

**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): August 26, 2024**

**ELIEM THERAPEUTICS, INC.**

(Exact name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-40708**  
(Commission  
File Number)

**83-2273741**  
(IRS Employer  
Identification No.)

**PMB #117**  
**2801 Centerville Road 1<sup>st</sup> Floor**  
**Wilmington, DE**  
(Address of Principal Executive Offices)

**19808-1609**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: 1-877-ELIEMTX (354-3689)**

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	ELYM	The Nasdaq Stock Market LLC (The Nasdaq Global Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On August 26, 2024, Eliem Therapeutics, Inc. (the “Company”) announced that its board of directors (the “Board”) had appointed Brett Kaplan, M.D., as Chief Operating Officer of the Company, effective August 26, 2024 (the “Effective Date”).

Dr. Kaplan, age 50, was most recently President, Chief Financial and Corporate Development Officer of Chroma Medicine, Inc. (“Chroma”), a private biotechnology company, from June 2021 to August 2024. Prior to joining Chroma, Dr. Kaplan was the Chief Financial Officer of Prevail Therapeutics Inc., a clinical-stage gene therapy biotechnology company focused on neurodegenerative disorders that was acquired by Eli Lilly and Company, from November 2018 to March 2021. From August 2010 to November 2018, Dr. Kaplan worked at Evercore Partners, an investment bank, where he most recently served as Managing Director. Prior to Evercore Partners, Dr. Kaplan was an Equity Research Analyst at Cowen and Company LLC, an investment bank, from 2007 to 2010. Dr. Kaplan has been a director of Myeloid Therapeutics, Inc., a private immunology company, since June 2022, and also served as a director of Compass Therapeutics, Inc., a biopharmaceutical company, from September 2020 to February 2022. Dr. Kaplan received an M.B.B.Ch. and an MBA from the University of Witwatersrand.

Pursuant to an offer letter (the “Offer Letter”), dated July 31, 2024, between the Company and Dr. Kaplan governing the terms of his employment, Dr. Kaplan will be paid a base salary of \$500,000 per year. Dr. Kaplan will also be eligible to receive an annual discretionary bonus of up to 45.0% of his annualized base salary each year, as determined by the Board in its sole discretion. Also, as a condition to his employment and pursuant to the Offer Letter, Dr. Kaplan will enter into a confidential information and invention assignment agreement with the Company.

Effective as of the Effective Date, the Board granted to Dr. Kaplan (i) a stock option to purchase 465,000 shares of the Company’s common stock (the “Common Stock”) at an exercise price per share equal to the closing price of the Common Stock on The Nasdaq Global Market on the Effective Date (the “Option”) and (ii) 77,500 restricted stock units (“RSUs”). The Option and the RSUs were granted pursuant to the Company’s 2021 Equity Incentive Plan. The Option will vest as to 25% of the shares underlying the option on the first anniversary of the Effective Date and in 36 equal monthly installments thereafter, and the RSUs will vest as to 25% of the RSUs on each of the first four anniversaries of the Effective Date, in each case, subject to Dr. Kaplan’s continued service.

