

**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): **July 10, 2017**

Verastem, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-35403
(Commission
File Number)

27-3269467
(IRS Employer
Identification No.)

117 Kendrick Street, Suite 500, Needham, MA
(Address of Principal Executive Offices)

02494
(Zip Code)

Registrant's telephone number, including area code: **(781) 292-4200**

(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 (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 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 July 10, 2017, Verastem, Inc. (the "Company") appointed Julie B. Feder, age 47, as Chief Financial Officer of the Company and entered into an employment agreement (the "Agreement") between the Company and Ms. Feder, governing the terms of Ms. Feder's employment for an indefinite term. This Agreement became effective on July 10, 2017, the first day of Ms. Feder's employment with the Company.

Prior to joining the Company, Ms. Feder served for six years as Chief Financial Officer of the Clinton Health Access Initiative, where she was responsible for managing a global team across multiple departments. Ms. Feder had previously spent three years at Genzyme Corporation, first as Vice President of Internal Audit and also as Finance Integration Leader, where she managed the day-to-day operations of Genzyme's global internal audit function. Ms. Feder began her career at Deloitte & Touche LLP, where she was Senior Manager of Audit, Consulting and Enterprise Risk Services. Ms. Feder holds a Bachelor of Science in Accounting from Yeshiva University's Sy Syms School of Business.

Under the Agreement, Ms. Feder will receive an initial annual base salary of \$340,000 and is eligible for an annual bonus target of 35% of her base salary.

Pursuant to the terms of the Agreement, on July 10, 2017, the Company granted Ms. Feder an employee inducement award of an option to purchase 370,000 shares of its common stock at an exercise price equal to \$3.45, the closing price of the Company's common stock as reported by the Nasdaq Global Market on July 10, 2017. The stock option will vest at the rate of twenty-five percent (25%) on the one year anniversary of Ms. Feder's date of hire, with the remaining shares vesting quarterly over the next three (3) years in equal quarterly amounts, subject to her continuing service with the Company.

Upon execution and effectiveness of a release of claims, Ms. Feder will be entitled to severance payments if the Company terminates her employment without Cause, as defined in the Agreement, or if Ms. Feder terminates her employment with the Company for Good Reason, as defined in the Agreement.

In connection with execution of the Agreement, Ms. Feder will enter into the Company's standard Employee Non-Solicitation, Non-Competition, Confidential Information and Inventions Assignment Agreement.

A press release announcing Ms. Feder's employment is filed as Exhibit 99.1 hereto.

The foregoing summary of the Agreement is qualified in its entirety by the copy of such agreement filed as Exhibit 10.1 hereto and incorporated herein by this reference.

Following Ms. Feder's appointment, Joseph Chiapponi will no longer serve as the principal financial officer and principal accounting officer of the Company. He will continue to serve as Vice President, Finance.

Item 9.01 Financial Statements and Exhibits.

See Exhibit Index attached hereto.

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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 hereunto duly authorized.

VERASTEM, INC.

Date: July 11, 2017

By: /s/ Robert Forrester

Robert Forrester

President and Chief Executive Officer

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EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment agreement, dated July 10, 2017, by and between Verastem, Inc. and Julie B. Feder.
99.1	Press Release issued by Verastem, Inc. on July 11, 2017.

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EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement"), dated July 10, 2017, is by and between Verastem, Inc. (the "Company"), a Delaware corporation with its principal place of business at 117 Kendrick Street, Suite 500, Needham, MA 02494, and Julie B. Feder (the "Executive").

WHEREAS, the Executive has certain experience and expertise that qualify her to provide management direction and leadership for the Company.

WHEREAS, the Company wishes to employ the Executive to serve as its Chief Financial Officer.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company offers and the Executive accepts employment upon the following terms and conditions:

1. **Position and Duties.** Upon the terms and subject to the conditions set forth in this Agreement, the Company hereby offers and the Executive hereby accepts employment with the Company to serve as its Chief Financial Officer, reporting to the Company's President and Chief Executive Officer. The Executive agrees to perform the duties of the Executive's position and such other duties as reasonably may be assigned to the Executive from time to time. The Executive also agrees that while employed by the Company, the Executive will devote one hundred percent (100%) of the Executive's business time and the Executive's reasonable commercial efforts, business judgment, skill and knowledge exclusively to the advancement of the business and interests of the Company and to the discharge of the Executive's duties and responsibilities for it. Subject to prior approval of the President and Chief Executive Officer, the Executive may join the board of directors or advisory committee of one company.

