
**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 3, 2021**

AXCELLA HEALTH INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38901
(Commission
File Number)

26-3321056
(IRS Employer
Identification No.)

840 Memorial Drive
Cambridge, Massachusetts
(Address of principal executive offices)

02139
(Zip Code)

Registrant's telephone number, including area code: **(857) 320-2200**

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 (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))

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, \$0.001 Par Value	AXLA	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.

Appointment of Alison D. Schechter, M.D. as President of Research and Development

On March 3, 2021, Axcella Health Inc. (the “Company”) announced that Alison D. Schechter, M.D., has been appointed to serve as the Company’s President of Research and Development, effective as of March 15, 2021 (the “Effective Date”).

Dr. Schechter brings to Axcella more than 20 years of research and development, clinical and regulatory experience. Previously, she served as Chief Medical Officer at Selecta Biosciences, Inc. and as Global Project Head, Rare Diseases at Sanofi-Genzyme. Prior to this, Dr. Schechter was Global Program Head at Baxalta, where she was instrumental in obtaining multinational approvals for the company’s hemophilia drug candidates. Earlier, she also held roles in translational medicine, cardiovascular and metabolism product innovation at the Johnson & Johnson Innovation Center and the Novartis Institutes of Biomedical Research (NIBR). Dr. Schechter started her career in academia as Associate Professor in Immunology and Medicine and co-founder and co-director of the Cardiovascular Research Institute at the Icahn School of Medicine at Mount Sinai. She is a boarded cardiologist and internist who completed an Internal Medicine residency at The Johns Hopkins Hospital, a Cardiology fellowship at Massachusetts General Hospital and a Research Fellowship at Mount Sinai School of Medicine. Dr. Schechter earned her medical degree from SUNY Downstate Health Sciences University.

Employment Agreement with Dr. Schechter

In connection with her appointment as President of Research and Development, Dr. Schechter and the Company entered into an Employment Agreement, dated March 2, 2021 (the “Schechter Employment Agreement”).

Pursuant to the terms of the Schechter Employment Agreement, Dr. Schechter will receive an annual base salary of \$450,000 and is eligible to receive an annual target bonus of 40% of her annual base salary, based on achievement of certain individual and corporate milestones to be determined and approved by the Board of Directors of the Company (the “Board”). On the Effective Date, Dr. Schechter will also receive an option to purchase 250,000 shares of the Company’s common stock, with 25% of such shares vesting on the first anniversary of the Effective Date and the remaining shares vesting in 12 equal quarterly installments thereafter, subject to Dr. Schechter’s continued service to the Company. Under the Schechter Employment Agreement, Dr. Schechter will also be eligible to receive options to purchase up to 75,000 shares of common stock upon the achievement of certain performance-based milestones, as determined by and subject to the approval of the Board. Dr. Schechter’s employment is “at will” and may be terminated at any time by the Company or Dr. Schechter.

The foregoing description of the Schechter Employment Agreement is not complete and is qualified in its entirety by the copy thereof which is attached as Exhibit 10.1 and incorporated herein by reference.

Departure of Chief Medical Officer

On March 3, 2021, Manu Chakravarthy, M.D., Ph.D., the Company’s Chief Medical Officer, submitted notice to the Company of his resignation, effective March 5, 2021, to pursue other opportunities. The Company thanks Dr. Chakravarthy for his contributions.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
10.1	Employment Agreement, by and between the Company and Alison D. Schechter, dated as of March 2, 2021.
99.1	Press Release issued by the Company on March 3, 2021, furnished hereto.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

AXCELLA HEALTH INC.

Date: March 3, 2021

By: /s/ William R. Hinshaw, Jr.

William R. Hinshaw, Jr.

Chief Executive Officer, President and Director

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is made as of the 2nd Day of March, 2021 between Axcella Health Inc., a Delaware corporation (the “Company”), and Alison Schecter (the “Executive”).

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company on the terms and conditions contained herein commencing on March 15, 2021, unless another date is agreed to by the parties. The Executive’s first day of employment shall be the “Effective Date” of this Agreement; and

WHEREAS, the Company provided the Executive with this Agreement, which is its formal offer of employment to the Executive, at least ten (10) business days before the Effective Date. The Executive has the right to consult with counsel prior to signing this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The Company shall employ the Executive and the Executive shall be employed by the Company pursuant to this Agreement commencing as of the Effective Date and continuing until such employment is terminated in accordance with the provisions hereof (the “Term”). The Executive’s employment with the Company shall be “at will,” meaning that the Executive’s employment may be terminated by the Company or the Executive at any time and for any reason subject to the terms of this Agreement.

(b) Position and Duties. During the Term, the Executive shall serve as the President of Research & Development of the Company and shall have the powers, duties, and authority typically associated and commensurate with such position and such other powers and duties as may from time to time be prescribed by the Chief Executive Officer of the Company (the “CEO”). The Executive shall devote full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve as a Scientific Advisor to Tectonic Therapeutic and on other boards of directors, with the approval of the Board of Directors of the Company (the “Board”), or engage in religious, charitable or other community activities as long as such services and activities are disclosed to the Board and do not interfere with the Executive’s performance of duties to the Company.