In addition, the Offer Letter provides that Dr. Kaplan will be eligible to participate in benefits plans offered to similarly-situated employees by the Company, subject to plan terms and generally applicable Company policies. In the event that the Company terminates Dr. Kaplan’s employment without cause (as defined in the Offer Letter) or Dr. Kaplan resigns for good reason (as defined in the Offer Letter) at any time that is not during the three months prior to, as of, or within twelve months following the effective date of a change in control (as defined in the Offer Letter) and subject to the satisfaction of certain conditions, including Dr. Kaplan’s execution of a separation agreement containing an effective release of claims in favor of the Company, the Company will be obligated to (1) pay to Dr. Kaplan in a single lump sum an amount equal to nine months of his then current base salary and any annual bonus for the previous calendar year that has not yet been paid, (2) make payments for the continuation of Dr. Kaplan’s health, dental and vision coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”) for a period of up to nine months and (3) accelerate the vesting and exercisability of any outstanding and unvested equity awards subject to time-based vesting that are held by Dr. Kaplan as of immediately prior to his termination of employment and that are scheduled to vest and become exercisable in the six month period immediately following Dr. Kaplan’s termination of employment. Alternatively, if the Company terminates Dr. Kaplan’s employment without cause or Dr. Kaplan resigns for good reason during the three months prior to, as of, or within 12 months follow the effective date of a change in control, and subject to the satisfaction of certain conditions, including Dr. Kaplan’s execution of a separation agreement containing an effective release of claims in favor of the Company, the Company will be obligated to (1) pay to Dr. Kaplan in a single lump sum an amount equal to 12 months of his then current base salary, the amount of his target annual discretionary bonus opportunity for the year in which the termination of his employment occurs and any annual bonus for the previous calendar year that has not yet been paid, (2) make payments for the continuation of Dr. Kaplan’s health, dental and vision coverage under COBRA for a period of up to 12 months and (3) accelerate the vesting and exercisability of all outstanding and unvested equity awards subject to time-based vesting that are held by Dr. Kaplan as of immediately prior to his termination of employment.

In addition, Dr. Kaplan will enter into an indemnification agreement with the Company, the form of which was filed as Exhibit 10.8 to the Company's Registration Statement on Form S-1 (File No. 333-257980) filed with the SEC on August 2, 2021, pursuant to which the Company may be required, among other things, to indemnify Dr. Kaplan for certain expenses (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Dr. Kaplan in any action or proceeding arising out of his service to and activities on behalf of the Company.

There is no arrangement or understanding between Dr. Kaplan and any other person pursuant to which Dr. Kaplan was appointed as the Chief Operating Officer of the Company. There are no related party transactions between the Company and Dr. Kaplan reportable under Item 404(a) of Regulation S-K and no family relationships between Dr. Kaplan and any of the Company's directors or officers.

The foregoing description of the Offer Letter does not purport to be complete and is qualified in its entirety by the full text of the Offer Letter, a copy of which is attached as Exhibit 10.1 hereto and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	<a href="#">Offer Letter, dated July 31, 2024, between Eliem Therapeutics, Inc. and Brett Kaplan, M.D.</a>
104	Cover Page Interactive Data File (formatted as Inline XBRL)





July 31, 2024

*Brett Kaplan Via email to [\*\*]*

**Re: Employment Terms**

Dear Brett:

ELIEM THERAPEUTICS, INC. (the "**Company**") is pleased to offer you employment on the terms and conditions set forth in this offer letter agreement (the "**Agreement**") beginning on August 26, 2024 (the "**Start Date**").

**Position**

Your initial position will be Chief Operating Officer of the Company, and you shall be responsible for performing such duties as are assigned to you from time to time consistent with duties typically associated with that position, reporting to the Company's Chief Executive Officer (the "**CEO**"). You will work remotely from your home in [\*\*], Massachusetts, traveling from time to time, including to the Company's offices in Boston, Massachusetts, as may be reasonably required by your duties. The Company may change your position, duties, and work location from time to time in its discretion, subject to your right to resign for Good Reason as and to the extent set forth below.

**Compensation and Benefits**

Your base salary will be at the annualized rate of \$500,000, less payroll deductions and withholdings ("**Base Salary**"), paid on the Company's normal payroll schedule, subject to review from time to time by the Company's Board of Directors (the "**Board**") or a committee thereof, in its sole discretion; provided, however, and for the avoidance of doubt, that you retain your right to resign for Good Reason following a salary reduction that constitutes Good Reason, as and to the extent set forth below.