2. **Compensation and Benefits.** During the Executive's employment, as compensation for all services performed by the Executive for the Company and subject to her performance of her duties and responsibilities for the Company, pursuant to this Agreement or otherwise, the Company will provide the Executive the following pay and benefits:

(a) **Base Salary; Annual Bonus.** The Company will pay the Executive a base salary at the rate of Three Hundred and Forty Thousand Dollars \$340,000 per year. Such amount shall be payable in accordance with the regular payroll practices of the Company for its executives, as in effect from time to time, and subject to increase from time to time by the Board of Directors of the Company (the "Board") in its discretion. The Executive shall have the opportunity to earn an annual target bonus, prorated for the initial partial year of employment, measured against performance criteria to be determined by the Board (or a committee thereof) of thirty-five percent (35%) of the Executive's then current annual base salary, with the actual amount of the bonus, if any, to be determined by the Board (or a committee thereof). Any bonus amount payable by the Company, if any, shall be paid no later than March 15 of the year following the year in which such bonus is earned. The Executive must remain employed through the last day of the year for which the bonus is earned in order to be eligible to receive any bonus.

(b) **Stock Options.** Subject to Board approval, the Company will grant the Executive a stock option to purchase three hundred and seventy thousand 370,000 shares of the Company's Common Stock at fair market value on the date of grant. The stock option will vest at the rate of twenty-five percent (25%) on the one year anniversary of the Executive's date of hire subject to her continuing employment with the Company, and no shares shall vest before such date, except as provided below. The remaining shares shall vest quarterly over the next three (3) years in equal quarterly amounts subject to the Executive's continuing employment with the Company, except as noted below. The stock option shall be subject to the terms of the Company's equity plan, the applicable option award, and any applicable shareholder and/or option holder agreements and other restrictions and limitations generally applicable to common stock of the Company or equity awards held by Company executives or otherwise imposed by law.

(c) **Participation in Employee Benefit Plans.** The Executive will be eligible to participate in all Employee Benefit Plans from time to time in effect for employees of the Company generally, except to the extent such plans are duplicative of benefits otherwise provided the Executive under this Agreement (e.g., severance pay) or under any other agreement. The Executive's participation will be subject to the terms of the applicable plan documents and generally applicable Company policies. The Company may alter, modify, add to or delete its Employee Benefit Plans at any time as it, in its sole judgment, determines to be appropriate, without recourse by the Executive. For purposes of this Agreement, "Employee Benefit Plan" shall have the meaning ascribed to such term in Section 3(3) of ERISA, as amended from time to time.

(d) **Business Expenses.** The Company will pay or reimburse the Executive for all reasonable business expenses incurred or paid by the Executive in the performance of her duties and responsibilities for the Company, subject to any maximum annual limit and other restrictions on such expenses set by the Company and to such reasonable substantiation and documentation as it may specify from time to time. Any such payment or reimbursement that would constitute nonqualified deferred compensation subject to Section 409A of the Internal Revenue Code (including the regulations promulgated thereunder, "Section 409A") shall be subject to the following additional rules: (i) no payment or reimbursement of any such expense shall affect the Executive's right to payment or reimbursement of any other such expense in any other taxable year; (ii) payment or reimbursement of the expense shall be made, if at all, not later than the end of the calendar year following the calendar year in which the expense was incurred; and (iii) the right to payment or reimbursement shall not be subject to liquidation or exchange for any other benefit.

3. **Confidential Information, Non-Competition and Proprietary Information.** The Executive has executed or will execute within five (5) days following the date hereof the Company's standard Employee Non-Solicitation, Non-Competition, Confidential Information and Inventions Assignment Agreement. It is understood and agreed that breach by the Executive of the Employee Non-Solicitation, Non-Competition, Confidential Information and Inventions Assignment Agreement shall constitute a material breach of this Agreement.

4. **Termination of Employment.** The Executive's employment under this Agreement shall continue until terminated pursuant to this Section 4.