2. Compensation and Related Matters.

(a) Base Salary. During the Term, the Executive’s initial annual base salary shall be paid at the rate of \$450,000 per year. The Executive’s base salary shall be reviewed annually by the Board or the Compensation Committee of the Board (the “Compensation Committee”). The base salary in effect at any given time is referred to herein as “Base Salary.” The Base Salary shall be payable in a manner that is consistent with the Company’s usual payroll practices for senior executives.

(b) Incentive Compensation. During the Term, the Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee in their sole discretion from time to time. The Executive's target annual incentive compensation shall be 40% percent of the Base Salary (the "Target Bonus"). Except as otherwise provided herein, to earn incentive compensation, the Executive must be employed by the Company on the day such incentive compensation is paid.

(c) Expenses. The Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its senior executives.

(d) Other Benefits. During the Term, the Executive shall be eligible to participate in or receive benefits under the Company's policies and employee benefit plans in effect from time to time, subject to the terms of such policies and plans and to the Company's ability to amend, modify, replace or terminate such policies and plans, including with respect to paid time off.

(e) Equity. Subject to approval by the Board promptly on or about the Effective Date, the Company shall grant Executive:

(i) an option to purchase 250,000 shares of the Company's Common Stock ("Option Award"), par value \$0.001 per share ("Shares");

(ii) a performance-based option to purchase 25,000 Shares with vesting on determination by the Compensation Committee that 50% of patients are dosed in study AXA1125-101 ("AXA1125 Performance Option Award"), provided that Executive remains employed by the Company on the vesting day;

(iii) a performance-based option to purchase 25,000 Shares with vesting on determination by the Compensation Committee that 50% of patients were dosed in study AXA1665-101 ("AXA1665 Performance Option Award"), provided that Executive remains employed by the Company on the vesting day; and

(iv) a performance-based option to purchase 25,000 Shares with vesting on determination by the Compensation Committee that the Company has exceeded its pipeline goals in 2021 ("Pipeline Performance Option Award," together with the AXA1125 Performance Option Award and the AXA1665 Performance Option Award, the "Performance Option Awards," and each a "Performance Option Award"), provided that Executive remains employed by the Company on the vesting day;

with an exercise price per Share equal to the closing trading price per share of the Company's common stock on the Nasdaq Global Market ("FMV") on the date the grant is approved by the Board ("Grant Date"), such Option Award and Performance Option Awards conditioned on Executive's execution of this Agreement, and subject to the terms of and contingent upon Executive's execution of a stock option award agreement issued pursuant to and under the terms of the Axcella Health Inc. 2019 Stock Option and Incentive Plan, as amended from time to time (the "Stock Plan"). To the extent permitted by law and subject to Board approval, the Option Award and any Performance Option Award shall be granted in the form of an incentive stock option meeting the requirements of Section 422 of the Code except to the extent that Executive directs that the Option Award or any Performance Option Award be granted in whole or in part in the form of a non-qualified stock option. Subject to final approval by the Board, the Option Award shall vest 25% on the first anniversary of the Effective Date, and the remaining 75% of the Option Award shall thereafter vest in equal installments on a quarterly basis on the last day of each complete quarter over a period of three years following such first anniversary, provided that Executive remains employed by the Company on each vesting day. With respect to the AXA1125 Performance Option Award and the AXA1665 Performance Option Award, if either product, or both products, is sold or divested, unvested options for performance against the corresponding study will immediately vest.

(f) In the case of inconsistency between this Agreement, and the Stock Plan, the provisions of the Stock Plan shall govern; in the case of inconsistency between this Agreement and any stock option award agreement, the provisions of the stock option agreement shall govern.

(g) Remote Working; Lodging. Executive will be expected to work at Axcella's office located in Cambridge, Massachusetts and may work remotely at times with the approval of the CEO, which approval shall be at the CEO's sole discretion, subject to any applicable laws and regulations, and any Axcella policies with respect to remote working then in effect. From time to time, situations may require that Executive may stay overnight in lodging near Axcella's office to enable her to perform her work obligations, as agreed with the CEO, and the Company will reimburse Executive for approved overnight lodging up to \$600 per week. Note that depending on the circumstances, such reimbursement may be deemed ordinary income to the Executive.