Following the end of each calendar year, you will be eligible to receive an annual discretionary bonus (the "**Annual Bonus**") with an annual target of forty-five percent (45%) of the base salary you actually received during the applicable bonus year (the "**Target Amount**"). The amount of the Annual Bonus will be determined in the sole discretion of the Board, or a committee thereof, and based, in part, on your performance and the performance of the Company during the applicable bonus year, as well as any other criteria the Board, or a committee thereof, deems relevant, and will be paid less payroll deductions and withholdings. You must be an employee of the Company on the date any Annual Bonus is paid in order to be eligible for and to earn any bonus award, as it also serves as an incentive for you to remain employed with the Company, and no portion of the Annual Bonus will be paid to you if your employment terminates for any reason prior to the payment date, unless otherwise expressly stated in this Agreement. Any Annual Bonus shall be paid by March 15 of the calendar year immediately following the calendar year to which it relates.



You will be eligible to accrue and use up to 20 days' paid vacation during each calendar year, subject to applicable Company policies. Vacation will accrue ratably on a monthly basis. In addition, you will be eligible to take the Company's observed holidays in each calendar year, pursuant to Company policies. If your employment starts or finishes part way through the calendar year, your vacation entitlement during that year shall be calculated on a pro-rata basis rounded up to the nearest half day. You may use vacation days in advance of accruing them (i.e., incur a negative vacation balance), subject to approval by your manager of the specific days you wish to take as vacation, as provided under applicable Company policies.

During your employment, you may participate in the benefits plans offered to similarly-situated employees by the Company from time to time, subject to plan terms (including eligibility terms) and generally applicable Company policies. A full description of current benefits is available for your review. The Company may change benefits from time to time in its sole discretion. You shall be indemnified on the same basis as provided for the Company's other executive officers and in accordance with the provisions of the Company's charter and by-laws then in effect.

### **Equity**

Subject to approval by the Board or a committee thereof, which will occur as soon as practicable but in any event no later than the next regularly scheduled meeting of the Board (which is expected to occur on or around September 3, 2024), the Company will grant you an option to purchase 465,000 shares of the Company's common stock with an exercise price equal to the fair market value of the Company's common stock as determined by the Board or a committee thereof as of the date of grant (the "**Option**"). The Option will be governed by the terms and conditions of the Company's 2021 Equity Incentive Plan (the "**Plan**") and a grant agreement issued thereunder, and will include the following vesting schedule: 12/48ths of the total shares will vest on the one year anniversary of the Start Date, and 1/48th of the total shares will vest each month thereafter on the same day of the month as the Start Date (or if there is no corresponding day, on the last day of the month) subject to your Continuous Service (as defined in the Plan) as of each such date.

Subject to approval by the Board or a committee thereof, which will occur as soon as practicable but in any event no later than the next regularly scheduled meeting of the Board (which is expected to occur on or around September 3, 2024), the Company also will grant you an award of 77,500 restricted stock units (the "**RSUs**"). The RSUs will be governed by the terms and conditions of the Plan and a grant agreement issued thereunder, and will include the following vesting schedule: 1/4<sup>th</sup> of the RSUs will vest on each of the first four annual anniversaries of the Start Date, subject to your Continuous Service as of each such date.

You will be eligible for future annual equity grants at the discretion of the Board and based on your performance and other criteria that the Board deems relevant.

### **Company Policies, Confidential Information and Continuing Obligations**

As a Company employee, you will be expected to abide by Company rules and policies.



In addition, and as a condition of your continued employment with the Company following the Start Date, you will be required to execute, and hereby represent and agree that you will execute, no earlier than the Start Date but no later than ten (10) business days following the Start Date, an Employee Confidential Information, Inventions Assignment, Non-Competition, and Non-Solicitation Agreement in the form enclosed herewith (the “**Confidential Information Agreement**”), which prohibits unauthorized use or disclosure of the Company’s proprietary information, among other obligations (including non-competition and non-solicitation obligations). Your eligibility to receive the Option and RSUs is, as set forth in the Confidential Information Agreement, contingent upon your agreement to the non-competition provision set forth in the Confidential Information Agreement. You acknowledge that such consideration was mutually agreed upon by you and the Company, and is fair and reasonable in exchange for your compliance with such non-competition obligation.