(a) The Company may terminate the Executive's employment for "Cause" upon written notice to the Executive received setting forth in reasonable detail the nature of the Cause. The following, as determined by the Board in good faith and using its reasonable judgment, shall constitute Cause for termination: (i) the Executive's willful failure to perform, or gross negligence in the performance of, the Executive's material duties and responsibilities to

the Company or its Affiliates which is not remedied within ten (10) days of written notice thereof; (ii) material breach by the Executive of any material provision of this Agreement or any other agreement with the Company or any of its Affiliates which is not remedied within ten (10) days of written notice thereof; (iii) fraud, embezzlement or other dishonesty with respect to the Company or any of its Affiliates; or (iv) the Executive's commission of a felony or other crime involving moral turpitude.

(b) The Company may terminate the Executive's employment at any time other than for Cause upon written notice to the Executive.

(c) The Executive may terminate her employment hereunder for Good Reason by providing notice to the Company of the condition giving rise to the Good Reason no later than thirty (30) days following the occurrence of the condition, by giving the Company thirty (30) days to remedy the condition and by terminating employment for Good Reason within thirty (30) days thereafter if the Company fails to remedy the condition. For purposes of this Agreement, "Good Reason" shall mean, without the Executive's consent, the occurrence of any one or more of the following events: (i) material diminution in the nature or scope of the Executive's responsibilities, duties or authority, provided that neither (x) the Company's failure to continue the Executive's appointment or election as a director or officer of any of its Affiliates nor (y) any diminution in the nature or scope of the Executive's responsibilities, duties or authority that is reasonably related to a diminution of the business of the Company or any of its Affiliates shall constitute "Good Reason"; (ii) a material reduction in the Executive's base salary other than one temporary reduction of not more than 120 days and not in excess of 20% of the Executive's base salary in connection with and in proportion to a general reduction of the base salaries of the Company's executive officers; (iii) failure of the Company to provide the Executive the base salary or benefits owed to Executive in accordance with Section 2 hereof after thirty (30) days' notice during which the Company does not cure such failure; or (iv) relocation of the Executive's principal place of business more than forty (40) miles from the then current location of the Executive's principal place of business.

(d) The Executive may terminate her employment with the Company other than for Good Reason at any time upon sixty (60) days' notice to the Company. In the event of termination of the Executive's employment in accordance with this Section 4(d), the Board may elect to waive the period of notice, or any portion thereof, and, if the Board so elects, the Company will pay the Executive her then current base salary for the period so waived.

(e) This Agreement shall automatically terminate in the event of the Executive's death during employment. The Company may terminate the Executive's employment, upon notice to the Executive, in the event the Executive becomes disabled during employment and, as a result, is unable to continue to perform substantially all of her material duties and responsibilities under this Agreement for one-hundred and twenty (120) days during any period of three hundred and sixty-five (365) consecutive calendar days. If any question shall arise as to

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whether the Executive is disabled to the extent that the Executive is unable to perform substantially all of her material duties and responsibilities for the Company and its Affiliates, the Executive shall, at the Company's request and expense, submit to a medical examination by a physician selected by the Company to whom the Executive or the Executive's guardian, if any, has no reasonable objection to determine whether the Executive is so disabled and such determination shall for the purposes of this Agreement be conclusive of the issue. If such a question arises and the Executive fails to submit to the requested medical examination, the Company's determination of the issue shall be binding on the Executive.

5. Severance Payments and Other Matters Related to Termination.

(a) **Termination pursuant to Section 4(b) or 4(c).** Except as provided in Section 5(c) below, in the event of termination of the Executive's employment either by the Company other than for Cause pursuant to Section 4(b) of this Agreement or by the Executive for Good Reason pursuant to Section 4(c) of this Agreement:

i. The Company shall pay the Executive's then-current annual base salary for a period of nine (9) months in accordance with the Company's payroll practice then in effect, beginning on the Payment Commencement Date.