(h) Withholding; Tax Effect. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

3. Termination. During the Term, the Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon her death.

(b) Disability. The Company may terminate the Executive's employment if she is disabled and unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.* and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.* :

(c) Termination by Company for Cause. The Company may terminate the Executive's employment hereunder for Cause. For purposes of this Agreement, "Cause" shall mean: (i) conduct by the Executive constituting a material act of misconduct in connection with the performance of her duties, including, without limitation, misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (ii) the commission by the Executive of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Executive that would reasonably be expected to result in material injury or reputational harm to the Company or any of its subsidiaries and affiliates if she were retained in her position; (iii) willful or negligent failure to perform a material responsibility (other than by reason of the Executive's physical or mental illness, incapacity or disability) as reasonably determined in good faith by the CEO, which has continued for not less than 30 days following written notice from the CEO that identifies the unsatisfactory performance; (iv) a breach by the Executive of any of the provisions contained in Section 8 of this Agreement; (v) a material violation by the Executive of the Company's written employment policies; or (vi) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or after receipt of a legal notice to preserve documents or other materials or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation or after receipt of a legal notice to preserve documents or other materials.

(d) Termination without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate her employment hereunder at any time for any reason, including but not limited to Good Reason. For purposes of this Agreement, “Good Reason” shall mean that the Executive has complied with the “Good Reason Process” (hereinafter defined) following the occurrence of any of the following events: (i) a material diminution in the Executive’s responsibilities, authority or duties; (ii) a material diminution in the Executive’s Base Salary except for across-the-board salary reductions based on the Company’s financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the geographic location at which the Executive provides services to the Company (relocation of the Company’s office that results in an increase in Executive’s one-way driving distance by more than 50 miles from Executive’s then current principal residence is deemed to be a material change); or (iv) the material breach of this Agreement by the Company. “Good Reason Process” shall mean that (i) the Executive reasonably determines in good faith that a “Good Reason” event has occurred; (ii) the Executive notifies the Company in writing of the first occurrence of the Good Reason event within 60 days of the first occurrence of such event; (iii) the Executive reasonably cooperates in good faith with the Company’s efforts, for a period not less than 30 days following such notice (the “Cure Period”), to remedy the event; (iv) notwithstanding such efforts, the Good Reason condition continues to exist; and (v) the Executive terminates her employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(f) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive’s employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a “Notice of Termination” shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(g) Date of Termination. “Date of Termination” shall mean: (i) if the Executive’s employment is terminated by her death, the date of her death; (ii) if the Executive’s employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive’s employment is terminated by the Company under Section 3(d), the date on which a Notice of Termination is given or the date otherwise specified by the Company in the Notice of Termination; (iv) if the Executive’s employment is terminated by the Executive under Section 3(e) other than for Good Reason, 30 days after the date on which a Notice of Termination is given unless the Company agrees to a shorter time period at the Executive’s request, in which case the last sentence of this Section 3(g) shall not apply, and (v) if the Executive’s employment is terminated by the Executive under Section 3(e) for Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement; provided, however, the Company shall continue to provide Executive with the compensation and benefits under Section 2 above and Executive shall continue to vest under any existing option agreement or other stock-based award agreement through the Date of Termination specified in the Notice of Termination as if Executive had remained employed and the Company had not unilaterally accelerated the Date of Termination.

4. Termination Generally. If the Executive’s employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to her authorized representative or estate) (i) any Base Salary earned through the Date of Termination, unpaid expense reimbursements (subject to, and in accordance with, Section 2(c) of this Agreement) on or before the time required by law but in no event more than 30 days after the Executive’s Date of Termination; and (ii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the “Accrued Benefit”).

5. Termination by the Company without Cause or by the Executive for Good Reason. During the Term, if the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates her employment for Good Reason as provided in Section 3(e), then the Company shall pay the Executive the Accrued Benefit. In addition, subject to the Executive (i) signing a separation agreement and release in a form and manner satisfactory to the Company, which shall include, without limitation, a general release of claims in favor of the Company and related persons and entities, a reaffirmation of the Executive's post-employment obligations as set forth in this Agreement, and in the Company's sole discretion, a one year noncompetition agreement that includes restrictions no more extensive than the restrictions in Section 8(j)(iii) below, and shall provide that, if the Executive breaches any of the post-employment obligations, all payment of the Severance Amount shall immediately cease (the "Separation Agreement and Release"), and (ii) the Separation Agreement and Release becoming irrevocable, all within 60 days after the Date of Termination:

(a) the Company shall pay the Executive an amount equal to twelve (12) months of the Executive's Base Salary (the "Severance Amount"), provided in the event the Executive is entitled to any payments pursuant to Section 8(j)(iii) below, the Severance Amount received in any calendar year will be reduced by the amount the Executive is paid in the same such calendar year pursuant to the Section 8(j)(iii) below, (the "Restrictive Covenants Agreement Setoff"); and

(b) subject to the Executive's copayment of premium amounts at the active employees' rate and the Executive's proper election to receive benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company shall pay the monthly employer contribution that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company until the earliest of (A) the twelve (12) month anniversary of the Date of Termination; (B) the Executive's eligibility for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's continuation rights under COBRA; *provided, however*, if the Company determines that it cannot pay such amounts without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company will convert such payments to payroll payments directly to the Executive for the time period specified above. Such payments shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates. For the avoidance of doubt, the taxable payments described above may be used for any purpose, including, but not limited to, continuation coverage under COBRA.