By signing this Agreement you are representing that you have full authority to accept this position and perform the duties of the position without conflict with any other obligations and that you are not involved in any situation that might create, or appear to create, a conflict of interest with respect to your loyalty or duties to the Company. You specifically warrant that you are not subject to an employment agreement or restrictive covenant preventing full performance of your duties to the Company. You agree not to bring to the Company or use in the performance of your responsibilities at the Company any materials or documents of a former employer that are not generally available to the public, unless you have obtained express written authorization from the former employer for their possession and use. You also agree to honor all obligations to former employers during your employment with the Company.

#### **At-Will Employment and Exempt Status**

Your employment with the Company will be “at-will.” You may terminate your employment with the Company at any time, without or with Good Reason (subject to the Good Reason process set forth below). Likewise, the Company may terminate your employment at any time, with or without Cause or advance notice. Your employment at-will status can only be modified in a written agreement signed by you and by an officer of the Company.

As an exempt salaried employee, you will be expected to generally work the Company’s normal business hours, as well as additional hours as required by the nature of your work assignments, and you will not be eligible for overtime compensation. The Company acknowledges that you currently are a director on the Board of Directors of Myeloid Therapeutics and agrees that you may continue to serve in such capacity, as well as on the Boards of Directors of such other entities as the CEO may approve, so long as such activities are not competitive with the business of the Company and do not individually or in the aggregate interfere with the timely performance of your duties or create a potential business or fiduciary conflict.



**Termination by the Company without Cause or Your Resignation for Good Reason Not in Connection with a Change in Control**

In the event that the Company terminates your employment without Cause (as defined on **Exhibit A** hereto) or you resign for Good Reason (as defined on **Exhibit A** hereto) at any time that is not during the three (3) months prior to, as of, or within twelve (12) months following the effective date of a Change in Control (as defined on **Exhibit B** hereto), you shall be entitled to the Accrued Obligations (as defined on **Exhibit A** hereto) and, subject to your satisfaction of the Conditions (as defined below), you will be eligible for the following as your sole severance benefits (the “**Non-Change in Control Severance Benefits**”):

(i) The Company will pay you an amount equal to (x) nine (9) months of your then current Base Salary rate as of your termination date and (y) any Annual Bonus for the previous calendar year that has not yet been paid to you, less all applicable withholdings and deductions, to be paid in a single lump sum on the Company’s first regularly scheduled payroll date that is at least one week after the Release Effective Date (as defined below).

(ii) Provided you timely elect continued coverage under COBRA under the Company’s group health, dental and vision plans following such termination, the Company will pay any administrative fee and your COBRA premiums to continue your health, dental and vision insurance coverage in effect on the employment termination date until the earliest of: (1) nine (9) months following the termination date; (2) the date when you become eligible for substantially equivalent health insurance coverage in connection with new employment; or (3) the date you cease to be eligible for COBRA continuation coverage for any reason, including plan termination (such period from the termination date through the earlier of (1)-(3) in this paragraph, the “**Non-CIC COBRA Change in Control Payment Period**”). Notwithstanding the foregoing, if at any time the Company determines that its payment of COBRA premiums on your behalf would result in a violation of applicable law (including, but not limited to, the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then this benefit shall not apply. Nothing in this Agreement shall deprive you of your rights under COBRA or ERISA for benefits under plans and policies arising under your employment by the Company.

(iii) Effective as of your Release Effective Date, the vesting and exercisability of any outstanding unvested Company equity awards that are held by you as of immediately prior to your termination of employment and are scheduled to vest and become exercisable under a time-based or service-based schedule in the six (6) month period immediately following such termination of employment shall be deemed immediately vested and exercisable as of your termination of employment.