ii. If the Executive is participating in the Company's group health plan and/or dental plan at the time the Executive's employment terminates, and the Executive exercises her right to continue participation in those plans under the federal law known as COBRA, or any successor law, the Company will pay the Executive a monthly cash amount equal to the full premium cost of that participation (the "Benefits Payment") for nine (9) months following the date on which the Executive's employment with the Company terminates or, if earlier, until the date the Executive becomes eligible to enroll in the health (or, if applicable, dental) plan of a new employer, payable in accordance with regular payroll practices for benefits beginning on the Payment Commencement Date.

iii. The Company will also pay the Executive on the date of termination any base salary earned but not paid through the, date of termination (collectively, the "Accrued Amounts"). In addition, the Company will pay the Executive any bonus which has been awarded to the Executive, but not yet paid on the date of termination of her employment, payable in a lump sum on the later of such date when bonuses are paid to executives of the Company generally in accordance with the timing rules of Section 2(a) and the Payment Commencement Date.

iv. Any obligation of the Company to provide the Executive severance payments or other benefits under this Section 5(a) (other than the Accrued Amounts) is conditioned on the Executive's signing, returning and not revoking an effective release of claims in the form provided by the Company (the "Employee Release") within the deadline specified therein (and in all events within 60 days following the termination of the Executive's employment), which release shall not apply to (i) claims for indemnification in the Executive's capacity as an officer or director of the Company under the Company's Certificate of Incorporation, By-laws or agreement, if any, providing for director or officer indemnification, (ii) rights to receive insurance coverage and payments under any policy maintained by the Company and (iii) rights to receive retirement benefits that are accrued and fully vested at the

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time of the Executive's termination and rights under such plans protected by ERISA. Any severance payments to be made in the form of salary continuation pursuant to the terms of this Agreement shall be payable in accordance with the normal payroll practices of the Company, and will begin on the Payment Commencement Date but shall be retroactive to the date of termination. The Executive agrees to provide the Company prompt notice of the Executive's eligibility to participate in the health plan and, if applicable, dental plan of any employer. The Executive further agrees to repay any overpayment of health benefit premiums made by the Company hereunder.

(b) **Termination other than pursuant to Section 4(b) or 4(c).** In the event of any termination of the Executive's employment, other than a termination by the Company pursuant to Section 4(b) of this Agreement or a termination by the Executive for Good Reason pursuant to Section 4(c) of this Agreement, the Company will pay the Executive the Accrued Amounts. In addition, the Company will pay the Executive any bonus which has been awarded to the Executive, but not yet paid on the date of termination of the Executive's employment, at such time when bonuses are paid to executives of the Company generally in accordance with the timing rules of Section 2(a). The Company shall have no other payment obligations to the Executive under this Agreement.

(c) **Upon a Change of Control.** If, within ninety (90) days prior to a Change of Control or within eighteen (18) months following a Change of Control (as defined in Section 6 hereof), the Company or any successor thereto terminates the Executive's employment other than for Cause pursuant to Section 4(b) of this Agreement, or the Executive terminates her employment for Good Reason pursuant to Section 4(c) of this Agreement, then, in lieu of any payments to the Executive or on the Executive's behalf under Section 5(a) hereof:

i. All of the Executive's then remaining unvested stock options, restricted stock and restricted stock units which, by their terms, vest only based on the passage of time (disregarding any acceleration of the vesting of such options, restricted stock or restricted stock units based on individual or Company performance) that are outstanding immediately prior to the date of termination shall (notwithstanding anything to the contrary in the applicable award agreement) remain outstanding and eligible to vest until the Payment Commencement Date and, subject to Section 5(c)(iii), automatically become fully vested as of the Payment Commencement Date.

ii. The Company shall pay, on the Payment Commencement Date, a lump sum payment equal to twelve (12) months of the Executive's then-current annual base salary; provided, however, that if such termination occurs prior to a Change of Control, such severance payments shall be made at the time and in the manner set forth in Section 5(a)(i) during the period beginning on the date of termination through the date of the Change of Control with any severance remaining to be paid under this Section 5(c)(i) payable in a lump sum on the closing date of the Change of Control (or, if later, the Payment Commencement Date).

iii. If the Executive is participating in the Company's group health plan and/or dental plan at the time the Executive's employment terminates, and the Executive exercises her right to continue participation in those plans under the federal law known as COBRA, or any successor law, the Company will pay the Executive the Benefits Payment for twelve (12) months following the date on which the Executive's employment with the Company