(c) The amounts payable under Section 5(a) shall be paid out in substantially equal installments in accordance with the Company's payroll practice over 12 months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Severance Amount shall begin to be paid in the second calendar year by the last day of such 60-day period; provided, further, that the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Date of Termination. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).

(d) Notwithstanding anything to the contrary contained in this Agreement, the Separation Agreement and Release (i) shall not contain any terms or conditions that lessen the rights and benefits to which Executive is entitled under this Agreement, any applicable option agreement or other stock-based award agreement or the Stock Plan or increase Employee's obligations under Section 8 of this Agreement and (ii) shall provide that the following claims are excluded from the Release: (a) any claims or rights which cannot be waived by law, including Executive's right to accrued and unused vacation pay; (b) any claims for the payments and benefits due under this Agreement or claims to enforce rights that accrue under this Agreement following termination of employment; (c) any claims or rights to any vested benefits or vested rights that Executive may have under any employee benefit, retirement, pension or equity plans; (d) non-termination related claims under the Employee Retirement Income Security Act (29 U.S.C. § 1001 et seq.), as amended; (e) any rights and/or claims under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") to elect continued group health plan coverage; (f) claims for reimbursement of approved business expenses incurred prior to the Date of Termination; (g) rights, if any, to defense and indemnification from the Company or its insurers for actions taken by Executive in the course and scope of Executive's employment with the Company, including, without limitation, rights of defense and indemnification under the Company's articles of incorporation or bylaws, as a matter of law or under any directors and officers insurance policies or indemnification agreement; (h) any right Executive may have at law to obtain contribution as permitted by law in the event of entry of judgment against Executive as a result of any act or failure to act for which Executive and the Company or its past, present and future trustees, officers, agents, administrators, representatives, employees, affiliates, or insurers are held jointly liable; or (i) any rights and/or claims Executive may have as a shareholder of the Company.

6. Change in Control Payment. The provisions of this Section 6 set forth certain terms of an agreement reached between the Executive and the Company regarding the Executive's rights and obligations upon the occurrence of a Change in Control of the Company. These provisions are intended to assure and encourage in advance the Executive's continued attention and dedication to her assigned duties and her objectivity during the pendency and after the occurrence of any such event. These provisions shall apply in lieu of, and expressly supersede, the provisions of Section 5 regarding severance pay and benefits upon a termination of employment, if such termination of employment occurs within 12 months after the occurrence of the first event constituting a Change in Control (the "Change in Control Period"). The provisions in this Section 6 shall terminate and be of no further force or effect beginning after the Change in Control Period has ended.

(a) Change in Control. During the Term, if during the Change in Control Period, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates her employment for Good Reason as provided in Section 3(e), then, subject to the signing of the Separation Agreement and Release by the Executive and the Separation Agreement and Release becoming irrevocable, during the time frame set forth in the Separation Agreement and Release but in no event more than 60 days after the Date of Termination:

(i) the Company shall pay the Executive a lump sum in cash in an amount equal to 1.25 times the sum of (A) the Executive's then current Base Salary (or the Executive's Base Salary in effect immediately prior to the Change in Control, if higher) plus (B) the Executive's Target Bonus for the then-current year (the "Change in Control Payment"), provided the Change in Control Payment shall be reduced by the amount of the Restrictive Covenants Agreement Setoff, if applicable, paid or to be paid in the same calendar year; and

(ii) notwithstanding anything to the contrary in any applicable option agreement or other stock-based award agreement, all time-based stock options and other stock-based awards subject to time-based vesting held by the Executive (the "Time-Based Equity Awards") shall immediately accelerate and become fully exercisable or nonforfeitable as of the later of (i) the Date of Termination or (ii) the Effective Date of the Separation Agreement and Release (the "Accelerated Vesting Date"); *provided* that any termination or forfeiture of the unvested portion of such Time-Based Equity Awards that would otherwise occur on the Date of Termination in the absence of this Agreement will be delayed until the Effective Date of the Separation Agreement and Release and will only occur if the vesting pursuant to this subsection does not occur due to the absence of the Separation Agreement and Release becoming fully effective within the time period set forth herein. Notwithstanding the foregoing, no additional vesting of the Time-Based Equity Awards shall occur during the period between the Executive's Date of Termination and the Accelerated Vesting Date; and

(iii) subject to the Executive's copayment of premium amounts at the active employees' rate and the Executive's proper election to receive benefits under COBRA, the Company shall pay the monthly employer contribution that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company until the earliest of (A) the fifteen (15) month anniversary of the Date of Termination; (B) the Executive's eligibility for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's continuation rights under COBRA; provided, however, if the Company determines that it cannot pay such amounts without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company will convert such payments to payroll payments directly to the Executive for the time period specified above. Such payments shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates. For the avoidance of doubt, the taxable payments described above may be used for any purpose, including, but not limited to, continuation coverage under COBRA.