### **Termination by the Company without Cause or Your Resignation for Good Reason in Connection with a Change in Control**

In the event that the Company terminates your employment without Cause or you resign for Good Reason during the three (3) months prior to, as of, or within twelve (12) months following the effective date of a Change in Control ("**Change in Control Termination Date**"), you shall be entitled to the Accrued Obligations and, subject to your satisfaction of the Conditions, you will be eligible for the following as your sole severance benefits (the "**Change in Control Severance Benefits**"):

(i) The Company will pay you an amount equal to (x) twelve (12) months of your then current Base Salary, (y) the Target Amount for the year in which your termination of employment occurs, and (z) any Annual Bonus for the previous calendar year that has not yet been paid to you, less all applicable withholdings and deductions, to be paid in a single lump sum on the Company's first regularly scheduled payroll date that is at least one week after the Release Effective Date, or, if later the effective date of a Change in Control.

(ii) Provided you timely elect continued coverage under COBRA under the Company's group health, dental and vision plans following such termination, the Company will pay any administrative fee and your COBRA premiums to continue your health, dental and vision insurance coverage in effect on the employment termination date until the earliest of: (1) twelve (12) months following the termination date; (2) the date when you become eligible for substantially equivalent health insurance coverage in connection with new employment or (3) the date you cease to be eligible for COBRA continuation coverage for any reason, including plan termination (such period from the termination date through the earlier of (1)-(3) in this paragraph, the "**CIC COBRA Change in Control Payment Period**"). Notwithstanding the foregoing, if at any time the Company determines that its payment of COBRA premiums on your behalf would result in a violation of applicable law (including, but not limited to, the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then this benefit shall not apply. Nothing in this Agreement shall deprive you of your rights under COBRA or ERISA for benefits under plans and policies arising under your employment by the Company.

(iii) Effective as of the later of your Release Effective Date and immediately prior to a Change in Control, the vesting and exercisability of all outstanding unvested Company equity awards that are held by you as of immediately prior to the Change in Control Termination Date and are scheduled to vest and become exercisable under a time-based or service-based schedule shall be deemed immediately vested and exercisable as of your termination of employment.

For the avoidance of doubt, under no circumstances will you be entitled to receive both the Non-Change in Control Severance Benefits and the Change in Control Severance Benefits. In addition, if your employment is terminated by the Company without Cause or by you for Good Reason prior to a Change in Control, (i) any then-outstanding and unvested equity awards that vest and become exercisable under a time-based or service-based schedule held by you (after taking into account any Non-Change in Control Severance Benefit vesting acceleration provided for above) shall remain outstanding (but any vesting shall be suspended) for up to (but not longer than) three (3) months following the date of termination so that, if it is later determined that such termination occurred during the three-month period prior to the closing of a Change in Control and you are entitled to Change in Control Severance Benefits rather than Non-Change in Control Severance Benefits, the vesting of such



awards may be accelerated immediately prior to the Change in Control and (ii) any Change in Control Severance Benefits shall be reduced by any Non-Change in Control Severance Benefits previously paid to you, if it is later determined that the termination occurred during the three-month period prior to the closing of a Change in Control and that you are entitled to Change in Control Severance Benefits rather than Non-Change in Control Severance Benefits.

“**Change in Control**” is defined at **Exhibit B**, which supersedes the any other definitions of Change in Control for all purposes related to your employment with the Company, including but not limited to equity incentive grants.