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terminates or, if earlier, until the date the Executive becomes eligible to enroll in the health (or, if applicable, dental) plan of a new employer, with such amount payable on a pro-rata basis in accordance with the Company's regular payroll practices for benefits beginning on the Payment Commencement Date.

iv. The Company will also pay the Executive the Accrued Amounts. In addition, the Company will pay the Executive any bonus which has been awarded to the Executive, but not yet paid on the date of termination of her employment, payable in a lump sum on the later of such date when bonuses are paid to executives of the Company generally in accordance with the timing rules of Section 2(a) and the Payment Commencement Date.

v. Any obligation of the Company to provide the Executive severance payments or other benefits under this Section 5(c) (other than the Accrued Amounts) is conditioned on the Executive's signing, returning and not revoking the Employee Release by the deadline specified therein (and in all events within 60 days following the termination of the Executive's employment), which release shall not apply to (i) claims for indemnification in the Executive's capacity as an officer or director of the Company under the Company's Certificate of Incorporation, By-laws or agreement, if any, providing for director or officer indemnification, (ii) rights to receive insurance coverage and payments under any policy maintained by the Company and (iii) rights to receive retirement benefits that are accrued and fully vested at the time of the Executive's termination and rights under such plans protected by ERISA.

(d) Except for any right the Executive may have under applicable law to continue participation in the Company's group health and dental plans under COBRA, or any successor law, benefits shall terminate in accordance with the terms of the applicable benefit plans based on the date of termination of the Executive's employment, without regard to any continuation of base salary or other payment to the Executive following termination. Notwithstanding anything herein to the contrary, if the payment by the Company of the Benefits Payments will subject or expose the Company to taxes or penalties, the Executive and the Company agree to renegotiate the provisions of Section 5(a)(ii) or 5(b)(iii), as applicable, in good faith and enter into a substitute arrangement pursuant to which the Company will not be subjected or exposed to taxes or penalties and the Executive will be provided with payments or benefits with an economic value that is no less than the economic value of the Benefits Payments.

(e) Provisions of this Agreement shall survive any termination if so provided in this Agreement or if necessary or desirable to accomplish the purposes of other surviving provisions, including without limitation the Executive's obligations under Section 3 of this Agreement and under the Employee Non-Solicitation, Non-Competition, Confidential Information and Inventions Assignment Agreement. The obligation of the Company to make payments to the Executive or on the Executive's behalf under Section 5 of this Agreement is expressly conditioned upon the Executive's continued full performance of the Executive's obligations under Section 3 hereof, under the Employee Non-Solicitation, Non-Competition, Confidential Information and Inventions Assignment Agreement to be executed herewith, and under any subsequent agreement between the Executive and the Company or any of its Affiliates relating to confidentiality, non-competition, proprietary information or the like.

6. **Definitions.** For purposes of this agreement; the following definitions apply:

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"Affiliates" means all persons and entities directly or indirectly controlling, controlled by or under common control with the Company, where control may be by management authority, equity interest or otherwise.

"Change of Control" shall mean (i) the acquisition of beneficial ownership (as defined in Rule 13d-3 under the Exchange Act) directly or indirectly by any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) of securities of the Company representing a majority or more of the combined voting power of the Company's then outstanding securities, other than an acquisition of securities for investment purposes pursuant to a bona fide financing of the Company; (ii) a merger or consolidation of the Company with any other corporation in which the holders of the voting securities of the

Company prior to the merger or consolidation do not own more than 50% of the total voting securities of the surviving corporation; or (iii) the sale or disposition by the Company of all or substantially all of the Company's assets other than a sale or disposition of assets to an Affiliate of the Company or a holder of securities of the Company; notwithstanding the foregoing, no transaction or series of transactions shall constitute a Change of Control unless such transaction or series of transactions constitutes a "change in control event" within the meaning of Treasury Regulation Section 1.409A-3(i)(5)(i).

"Payment Commencement Date" shall mean the Company's next regular payday for executives that follows the expiration of sixty (60) calendar days from the date the Executive's employment terminates.

"Person" means an individual, a corporation, an association, a partnership, an estate, a trust and any other entity or organization, other than the Company or any of its Affiliates.