(iv) The amounts payable under this Section 6(a) shall be paid or commence to be paid within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, such payment shall be paid or commence to be paid in the second calendar year by the last day of such 60-day period.

(b) Additional Limitation.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (the "Aggregate Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, then the Aggregate Payments shall be reduced (but not below zero) so that the sum of all of the Aggregate Payments shall be \$1.00 less than the amount at which the Executive becomes subject to the excise tax imposed by Section 4999 of the Code; provided that such reduction shall only occur if it would result in the Executive receiving a higher After Tax Amount (as defined below) than the Executive would receive if the Aggregate Payments were not subject to such reduction. In such event, the Aggregate Payments shall be reduced in the following order, in each case, in reverse chronological order beginning with the Aggregate Payments that are to be paid the furthest in time from consummation of the transaction that is subject to Section 280G of the Code: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits; provided that in the case of all the foregoing Aggregate Payments all amounts or payments that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c).

(ii) For purposes of this Section 6(b), the "After Tax Amount" means the amount of the Aggregate Payments less all federal, state, and local income, excise and employment taxes imposed on the Executive as a result of the Executive's receipt of the Aggregate Payments. For purposes of determining the After Tax Amount, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes.

(iii) The determination as to whether a reduction in the Aggregate Payments shall be made pursuant to Section 6(b)(i) shall be made by a nationally recognized accounting firm selected and paid by the Company (the "Accounting Firm"), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(c) Definitions. For purposes of this Section 6, the following terms shall have the following meanings:

"Change in Control" shall have the meaning of "Sale Event" as defined in the Stock Plan or any successor plan.

7. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation otherwise subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with the original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided, or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits shall be payable only upon the Executive's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

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

8. Confidential Information, Assignment, Nonsolicitation and Noncompetition.

(a) Proprietary Information. Executive agrees that all information, whether or not in writing, concerning the Company's business, technology, business relationships or financial affairs that the Company has not released to the general public (collectively, "Proprietary Information") and all tangible embodiments thereof are and will be the exclusive property of the Company. By way of illustration, Proprietary Information may include information or material that has not been made generally available to the public, such as: (i) *corporate information*, including plans, strategies, methods, policies, resolutions, negotiations or litigation; (ii) *marketing information*, including strategies, methods, client or business partner identities or other information about customers or clients, business partners, prospect identities or other information about prospects, or market analyses or projections; (iii) *financial information*, including cost and performance data, debt arrangements, equity structure, investors and holdings, purchasing and sales data and price lists; (iv) *operational and scientific information*, including plans, specifications, manuals, forms, templates, software, pre-clinical and clinical testing data and strategies, research and development strategies, designs, methods, procedures, formulae, data, reports, discoveries, inventions, improvements, concepts, ideas, and other Developments (as defined below), know-how and trade secrets; and (v) *personnel information*, including personnel lists, reporting or organizational structure, resumes, personnel data, performance evaluations and termination arrangements or documents. Proprietary Information also includes information received in confidence by the Company from its customers, suppliers, business partners or other third parties.

(b) Recognition of Company's Rights. Executive will not, at any time, without the Company's prior written permission, either during or after her employment, disclose any Proprietary Information to anyone outside of the Company, or use or permit to be used any Proprietary Information for any purpose other than the performance of Executive's duties as an employee of the Company. Executive will cooperate with the Company and use her best efforts to prevent the unauthorized disclosure of all Proprietary Information. Executive will deliver to the Company all copies and other tangible embodiments of Proprietary Information in her possession or control upon the earlier of a request by the Company or termination of Executive's employment.

(c) Rights of Others. Executive understands that the Company is now and may hereafter be subject to nondisclosure or confidentiality agreements with third persons that require the Company to protect or refrain from use or disclosure of proprietary information. Executive agrees to be bound by the terms of such agreements in the event Executive has access to such proprietary information. Executive understands that the Company strictly prohibits Executive from using or disclosing confidential or proprietary information belonging to any other person or entity (including any employer or former employer), in connection with Executive's employment. In addition, Executive agrees not to bring any confidential information belonging to any other person or entity onto Company premises or into Company workspaces.

(d) Commitment to Company; Avoidance of Conflict of Interest. While an employee of the Company, Executive will devote her full-time efforts to the Company's business and Executive will not, directly or indirectly, engage in any other business activity, except as expressly authorized in writing and in advance by a duly authorized representative of the Company. Executive will advise an authorized officer of the Company or a designee at such time as any activity of either the Company or another business presents Executive with a conflict of interest or the appearance of a conflict of interest as an employee of the Company. Executive will take whatever action is requested of them by the Company to resolve any conflict or appearance of conflict which it finds to exist.