Your receipt of the Non-Change in Control Severance Benefits or Change in Control Severance Benefits will be conditioned upon your satisfaction of each of the following conditions (the “**Conditions**”): (i) within the timeframe provided by the Company, which shall be no later than the 60th day following the date of your termination of employment, you must have signed and delivered to the Company, in the form to be provided by the Company at or around the time on which the termination of your employment occurs, a separation agreement containing an effective, general release of claims in favor of the Company and its affiliates and representatives, a reaffirmation of your continuing obligations under the Confidential Information Agreement, and an agreement not to compete with the Company for twelve (12) months following the date of your termination of employment (the “**Release**”), which must not be revoked (the date that the Release can no longer be revoked is referred to as the “**Release Effective Date**”); (ii) if you hold any other positions with the Company or any Affiliate, including a position on the Board, you must resign such position(s) to be effective no later than the date of your employment termination (or such other date as requested by the Board); (iii) you must return all Company property; (iv) you must comply with, and have been in compliance with, all of your obligations under this Agreement and the Confidential Information Agreement; and (v) you must comply with the terms of the Release, including without limitation, any lawful non-disparagement, confidentiality, and non-competition provisions contained in the Release (provided that the non-competition provision shall be no broader than that set forth in the Confidential Information Agreement). To the extent that any severance payments are deferred compensation under Section 409A of the Code, and are not otherwise exempt from the application of such Section 409A, then, if the 60<sup>th</sup> day of the period during which you may consider and sign the Release spans two calendar years, the payment of any severance will not be made or begin until the later calendar year.

#### **Section 409A**

Notwithstanding anything to the contrary in this Agreement, the following provisions apply to the extent severance benefits provided herein are subject to Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively “**Section 409A**”). Severance shall not commence until you have a “separation from service” (as defined under Treasury Regulation Section 1.409A-1(h), without regard to any alternative definition thereunder, a “separation from service”). Each installment of severance is a separate “payment” for purposes of Treas. Reg. Section 1.409A-2(b)(2)(i), and the severance is intended to satisfy the exemptions from application of Section 409A provided under Treasury Regulations Sections 1.409A-1(b)(4), 1.409A-1(b)(5) and



1.409A-1(b)(9). However, if such exemptions are not available and you are, upon separation from service, a “specified employee” for purposes of Section 409A, then, solely to the extent necessary to avoid adverse personal tax consequences under Section 409A, the timing of the severance payments shall be delayed until the earlier of (i) six (6) months and one day after your separation from service, or (ii) as soon as practicable following your death, as may be permitted or required under Section 409A. The parties acknowledge that the exemptions from application of Section 409A to severance benefits are fact specific, and any later amendment of this Agreement to alter the timing, amount or conditions that will trigger payment of severance benefits may preclude the ability of severance benefits provided under this agreement to qualify for an exemption.

It is intended that this Agreement shall comply with, or be exempt from, the requirements of Section 409A, and any ambiguity contained herein shall be interpreted in such manner so as to avoid adverse personal tax consequences under Section 409A. Notwithstanding the foregoing, the Company does not guarantee that this Agreement so complies or is so exempt and the Company shall in no event be obligated to indemnify you for any taxes or interest that may be assessed by the Internal Revenue Service pursuant to Section 409A of the Code to payments made pursuant to this Agreement.

### **Section 280G**

Notwithstanding anything to the contrary contained in this Agreement, to the extent that any of the payments and benefits provided for under this Agreement or any other agreement or arrangement between you and the Company (collectively, the “*Payments*”) constitute a “parachute payment” within the meaning of Section 280G of the Code and, but for this paragraph, would be subject to the excise tax imposed by Section 4999 of the Code, then the Payments shall be payable either (i) in full or (ii) as to such lesser amount which would result in no portion of such Payments being subject to excise tax under Section 4999 of the Code; whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in your receipt on an after-tax basis, of the greatest amount of economic benefits under this Agreement, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code. Unless you and the Company otherwise agree in writing, any determination required under this paragraph shall be made in writing by the Company’s independent public accountants or its law firm (the “*Analysis Preparers*”), whose reasonable determination shall be conclusive and binding upon you and the Company for all purposes. For purposes of making the calculations required by this paragraph, the Analysis Preparers may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Sections 280G and 4999 of the Code. You and the Company shall furnish to the Analysis Preparers such information and documents as the Accountants may reasonably request in order to make a determination under this paragraph.

### Conditions, Dispute Resolution, and Complete Agreement

This offer is contingent upon a satisfactory reference check, satisfactory proof of your right to work in the United States and satisfactory clearance of a background check. You agree to assist as needed and to complete any documentation at the Company's request to meet these conditions.