7. **Conflicting Agreements.** The Executive hereby represents and warrants that her signing of this Agreement and the performance of her obligations under it will not breach or be in conflict with any other agreement to which the Executive is a party or is bound and that the Executive is not now subject to any covenants against competition or similar covenants or any court order that could affect the performance of the Executive's obligations under this Agreement. The Executive agrees that he will not disclose to or use on behalf of the Company any proprietary information of a third party without that party's consent.

8. **Withholding; Other Tax Matters.** Anything to the contrary notwithstanding, (a) all payments required to be made by the Company hereunder to Executive shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine it should withhold pursuant to any applicable law or regulation, and (b) all severance payments and benefits payable pursuant to Sections 5(a) and 5(c) hereof shall be subject to the terms and conditions set forth on Exhibit A attached hereto.

9. **Assignment.** Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; provided, however, that the Company may assign its rights and obligations under this Agreement without the Executive's consent to one of its Affiliates or to any Person with whom the Company shall hereafter affect a reorganization, consolidate with, or merge into or to whom it transfers all or substantially all of its properties or assets. This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of our respective successors, executors, administrators, heirs and permitted assigns.

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10. **Severability.** If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

11. **Miscellaneous.** This Agreement, together with the Employee Non-Solicitation, Non-Competition, Confidential Information and Inventions Assignment Agreement, sets forth the entire agreement between the Executive and the Company and replaces all prior communications, agreements and understandings, written or oral, with respect to the terms and conditions of the Executive's employment. This Agreement may not be modified or amended, and no breach shall be deemed to be waived, unless agreed to in writing by the Executive and an expressly authorized representative of the Board. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument. This is a Massachusetts contract and shall be governed and construed in accordance with the laws of the Commonwealth of Massachusetts, without regard to the conflict-of-laws principles thereof.

12. **Notices.** Any notices provided for in this Agreement shall be in writing and shall be effective when delivered in person, consigned to a reputable national courier service for overnight delivery or deposited in the United States mail, postage prepaid, and addressed to the Executive at the Executive's last known address on the books of the Company or, in the case of the Company, to it by notice to the Chairman of the Board of Directors, c/o Verastem, Inc. at its principal place of business, or to such other addressees) as either party may specify by notice to the other actually received.

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IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by the Company, by its duly authorized representative, and by the Executive, as of the date first stated above.

THE EXECUTIVE

THE COMPANY

/s/ Julie B. Feder

/s/ Robert Forrester

Julie B. Feder

Robert Forrester
President and Chief Executive Officer

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Exhibit A

Payments Subject to Section 409A

1. Subject to this Exhibit A, any severance payments that may be due under the Agreement shall begin only upon the date of the Executive's "separation from service" (determined as set forth below) which occurs on or after the termination of Executive's employment. The following rules shall apply with respect to distribution of the severance payments, if any, to be provided to Executive under the Agreement, as applicable:

(a) It is intended that each installment of the severance payments under the Agreement provided under shall be treated as a separate "payment" for purposes of Section 409A. Neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments except to the extent specifically permitted or required by Section 409A.

(b) If, as of the date of Executive's "separation from service" from the Company, Executive is not a "specified employee" (within the meaning of Section 409A), then each installment of the severance payments shall be made on the dates and terms set forth in the Agreement.

(c) If, as of the date of Executive's "separation from service" from the Company, Executive is a "specified employee" (within the meaning of Section 409A), then:

(i) Each installment of the severance payments due under the Agreement that, in accordance with the dates and terms set forth herein, will in all circumstances, regardless of when Executive's separation from service occurs, be paid within the short-term deferral period (as defined under Section 409A) shall be treated as a short-term deferral within the meaning of Treasury Regulation Section 1.409A-1(b)(4) to the maximum extent permissible under Section 409A and shall be paid on the dates and terms set forth in the Agreement; and

(ii) Each installment of the severance payments due under the Agreement that is not described in this Exhibit A, Section 1(c)(i) and that would, absent this subsection, be paid within the six-month period following Executive's "separation from service" from the Company shall not be paid until the date that is six months and one day after such separation from service (or, if earlier, Executive's death), with any such installments that are required to be delayed being accumulated during the six-month period and paid in a lump sum on the date that is six months and one day following Executive's separation from service and any subsequent installments, if any, being paid in accordance with the dates and terms set forth herein; provided, however, that the preceding provisions of this sentence shall not apply to any installment of payments if and to the maximum extent that that such installment is deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-1(b)(9)(iii) (relating to separation pay upon an involuntary separation from service). Any installments that qualify for the exception under

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Treasury Regulation Section 1.409A-1(b)(9)(iii) must be paid no later than the last day of Executive's second taxable year following the taxable year in which the separation from service occurs.