(e) Developments. Executive will make full and prompt disclosure to the Company of all inventions, discoveries, designs, developments, methods, modifications, improvements, processes, algorithms, data, databases, computer programs, research, formulae, techniques, trade secrets, graphics or images, and audio or visual works and other works of authorship, and other intellectual property, including works-in-process (collectively "Developments") whether or not patentable or copyrightable, that are created, made, conceived or reduced to practice by Executive (alone or jointly with others) or under her direction during the period of her employment. Executive acknowledges that all work performed by them is on a "work for hire" basis, and Executive hereby does assign and transfer and, to the extent any such assignment cannot be made at present, will assign and transfer, to the Company and its successors and assigns all her right, title and interest in and to all Developments that (i) relate to the business of the Company or any customer of, supplier to or business partner of the Company or any of the products or services being researched, developed, manufactured or sold by the Company or which may be used with such products or services; or (ii) result from tasks assigned to them by the Company; or (iii) result from the use of premises or personal property (whether tangible or intangible) owned, leased or contracted for by the Company ("Company-Related Developments"), and all related patents, patent applications, trademarks and trademark applications, copyrights and copyright applications, *sui generis* database rights and other intellectual property rights in all countries and territories worldwide and under any international conventions ("Intellectual Property Rights").

(f) To preclude any possible uncertainty, if there are any Developments that Executive has, alone or jointly with others, conceived, developed or reduced to practice prior to the commencement of her employment with the Company that Executive considers to be her property or the property of third parties and that Executive wishes to have excluded from the scope of this Agreement ("Prior Inventions"), Executive has set forth on Exhibit A attached hereto a complete list of those Prior Inventions. If disclosure of any such Prior Invention would cause them to violate any prior confidentiality agreement, Executive understands that Executive is not to list such Prior Inventions in Exhibit A but is only to disclose a cursory name for each such invention, a listing of the party(ies) to whom it belongs and the fact that full disclosure as to such inventions has not been made for that reason. If there are any patents or patent applications in which Executive is named as an inventor, other than those that have been assigned to the Company ("Other Patent Rights"), Executive has also listed those Other Patent Rights on Exhibit A. If no such disclosure is attached, Executive represents that there are no Prior Inventions or Other Patent Rights. If, in the course of her employment with the Company, Executive incorporates a Prior Invention into a Company product, process or machine, research or development program, or other work done for the Company, Executive hereby grants to the Company a nonexclusive, royalty-free, fully paid-up, irrevocable, worldwide license (with the full right to sublicense through multiple tiers) to make, have made, modify, use, sell, offer for sale and import such Prior Invention. Notwithstanding the foregoing, Executive will not incorporate, or permit to be incorporated, Prior Inventions in any Company-Related Development without the Company's prior written consent.

(g) This Agreement does not obligate Executive to assign to the Company any Development that, in the sole judgment of the Company, reasonably exercised, is developed entirely on Executive's own time and does not relate to the business efforts or research and development efforts in which, during the period of her employment, the Company actually is engaged or reasonably would be engaged, and does not result from the use of premises or equipment owned or leased by the Company. However, Executive will also promptly and confidentially disclose to the Company any such Developments for the purpose of determining whether they qualify for such exclusion. Executive understands that to the extent this Agreement is required to be construed in accordance with the laws of any state which precludes a requirement in an employee agreement to assign certain classes of inventions made by an employee, this Section 8(g) will be interpreted not to apply to any invention that a court rules and/or the Company agrees falls within such classes. Executive also hereby waives all claims to any moral rights or other special rights that Executive may have or accrue in any Company-Related Developments.

(h) Documents and Other Materials. Executive will keep and maintain adequate and current records of all Proprietary Information and Company-Related Developments developed by them during her employment, which records will be available to and remain the sole property of the Company at all times. All files, letters, notes, memoranda, reports, records, data, sketches, drawings, notebooks, layouts, charts, quotations and proposals, specification sheets, blueprints, models, prototypes, or other written, photographic or other tangible material containing Proprietary Information, whether created by them or others, which come into her custody or possession, are the exclusive property of the Company to be used by them only in the performance of her duties for the Company. Any property situated on the Company's premises and owned by the Company, including without limitation computers, disks and other storage media, filing cabinets or other work areas, is subject to inspection by the Company at any time with or without notice. In the event of the termination of her employment for any reason, Executive will deliver to the Company all Company property and equipment in her possession, custody or control, including all files, letters, notes, memoranda, reports, records, data, sketches, drawings, notebooks, layouts, charts, quotations and proposals, specification sheets, blueprints, models, prototypes, or other written, photographic or other tangible material containing Proprietary Information, and other materials of any nature pertaining to the Proprietary Information of the Company and to her work, and will not take or keep in her possession any of the foregoing or any copies.

(i) Enforcement of Intellectual Property Rights. Executive will cooperate fully with the Company, both during and after her employment with the Company, with respect to the Company's procurement, maintenance and enforcement, at the Company's expense, of Intellectual Property Rights in Company-Related Developments. Executive will sign, both during and after her employment, all papers, including without limitation copyright applications, patent applications, declarations, oaths, assignments of priority rights, and powers of attorney, which the Company may deem necessary or desirable in order to protect its rights and interests in any Company-Related Development or Intellectual Property Rights therein. If the Company is unable, after reasonable effort, to secure her signature on any such papers, Executive hereby irrevocably designates and appoints each officer of the Company as her agent and attorney-in-fact to execute any such papers on her behalf, and to take any and all actions as the Company may deem necessary or desirable in order to protect its rights and interests in any Company-Related Development, including any Intellectual Property Rights therein.