To ensure the timely and economical resolution of disputes that may arise in connection with your employment with the Company, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, your employment with the Company, or the termination of your employment, shall be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. § 1-16, to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS, Inc. or its successor ("**JAMS**"), under JAMS' then applicable rules and procedures appropriate to the relief being sought (available upon request and also currently available at <http://www.jamsadr.com/rules-employment-arbitration/>). **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** In addition, all claims, disputes, or causes of action under this paragraph, whether by you or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class or representative proceeding, nor joined or consolidated with the claims of any other person or entity. The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. To the extent that the preceding sentences regarding class claims or proceedings are found to violate applicable law or are otherwise found unenforceable, any claim(s) alleged or brought on behalf of a class shall proceed in a court of law rather than by arbitration. This paragraph shall not apply to any action or claim that cannot be subject to mandatory arbitration as a matter of applicable law(s), to the extent any such applicable law(s) are not preempted by the Federal Arbitration Act or otherwise invalid (collectively, the "**Excluded Claims**"). In the event you intend to bring multiple claims, including one of the Excluded Claims listed above, the Excluded Claims may be filed with a court, while any other claims will remain subject to mandatory arbitration. You will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration under this Agreement shall be decided by the arbitrator. Likewise, procedural questions which grow out of the dispute and bear on the final disposition are also matters for the arbitrator. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The arbitrator shall be authorized to award all relief that you or the Company would be entitled to seek in a court of law. You and the Company shall equally share all JAMS arbitration fees, or such fees shall be paid in such other manner to the extent required by, and in accordance with, applicable law to effectuate your and the Company's agreement to arbitrate. Each party is responsible for its own attorneys' fees. Nothing in this Agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.



This Agreement and the equity documents referenced herein forms the complete and exclusive statement of the terms of your employment with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written. Although your job duties, title, compensation and benefits, as well as the Company’s personnel policies and procedures, may change from time to time (subject to your right to resign your employment for Good Reason as and to the extent set forth above), the “at-will” nature of your employment may only be changed by a written agreement signed by you and the CEO, which expressly states the intention to modify the at-will nature of your employment. If any provision of this Agreement (including, without limitation, the arbitration agreement set forth herein) is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this Agreement and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This Agreement may be delivered and executed via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

\* \* \*

Please sign and date this Agreement where noted below, and return the fully-executed Agreement to me by the close of business on August 2, 2024, if you wish to accept employment at the Company under the terms described above.

We look forward to your favorable reply and to a productive and enjoyable work relationship.

Sincerely,

/s/ Aoife Brennan  
Aoife Brennan, President and CEO

The foregoing correctly sets forth the terms of my at-will employment by Eliem Therapeutics, Inc. I am not relying on any representations other than those set forth above.

/s/ Brett Kaplan August 1, 2024  
Brett Kaplan Date

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Email \_\_\_\_\_

Attachment: Employee Confidential Information, Inventions Assignment, Non-Competition, and Non-Solicitation Agreement

## EXHIBIT A

### Definitions

**“Accrued Obligations”** are (i) your accrued but unpaid salary through the date of termination and, to the extent consistent with general Company policy, accrued but unused paid time off through and including the date of termination (in each case, paid within the timeframe required by applicable law), (ii) any unreimbursed business expenses incurred by you payable in accordance with the Company’s standard expense reimbursement policies, and (iii) benefits owed to you under any qualified retirement plan or health and welfare benefit plan in which you were a participant in accordance with applicable law and the provisions of such plan.

