(a) Amount Beneficially Owned:

WLA holds 184,000 shares of Common Stock (the “WLA Shares”) and BFLP holds 2,492,193 shares of Common Stock (the “BFLP Shares”).

Wildcat may be deemed to beneficially own the WLA Shares and the BFLP Shares based on having voting power, which includes the power to vote or to direct the voting of such shares, and investment power, which includes the power to dispose, or direct the disposition of, such shares, pursuant to the terms of each of the WLA and BFLP operating agreements and an investment management agreement by and between Wildcat and each of WLA and BFLP, respectively. Pursuant to the terms of the investment management agreement, each of WLA and BFLP (i) delegates investment power with respect to the WLA Shares and the BFLP Shares, respectively, to Wildcat and (ii) may direct Wildcat to proscribe a particular investment, investment strategy or investment type. The investment management agreement can be terminated by BFLP or WLA upon 15 days’ prior written notice or by Wildcat upon 90 days’ prior written notice. BFLP owns a majority of the outstanding membership interests of WLA and may be deemed to beneficially own the WLA Shares.

IQCM may be deemed to beneficially own 123,597 shares of Common Stock held by IQDA (the “IQDA Shares”) based on having voting power, which includes the power to vote or to direct the voting of such shares, and investment power, which includes the power to dispose, or direct the disposition of, such shares, pursuant to the terms of an investment management agreement by and between IQCM and Trust for Advised Portfolios on behalf of IQDA. Pursuant to the terms of the investment management agreement, IQDA (i) delegates investment power with respect to the IQDA Shares to IQCM and (ii) may direct IQCM to proscribe a particular investment, investment strategy or investment type. The investment management agreement can be terminated by either party upon 60 days’ prior written notice. As the members of IQCM, each of BFLP and IQME has the right to appoint one manager of IQCM, and each of BFLP and IQME may be deemed to beneficially own the IQDA Shares. Mr. Velissaris is the sole manager of IQME. Because of the relationship of Mr. Velissaris to IQME, Mr. Velissaris may be deemed to beneficially own the IQDA Shares.

Mr. Potter is an officer and the sole member of Wildcat. Because of the relationship of Mr. Potter to Wildcat, Mr.

Potter may be deemed to beneficially own the WLA Shares and the BFLP Shares.

Messrs. Potter and Velissaris are co-managers, and Chief Executive Officer and Chief Investment Officer, respectively, of IQCM. Because of the relationship of Messrs. Potter and Velissaris to IQCM, each of Messrs. Potter and Velissaris may be deemed to beneficially own the IQDA Shares.

IQCM is managed separately and operated independently of Wildcat. IQCM employs its own investment strategy and operates in accordance with its own investment mandate, including the independent exercise of voting and investment powers with respect to securities held directly by IQDA. Accordingly, (i) each of Wildcat and WLA disclaims beneficial ownership of any shares of Common Stock beneficially owned by IQCM, IQME, IQDA and Mr. Velissaris, (ii) except to the extent indicated herein in respect of shares of Common Stock that WLA holds, WLA disclaims beneficial ownership of any shares of Common Stock beneficially owned by Wildcat, BFLP and Mr. Potter and (iii) each of IQCM, IQME, IQDA and Mr. Velissaris disclaims beneficial ownership of any shares of Common Stock beneficially owned by Wildcat or WLA, and, except to the extent indicated herein in

respect of shares of Common
Stock that IQCM, IQME,
IQDA or Mr. Velissaris hold,
any shares of Common Stock
beneficially owned by BFLP
and Mr. Potter.

(b) Percent of Class:

See responses to Item 11 on each cover page.

(c) Number of shares as to which such person has:

Sole power to vote or to direct the vote:

(i)

See responses Item 5 on each cover page.

Shared power to vote or to direct the vote:

(ii)

See responses to Item 6 on each cover page.

Sole power to dispose or to direct the disposition of:

(iii)

See responses to Item 7 on each cover page.

Shared power to dispose or to direct the disposition of:

(iv)

See responses to Item 8 on each cover page.

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [].

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Not Applicable.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person.

See response to Item 4(a) above.

Item 8. Identification and Classification of Members of the Group.

Not Applicable.

Item 9. Notice of Dissolution of Group.

Not Applicable.

Item 10. Certification.

Not Applicable.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 14, 2017

Wildcat Capital Management, LLC

By: /s/ Leonard A. Potter

Name: Leonard A. Potter

Title: President

Wildcat – Liquid Alpha, LLC

By: /s/ Clive Bode

Name: Clive Bode

Title: President

Infinity Q Capital Management, LLC

By: /s/ Leonard A. Potter

Name: Leonard A. Potter

Title: Chief Executive Officer

Infinity Q Management Equity, LLC

By: /s/ James Velissaris

Name: James Velissaris

Title: Sole Manager

Infinity Q Diversified Alpha Fund

By: Infinity Q Capital Management, LLC

By: /s/ Leonard A. Potter

Name: Leonard A. Potter

Title: Chief Executive Officer

Bonderman Family Limited Partnership

By: /s/ Clive Bode

Name: Clive Bode

Title: President

Leonard A. Potter

By: /s/ Leonard A. Potter

Name: Leonard A. Potter

James Velissaris

By: /s/ James Velissaris

Name: James Velissaris

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Exhibit Index

Agreement of Joint Filing as required by Rule 13d-1(k)(1) under the Act.*

Exhibit 1

* Incorporated herein by reference to the Agreement of Joint Filing by and among Wildcat Capital Management, LLC, Wildcat – Liquid Alpha, LLC, Infinity Q Capital Management, LLC, Infinity Q Management Equity, LLC, Infinity Q Diversified Alpha Fund, Bonderman Family Limited Partnership, Leonard A. Potter and James Velissaris, dated as of April 18, 2016, which was previously filed with the SEC as Exhibit 1 to Schedule 13G filed by Wildcat Capital Management, LLC, Wildcat – Liquid Alpha, LLC, Infinity Q Capital Management, LLC, Infinity Q Management Equity, LLC, Infinity Q Diversified Alpha Fund, Bonderman Family Limited Partnership, Leonard A. Potter and James Velissaris, on April 18, 2016.

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