(j) Nonsolicitation and Noncompetition. In order to protect the Company's Proprietary Information and goodwill, during her employment and for a period of: (i) one (1) year following the Date of Termination, or (ii) two (2) years following the Date of Termination if Executive breaches her fiduciary duty to the Company or if Executive has unlawfully taken, physically or electronically, property belonging to the Company (in either case the "Restricted Period"):

(i) Executive shall not, directly or indirectly, in any manner, other than for the benefit of the Company, solicit or transact any business with any of the customers or customer prospects of the Company. For purposes of Section 8(j) of this Agreement, (x) the term business shall mean any business that researches, develops, manufactures, markets, sells or distributes a product or service that uses one or more endogenous metabolic modulators or similar platform for therapeutic or health purposes, (y) the term customers shall include then current customers to which the Company provided products or services during the 12 months prior to the Date of Termination (the "One Year Lookback"), the term customer prospects shall include customer prospects that the Company solicited during the One Year Lookback and that Executive had significant contact with or learned confidential information about in the course of her employment, and (z) the term suppliers shall include then current suppliers and suppliers that provided services to or in connection with the Company during the One Year Lookback.

(ii) Executive shall not, directly or indirectly, in any manner, solicit, entice or attempt to persuade any employee or consultant of the Company to leave the Company for any reason or otherwise participate in or facilitate the hire, directly or through another entity, of any person who is then employed or engaged by the Company.

(iii) Unless (y) the Company terminates Executive's employment without Cause (as provided in Section 3(d)) or Executive has been laid off; or (z) the Company waives the restrictions upon post-employment activities set forth in this Section 8(j)(iii), then, the Company shall make garden leave payments to Executive for the post-employment portion of the Restricted Period (but for not more than 12 months following the end of Executive's employment) at the rate of 50% of the highest annualized base salary paid to Executive by the Company within the two-year period preceding the last day of Executive's employment ("Garden Leave Pay"), and in exchange, Executive shall not directly or indirectly, whether as owner, partner, shareholder, director, manager, consultant, agent, employee, co-venturer or otherwise, anywhere in the world, engage or otherwise participate in any business that researches, develops, manufactures, or markets any products, or performs any services, that uses one or more endogenous metabolic modulators or similar platform for therapeutic or health purposes, including, without limitation, any products or services that target amino acid homeostasis for therapeutic and health purposes via the use of amino acid modalities; or products or services that the Company or its affiliates has under development or that are the subject of active planning at any time during her employment. For purposes of this Section 8(j)(iii) only, and notwithstanding anything to the contrary in any other part of this Agreement or any other agreement between the Company and Executive, "Cause" shall mean a reasonable and good faith basis for the Company to be dissatisfied with Executive job performance, Executive's conduct or Executive's behavior. Executive acknowledges that this covenant is necessary because the Company's legitimate business interests cannot be adequately protected solely by the other covenants in this Agreement. Executive further acknowledges and agrees that any payments Executive receives pursuant to this Section 8(j)(iii) shall reduce (and shall not be in addition to) any severance or separation pay that she is otherwise entitled to receive from the Company pursuant to this Agreement or otherwise.

9. Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall reasonably cooperate fully with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses including reasonable attorney's fees incurred by Executive in connection with the Executive's performance of obligations pursuant to this Section 9.

10. Government Contracts. Executive acknowledges that the Company may have from time to time agreements with other persons or with the United States Government or its agencies that impose obligations or restrictions on the Company regarding inventions made during the course of work under such agreements or regarding the confidential nature of such work. Executive agrees to comply with any such obligations or restrictions upon the direction of the Company. In addition to the rights assigned under Section 8(e), Executive also assigns to the Company (or any of its nominees) all rights that Executive has or acquired in any Developments, full title to which is required to be in the United States under any contract between the Company and the United States or any of its agencies.

11. Prior Agreements; No Debarment. Executive hereby represents that, except as Executive has fully disclosed previously in writing to the Company, Executive is not bound by the terms of any agreement with any previous or current employer or other party to refrain from using or disclosing any trade secret or confidential or proprietary information in the course of her employment with the Company or to refrain from competing, directly or indirectly, with the business of such employer or any other party. Executive further represents that her performance of all the terms of this Agreement as an employee of the Company does not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by them in confidence or in trust prior to Executive's employment with the Company. Executive will not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others. The Executive further represents that she has not been subject to any debarment action or investigation, whether mandatory or permissive, by the Food and Drug Administration (FDA) or any other governmental body in any other jurisdiction.

