

**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): **March 28, 2022**

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:

- 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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, \$0.0001 par value per share	VSTM	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 1.01 Entry into a Material Definitive Agreement

On March 23, 2022, the Board of Directors (the “Board”) of Verastem, Inc. (the “Company”) approved, for purposes of Section 203 of the General Corporation Law of the State of Delaware (“Section 203”), the acquisition by Baker Bros. Advisors LP, a Delaware limited partnership (together with its affiliates and associates “Investor”), whether in a single transaction or multiple transactions from time to time, of additional shares of the Company’s common stock, par value \$0.0001 per share, to the extent such acquisitions would result in Investor being the owner of 15% or more, but less than 20%, of the voting power of the shares of voting stock of the Company issued and outstanding from time to time.

On March 28, 2022, the Company and the Investor entered into an agreement pursuant to which Investor agreed that if Investor becomes the owner of shares of voting stock of the Company such that Investor would, in the aggregate, own 20% or more of the voting power of the issued and outstanding shares of voting stock of the Company under circumstances in which it would be an “interested stockholder” as defined in Section 203 (but, for this purpose, replacing “15%” in such definition with “20%”), then (i) notwithstanding the Board’s March 23, 2022 approval, the restrictions under Section 203 applicable to a “business combination” with an “interested stockholder” will apply as a matter of contract to Investor as if such Board approval had not been granted; and (ii) Investor will not engage in any business combination with the Company for a period of three years following the time that Investor became an owner of 20% or more of the voting power of the then-issued and outstanding shares of voting stock of the Company.

The foregoing description is a summary of the material terms of the March 28, 2022 agreement between the Company and Investor and does not purport to be complete and is qualified in its entirety by reference to the full text of the agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits

Exhibit No.	Description
10.1	Section 203 Agreement entered into as of March 28, 2022 by and between Baker Bros. Advisors LP and Verastem, Inc.
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

SIGNATURES

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.

Dated: March 30, 2022

By: /s/ Brian M. Stuglik

Brian M. Stuglik

Chief Executive Officer

SECTION 203 AGREEMENT

This Section 203 Agreement (the “Agreement”) is made and entered into as of March 28, 2022, by and between Baker Bros. Advisors LP, a Delaware limited partnership (together with its affiliates and associates “Investor”), and Verastem, Inc., a Delaware corporation (the “Company”).

WHEREAS, Investor may desire to acquire ownership of additional shares of common stock, par value \$0.0001 per share, of the Company (“Common Stock”) without being subject to the restrictions under Section 203 of the General Corporation Law of the State of Delaware, as amended (“Section 203”), applicable to a “business combination” with an “interested stockholder” (each such term, as used in this Agreement, shall have the meaning given to it in Section 203, except as described in Section 4 hereof); and

WHEREAS, as of the date hereof, the Company and Investor have no current discussions or negotiations with each other regarding a business combination or other extraordinary transaction involving the Company;

NOW THEREFORE, in consideration of the premises and the covenants of the parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the undersigned hereby agree as follows:

1. Board Approval. The Company hereby represents and warrants to Investor that the Board of Directors of the Company has duly approved (the “Board Approval”) this Agreement and the acquisition by Investor, whether in a single transaction or multiple transactions from time to time, of additional shares of Common Stock to the extent such acquisitions would result in Investor being the owner of 15% or more, but less than 20%, of the voting power of the shares of voting stock of the Company issued and outstanding from time to time, subject to the limitations provided for in Section 4 hereof and subject to the accuracy of the representations and warranties set forth in Section 2 hereof.

2. Investor Representations and Warranties. Investor hereby represents and warrants that, as of the date of this Agreement and assuming the accuracy of the representations and warranties set forth in Section 3 hereof, Investor is, in the aggregate, owner of less than 15% of the shares of Common Stock issued and outstanding as of the date of this Agreement.

3. Company Representations and Warranties. The Company hereby represents and warrants that, as of the date of this Agreement, there are 186,329,612 shares of Common Stock issued and outstanding, which is the only class of “voting stock” (as defined in Section 203) of the Company.