2. The determination of whether and when Executive's separation from service from the Company has occurred shall be made and in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-1(h). Solely for purposes of this Exhibit A, Section 2, "Company" shall include all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code.

3. The Company makes no representation or warranty and shall have no liability to Executive or to any other person if any of the provisions of the Agreement (including this Exhibit) are determined to constitute deferred compensation subject to Section 409A but that do not satisfy an exemption from, or the conditions of, that section.

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Verastem Names Julie B. Feder as Chief Financial Officer

BOSTON, MA — July 11, 2017 — Verastem, Inc. (NASDAQ: VSTM), focused on discovering and developing drugs to improve the survival and quality of life of cancer patients, today announced the appointment of Julie B. Feder as Chief Financial Officer.

“Julie is an accomplished financial professional with invaluable leadership experience in healthcare, having served as Chief Financial Officer of the Clinton Health Access Initiative and in finance roles of increasing responsibility at Genzyme,” said Robert Forrester, President and Chief Executive Officer of Verastem. “We are delighted to welcome her to our executive team, as we look forward to the final data readout of our Phase 3 DUO study evaluating duvelisib in chronic lymphocytic leukemia.”

“I am thrilled to be joining the management team during this exciting time in the company’s growth trajectory,” said Ms. Feder. “Verastem has the potential to become a commercial-stage company with a promising treatment for patients with lymphoid malignancies, and I look forward to working with the leadership team to achieve the company’s financial and strategic objectives.”

Ms. Feder joins Verastem from the Clinton Health Access Initiative, Inc. (CHAI), where she served as Chief Financial Officer for six years. At CHAI, Ms. Feder was responsible for managing a global team across multiple departments, and developed the global finance strategy and internal audit, treasury, and global payroll functions. She also led multiple financial and operational initiatives and was a key member of the CHAI leadership team. Prior to joining CHAI, Ms. Feder spent three years at Genzyme Corporation, first as Vice President of Internal Audit and also as Finance Integration Leader. In these roles, she managed the day-to-day operations of Genzyme’s global internal audit function, while leading the Genzyme Global Finance integration into Sanofi’s organization following Sanofi’s acquisition of Genzyme. Ms. Feder began her career at Deloitte & Touche LLP, where she was Senior Manager of Audit, Consulting and Enterprise Risk Services and served leading organizations in healthcare, including Genzyme Corporation, Children’s Hospital Boston, Dana Farber Cancer Center, Boston Scientific Corporation, and Yale New Haven Hospital. Ms. Feder holds a Bachelor of Science in Accounting from Yeshiva University’s Sy Syms School of Business.

Inducement Equity Awards

In connection with the hiring of Ms. Feder, effective July 10, 2017, Verastem approved a grant to Ms. Feder of a stock option to purchase 370,000 shares of Verastem’s common stock. The option was granted pursuant to the NASDAQ inducement grant exception as a component of Ms. Feder’s employment compensation and was granted as an inducement material to her acceptance of employment with Verastem in accordance with NASDAQ Listing Rule 5635(c)(4). The option will have an exercise price equal to \$3.45, the closing price of Verastem’s common stock on July 10, 2017. The award will vest as to 25% of the shares subject to the option on the first anniversary of the date of hire and as to an additional 6.25% of the shares subject to the option at the end of each successive three-month period following the first anniversary of the date of hire, provided that Ms. Feder continues to serve as an employee of or other service provider to Verastem on each such vesting date.