**“Cause”** for termination means a good faith determination by the Board of the occurrence of any one or more of the following: (i) any commission by you of, or plea by you of guilty or *nolo contendere* to, a felony under applicable law or any crime involving dishonesty or moral turpitude; (ii) your commission of or participation in (A) a fraud or embezzlement against the Company or its affiliates or (B) an act of dishonesty against the Company or its affiliates that results in (or would reasonably be expected to result in) material harm to the business or reputation of the Company; (iii) your material violation of any contract or agreement between you and the Company (which shall include, for the avoidance of doubt, your failure to timely sign the Confidential Information Agreement following the Start Date as required by this Agreement), any statutory or fiduciary duty you owe to the Company under applicable law, or any Company policy; (iv) your willful conduct that constitutes gross misconduct, insubordination, incompetence or habitual neglect of duties; or (v) your engagement in conduct that results in (or would reasonably be expected to result in) material harm to the business or reputation of the Company; provided, however, that the conduct described under clause (iii) or (iv) above, if deemed curable by the Board in its reasonable discretion, will only constitute Cause if such conduct is not cured within thirty (30) days after your receipt of written notice from the Company or the Board specifying the particulars of the conduct that would constitute Cause (which notice, if applicable, need only be provided once during your employment).

**“Good Reason”** shall mean the occurrence of any of the following events without your consent: (i) a material reduction in your Base Salary or Target Amount, which the parties agree is a reduction of at least ten percent (10%) of your Base Salary or Target Amount as in effect immediately prior to the time such reduction occurs (unless pursuant to a salary reduction or target bonus reduction program applicable generally to the Company’s similarly situated executive officers); (ii) a material diminution of your duties, authority or responsibilities *provided, however*, that the Company’s hiring of personnel to handle duties that you were responsible for but which are not regularly associated with your position will not be a “material diminution” of your duties, authority or responsibilities; (iii) a material breach by the Company or any successor entity of this Agreement; or (iv) the relocation of your principal place of employment, without your consent, in a manner that lengthens your one-way commute distance by fifty (50) or more miles from your then-current principal place of employment immediately prior to such relocation; *provided, however*, that, any such termination by you shall only be deemed for Good Reason pursuant to this definition if: (1)



you give the Company written notice of your intent to terminate for Good Reason within thirty (30) days following the first occurrence of the condition(s) that you believe constitute(s) Good Reason, which notice shall describe such condition(s); (2) the Company fails to remedy such condition(s) within thirty (30) days following receipt of the written notice (the "***Cure Period***"); (3) the Company has not, prior to receiving such notice from you, already informed you that your employment with the Company is being terminated; and (4) you voluntarily terminate your employment within thirty (30) days following the end of the Cure Period.

## EXHIBIT B

### Change in Control

“*Change in Control*” means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company’s securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the “*Subject Person*”) exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or



(iv) the Continuing Directors (as defined below) do not constitute a majority of the Board (or, if applicable, the Board of a successor corporation to the Company), where the term “**Continuing Director**” means at any date a member of the Board (A) who was a member of the Board on the Effective Date or (B) who was nominated or elected subsequent to such date by a majority of the directors who were Continuing Directors at the time of such nomination or election or whose election to the Board was recommended or endorsed by a majority of the directors who were Continuing Directors at the time of such nomination or election; *provided, however*, that any individual whose initial assumption of office occurred as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents, by or on behalf of a person other than the Board, is excluded from clause (iv)(B) above.

Notwithstanding the foregoing definition, the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company.

(b) For purposes of the definition of Change in Control, the following definitions shall apply:

(i) “**Affiliate**” means, at the time of determination, any “parent” or “majority-owned subsidiary” of the Company, as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which “parent” or “majority-owned subsidiary” status is determined within the foregoing definition.

(ii) “**Common Stock**” means the common stock of the Company.

(iii) “**Entity**” means a corporation, partnership, limited liability company or other entity.

(iv) “**Exchange Act Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Securities Act of 1933, as amended), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities.

(v) “**Own,**” “**Owned,**” “**Owner,**” “**Ownership**” A person or Entity will be deemed to “Own,” to have “Owned,” to be the “Owner” of, or to have acquired “Ownership” of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(vi) “**Rule 405**” means Rule 405 promulgated under the Securities Act of 1933, as amended.

(vii) “**Subsidiary**” means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.