4. Additional Acquisitions. Investor agrees that if Investor becomes the owner of shares of voting stock of the Company such that Investor would, in the aggregate, own 20% or more of the voting power of the issued and outstanding shares of voting stock of the Company under circumstances in which they would be an “interested stockholder” as defined in Section 203 (but, for this purpose, replacing “15%” in such definition with “20%”) (any event causing Investor to own 20% or more of the voting power of the then-issued and outstanding shares of

voting stock of the Company, an “Additional Acquisition”), then (i) notwithstanding the Board Approval referred to in Section 1 of this Agreement, the restrictions under Section 203 applicable to a “business combination” with an “interested stockholder” shall apply as a matter of contract pursuant to this Agreement (except as modified herein) to Investor as if such Board Approval had not been granted and as if the Additional Acquisition had caused Investor and its affiliates and associates to become an interested stockholder for purposes of Section 203, except that wherever “15%” is used in Section 203 it shall mean, for all purposes of this Agreement, “20%”; and (ii) Investor will not engage in any business combination with the Company for a period of three years following the time that Investor became an owner of 20% or more of the voting power of the then-issued and outstanding shares of voting stock of the Company, unless prior to such time the Board of Directors of the Company approved, either the business combination or the Additional Acquisition.

5. Miscellaneous.

a. Counterparts. This Agreement may be signed in any number of counterparts, including electronic scan copies thereof delivered by electronic mail, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

b. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between and among the parties hereto with regard to the subject matter hereof, and supersedes all prior agreements and understandings with regard to such subject matter. This Agreement shall not be changed or modified, in whole or in part, except by supplemental agreement or amendment signed by the parties.

c. Specific Performance. The parties hereby expressly recognize and acknowledge that immediate, extensive and irreparable damage would result, no adequate remedy at law would exist and damages would be difficult to determine in the event that any provision of this Agreement is not performed in accordance with its specific terms or otherwise breached. It is hereby agreed that the parties shall be entitled to specific performance of the terms hereof and immediate injunctive relief and other equitable relief, without the necessity of proving the inadequacy of money damages as a remedy, and the parties further hereby agree to waive any requirement for the securing or posting of a bond in connection with the obtaining of such injunctive or other equitable relief. Such remedies, and any and all other remedies provided for in this Agreement, shall, however, be cumulative in nature and not exclusive and shall be in addition to any other remedies whatsoever which any party may otherwise have. Each of the parties hereby acknowledges that the existence of any other remedy contemplated by this Agreement does not diminish the availability of specific performance of the obligations hereunder or any other injunctive relief. Each of the parties further acknowledges and agrees that injunctive relief or specific performance will not cause an undue hardship to such party.

d. Third-Party Beneficiaries. Without limiting the parties’ rights to amend this Agreement, this Agreement is intended to benefit, and shall be enforceable by, each holder of outstanding shares of capital stock of the Company as a third-party beneficiary of this Agreement, such that such stockholders shall be entitled to enforce the Agreement if any of the provisions of this Agreement were not performed in accordance with their specific terms, as

amended from time to time, or were otherwise breached by the parties hereto, including, without limitation, in the event any business combination were consummated in violation of Section 4 hereof.

e. Definitions. As used in this Agreement, the terms “affiliate,” “associate,” “owner,” including the terms “own” and “owned,” “stock” and “voting stock” have the meanings given to them in Section 203.

f. Governing Law; Jurisdiction; Waiver of Jury Trial. The rights and obligations of the parties shall be governed by, and this Agreement shall be interpreted, construed and enforced in accordance with, the laws of the State of Delaware, excluding its conflict of laws rules to the extent such rules would apply the law of another jurisdiction. Any judicial proceeding brought against any of the parties to this Agreement or any dispute arising out of this Agreement or related hereto may be brought in the courts of the State of Delaware, or in the United States District Court for the District of Delaware, and, by execution and delivery of this Agreement, each of the parties to this Agreement accepts the exclusive jurisdiction of such courts and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Each of the parties hereto hereby irrevocably waives its right to a jury trial in connection with any action, proceeding or claim arising out of or relating to this Agreement.

[Signatures Follow on a Separate Page]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by its respective officer thereunto duly authorized as of the date first written above.

BAKER BROS. ADVISORS LP

By: /s/ Scott Lessing
Name: Scott Lessing
Title: President

VERASTEM, INC.

By: /s/ Robert E. Gagnon
Name: Robert E. Gagnon
Title: Chief Business and Financial Officer

[Signature Page to Section 203 Agreement]