Verastem also approved grants of stock options to four new employees to purchase an aggregate of 232,500 shares of Verastem’s common stock. The options were granted pursuant to the NASDAQ inducement grant exception as a component of the employees entering into employment with Verastem and were granted as an inducement material to their acceptance of employment with Verastem in accordance with NASDAQ Listing Rule 5635(c)(4). 152,500 options will have an exercise price equal to \$3.45, the closing price of Verastem’s common stock on July 10, 2017 and 80,000 options will have an exercise price equal to the closing price of Verastem’s common stock on August 10, 2017. The awards will vest as to 25% of the shares subject to the options on the first anniversary of the date of hire and as to an additional 6.25% of the shares subject to the options at the end of each successive three-month period following the first anniversary of the date of hire, provided that the employees continue to serve as an employee of or other service provider to Verastem on each such vesting date.

About Duvelisib

Duvelisib is an investigational, dual inhibitor of phosphoinositide 3-kinase (PI3K)-delta and PI3K-gamma, two enzymes known to help support the growth and survival of malignant B-cells and T-cells. PI3K signaling may lead to the proliferation of malignant B-cells and is thought to play a role in the formation and maintenance of the supportive tumor microenvironment.(1),(2),(3) Duvelisib is currently being evaluated in late- and mid-stage clinical trials, including DUO™, a randomized, Phase 3 monotherapy study in patients with relapsed or refractory CLL,(4) and DYNAMO™, a single-arm, Phase 2 monotherapy study in patients with refractory iNHL that achieved its primary endpoint of ORR.(5) Duvelisib is also being evaluated for the treatment of hematologic malignancies through investigator-sponsored studies, including T-cell lymphoma.(6) Information about duvelisib clinical trials can be found on www.clinicaltrials.gov.

About Verastem, Inc.

Verastem, Inc. (NASDAQ: VSTM) is a biopharmaceutical company focused on discovering and developing drugs to improve outcomes for patients with cancer. Verastem is currently developing duvelisib, a dual inhibitor of PI3K-delta and PI3K-gamma, which has successfully met its primary endpoint in a Phase 2 study in iNHL and is currently being evaluated in a Phase 3 clinical trial in patients with CLL. In addition, Verastem is developing the FAK inhibitor defactinib, which is currently being evaluated in three separate clinical collaborations in combination with immunotherapeutic agents for the treatment of several different cancer types, including pancreatic cancer, ovarian cancer, non-small cell lung cancer, and mesothelioma. Verastem’s product candidates seek to treat cancer by modulating the local tumor microenvironment, enhancing anti-tumor immunity, and reducing cancer stem cells. For more information, please visit www.verastem.com.

Verastem, Inc. forward-looking statements notice:

This press release includes forward-looking statements about Verastem’s strategy, future plans and prospects, including statements regarding the development and activity of Verastem’s investigational product candidates, including duvelisib and defactinib, and Verastem’s PI3K and FAK programs generally, the structure of our planned and pending clinical trials and the timeline and indications for clinical development. The words “anticipate,” “believe,” “estimate,”

words. Each forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statement. Applicable risks and uncertainties include the risks that the preclinical testing of Verastem’s product candidates and preliminary or interim data from clinical trials may not be predictive of the results or success of ongoing or later clinical trials; that data may not be available when expected; that enrollment of clinical trials may take longer than expected; that our product candidates will cause unexpected safety events or result in an unmanageable safety profile as compared to their level of efficacy; that duvelisib will be ineffective at treating patients with lymphoid malignancies; that Verastem will be unable to successfully initiate or complete the clinical development of its product candidates; that the development of Verastem’s product candidates will take longer or cost more than planned; that Verastem may not have sufficient cash to fund its contemplated operations; that Verastem or Infinity Pharmaceuticals, Inc. will fail to fully perform under the duvelisib license agreement; that Verastem will not pursue or submit regulatory filings for its product candidates; and that Verastem’s product candidates will not receive regulatory approval, become commercially successful products, or result in new treatment options being offered to patients. Other risks and uncertainties include those identified under the heading “Risk Factors” in Verastem’s Annual Report on Form 10-K for the year ended December 31, 2016 and in any subsequent filings with the U.S. Securities and Exchange Commission. The forward-looking statements contained in this press release reflect Verastem’s views as of the date of this release, and Verastem does not undertake and specifically disclaims any obligation to update any forward-looking statements.

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