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): **February 21, 2014**

Verastem, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware	**001-35403**	**27-3269467**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

215 First Street, Suite 440, Cambridge, MA	**02142**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(617) 252-9300**

(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):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

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

Item 1.01. Entry into a Material Definitive Agreement.

On February 21, 2014, Verastem, Inc. (the "Company") assumed the rights and obligations under a license agreement (the "License Agreement") by and between The Scripps Research Institute ("Scripps") and Poniard Pharmaceuticals, Inc. ("Poniard"), dated May 5, 2008.

Pursuant to the License Agreement, the Company acquired an exclusive, worldwide license under patent rights owned or controlled by Scripps to make and have made, to use and have used, to offer to sell, to sell and have sold, and import products covered by the licensed patent rights for the diagnosis, treatment or prevention of human diseases or conditions. The licensed patent rights include patents covering the Company's product candidate VS-4718. Under the License Agreement, Scripps retains the right to grant non-exclusive licenses to nonprofit or academic institutions, without the right to sublicense, to use any of the licensed patent rights for any noncommercial research or education purposes.

Pursuant to the License Agreement, the Company is obligated to pay Scripps potential product development milestone payments of up to an aggregate of $3,000,000 upon the achievement of specified development and regulatory milestones. In addition, the Company is obligated to pay Scripps low single-digit royalties as a percentage of net sales of licensed products. The Company's obligation to pay royalties on net sales is on a country by country basis. In the event that the Company challenges a patent or patent application covered by the License Agreement, the Company's royalties will increase by fifty percent during the pendency of the challenge (and increase by one hundred percent in the event the challenge is not successful). The Company also forfeits the right to recoup any royalties, sublicense payments, milestone payments, patent costs or other payments during the period of any challenge to the patents covered under the License Agreement.

If the Company is required to license or acquire technology from a third party in order to commercialize a licensed product and to pay such third party royalties or other amounts, then the Company may deduct up to 50% of the amount paid to such third party from the payments owed to Scripps for such licensed product. This deduction is subject to specified limitations, including that in no event will any such deduction reduce a payment that the Company owes to Scripps to less than 50% of the otherwise applicable amount.

The Company is required to use reasonable and diligent efforts to commercialize (directly or through sublicense arrangements) licensed products (including the Company's product candidate VS-4718) in the United States, the United Kingdom, France, Germany or Japan.

The License Agreement expires upon the last expiration of any of the licensed patent rights. The Company has the right to terminate the License Agreement or any portion of its licensed rights under the License Agreement for any reason upon at least 90 days prior written notice and payment of a low five-figure termination fee. The Company is not responsible for the termination fee if Scripps defaults in the performance of its material obligations and fails to cure. Scripps can terminate the License Agreement for certain material breaches by the Company or defaults in the Company's performance of material obligations.

Item 8.01. Other Events.

On February 25, 2014, the Company issued a press release announcing that it had acquired the license to VS-4718. A copy of such press release is filed as Exhibit 99.1 hereto.

Item 9.01. Financial Statements and Exhibits.

See Exhibit Index attached hereto.

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: February 25, 2014

By: /s/ John B. Green
John B. Green
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated February 25, 2014.

Exhibit 99.1

Verastem Acquires Rights to Cancer Stem Cell Inhibitor VS-4718

—The acquisition reduces milestones and royalties associated with ongoing VS-4718 development—

CAMBRIDGE, Mass.—(BUSINESS WIRE)—February 25, 2014— Verastem, Inc. (NASDAQ:VSTM), focused on discovering and developing drugs to treat cancer by the targeted killing of cancer stem cells, today announced that it has acquired the license to VS-4718 held originally by Poniard Pharmaceuticals. The previous and future developmental, regulatory and commercial royalty milestones and payments associated with the development and potential future sales of VS-4718 due to Poniard Pharmaceuticals are now owned by Verastem. Verastem retains a license to VS-4718 from The Scripps Research Institute.

“Controlling ownership of our products is key to value creation,” said Robert Forrester, Verastem President and Chief Executive Officer. “We believe that targeting the FAK pathway has the potential to decrease the cancer stem cell burden in a tumor and lead to improved patient outcomes. As we pursue clinical development and possible commercialization, we want to make sure that we maximize our flexibility for the future and retain the potential for a significant return on the development investment we are making for our shareholders.”

VS-4718 is an oral compound designed to target cancer stem cells through the potent inhibition of focal adhesion kinase (FAK). Cancer stem cells are an underlying cause of tumor resistance to chemotherapy, recurrence and ultimate disease progression. Research by Robert Weinberg, Ph.D., scientific cofounder and chair of Verastem’s Scientific Advisory Board, Verastem and others have demonstrated that the FAK pathway is critical for the growth and survival of cancer stem cells.

VS-4718 is currently in a Phase 1 clinical trial in patients with advanced solid tumors. The dose escalation portion of the Phase 1 clinical trial is designed to determine the biologically active dose and the maximum tolerated dose. Additional patients may be enrolled to assess safety, tolerability and to evaluate initial signs of activity.

Under the terms of the Asset Purchase Agreement, Verastem acquired the existing and future developmental, regulatory and commercial royalty milestones and payments associated with the development and potential future sales of VS-4718 due to Poniard Pharmaceuticals. Verastem has issued 97,500 shares of common stock in the acquisition of the asset. In addition, Verastem is now the direct licensee of VS-4718 from The Scripps Research Institute with a potential obligation of up to $3m in developmental and regulatory milestones and a low single digit royalty on potential future sales.

About VS-4718
VS-4718 is an orally available compound designed to target cancer stem cells through the potent inhibition of focal adhesion kinase (FAK). Research by Robert Weinberg, Ph.D., scientific cofounder and chair of Verastem’s Scientific Advisory Board, and Verastem has demonstrated that the FAK pathway is critical for the growth and survival of cancer stem cells. VS-4718 is currently being studied in a Phase 1 dose escalation study in patients with advanced cancers.

About Verastem, Inc.
Verastem, Inc. (NASDAQ:VSTM) is discovering and developing drugs to treat cancer by the targeted killing of cancer stem cells. Cancer stem cells are an underlying cause of tumor recurrence and metastasis. Verastem is developing small molecule inhibitors of

---

signaling pathways that are critical to cancer stem cell survival and proliferation: FAK, PI3K/mTOR and Wnt. For more information, please visit www.verastem.com.

Forward-looking statements:
This press release includes forward-looking statements about the Company’s strategy, future plans and prospects, including statements regarding the development of the Company’s compounds, including VS-4718, and the Company’s FAK and diagnostic programs generally, the timeline for clinical development including projected enrollment of trials, regulatory approval of the Company’s compounds, the expected timing for the reporting of data from ongoing trials and the structure of the Company’s planned or pending clinical trials. The words “anticipate,” “appear,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue,” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying 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 the Company’s compounds and preliminary data from clinical trials may not be predictive of the results or success of pending or later clinical trials, that data may not be available when we expect it to be, that the Company will not be able to enroll a sufficient number of patients in the expected timeframe, that the Company will be unable to successfully complete the clinical development of its compounds, including VS-4718, that the development of the Company’s compounds will take longer or cost more than planned, and that the Company’s compounds will not receive regulatory approval or become commercially successful products. Other risks and uncertainties include those identified under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2012 and in any subsequent SEC filings. The forward-looking statements contained in this press release reflect the Company’s current views with respect to future events, and the Company does not undertake and specifically disclaims any obligation to update any forward-looking statements.

Source: Verastem, Inc.

Contact Verastem:
Brian Sullivan, 617-252-9314
bsullivan@verastem.com