12. Remedies Upon Breach. Executive understands that the restrictions contained in Sections 8 and 9 of this Agreement (collectively, the “Continuing Obligations”) are necessary for the protection of the business and goodwill of the Company and Executive considers them to be reasonable for such purpose. Any breach of the Continuing Obligations is likely to cause the Company substantial and irrevocable damage and therefore, in the event of such breach, the Company, in addition to such other remedies which may be available, will be entitled to specific performance and other injunctive relief, without the posting of a bond. Executive further acknowledges that a court may render an award extending the Restricted Period as one of the remedies in the event of her violation of the Continuing Obligations. If Executive violates the Continuing Obligations, in addition to all other remedies available to the Company at law (including, without limitation, the Company’s right to discontinue any payments Executive may receive pursuant to this Agreement), in equity, and under contract, Executive agrees that Executive is obligated to pay all the Company’s costs of enforcement of this Agreement, including reasonable attorneys’ fees and expenses.

13. Use of Voice, Image and Likeness. During the Term, Executive gives the Company permission to use any and all of her voice, image and likeness, with or without using her name, in connection with the products and/or services of the Company, for the purposes of advertising and promoting such products and/or services and/or the Company, and/or for other purposes deemed appropriate by the Company in its reasonable discretion, except to the extent prohibited by law.

14. No Employment Obligation. Executive understands that this Agreement does not create an obligation on the Company or any other person to continue her employment. Executive acknowledges that, unless otherwise agreed in a formal written employment agreement signed on behalf of the Company by an authorized officer, her employment with the Company is at will and therefore may be terminated by the Company or Executive at any time and for any reason, with or without cause.

15. Survival and Assignment by the Company. Executive understands that the Continuing Obligations will continue in accordance with their express terms regardless of any changes in Executive’s title, position, duties, salary, compensation or benefits or other terms and conditions of employment. Executive further understands that the Continuing Obligations will continue following the termination of her employment regardless of the manner of such termination and will be binding upon her heirs, executors and administrators. The Company will have the right to assign this Agreement to its affiliates, successors and assigns. Executive expressly consents to be bound by the provisions of this Agreement for the benefit of the Company or any parent, subsidiary or affiliate to whose employ Executive may be transferred without the necessity that this Agreement be resigned at the time of such transfer.

16. Notice of Resignation. If Executive elects to resign from her employment with the Company, Executive agrees to provide the CEO and Chief People Officer (or equivalent) of the Company with written notification of her resignation at least thirty (30) days prior to her intended resignation date. In the event that it is not confidential, such notice shall include the name and address of any subsequent employer and/or person or entity with whom or which Executive intends to engage in business activities during the Restricted Period and the nature of her job duties and other business activities. The Company may elect to waive all or part of the notice period in its sole discretion.

17. Post-Employment Notifications. During the Restricted Period, Executive will notify the Company of any change in her address.

18. Disclosures During Restricted Period. Executive will provide a copy of this Agreement with all compensation terms redacted to any person or entity with whom Executive may enter into a business relationship, whether as an employee, consultant, partner, coventurer or otherwise, prior to entering into such business relationship during the Restricted Period only.

19. Waiver. The Company and Executive acknowledge and agree that the Company's election not to provide Executive with Garden Leave Pay as set forth in Section 8(j)(iii) shall be deemed a waiver of Executive's noncompetition obligations under Section 8(j)(iii). Otherwise, no waiver of any of Executive's obligations under this Agreement shall be effective unless made in writing by the Company. The failure of the Company to require Executive's performance of any term or obligation of this Agreement, or the waiver of any breach of this Agreement, shall not prevent the Company's subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

20. Severability. In case any provisions (or portions thereof) contained in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. If, moreover, any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

21. Choice of Law and Jurisdiction. This Agreement will be deemed to be made and entered into in the Commonwealth of Massachusetts, and will in all respects be interpreted, enforced, and governed under the laws of the Commonwealth of Massachusetts. Executive hereby consents to personal jurisdiction of the state and federal courts situated within Massachusetts for purposes of enforcing this Agreement, and waives any objection that Executive might have to personal jurisdiction or venue in those courts, provided, however, the Company and Executive agree that all civil actions relating to Section 8 of this Agreement shall be brought in the county of Suffolk and that the Superior Court or the Business Litigation Session of the Superior Court shall have exclusive jurisdiction. **ANY ACTION, DEMAND, CLAIM OR COUNTERCLAIM ARISING UNDER OR RELATING TO THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT WITH THE COMPANY, INCLUDING WITHOUT LIMITATION ANY CLAIMS OF DISCRIMINATION ARISING UNDER STATE OR FEDERAL LAW, WILL BE RESOLVED BY A JUDGE ALONE AND EACH OF THE COMPANY AND THE EXECUTIVE WAIVES ANY RIGHT TO A JURY TRIAL THEREOF.**

22. Independence of Obligations. Executive's obligations under this Agreement are independent of any obligation, contractual or otherwise, the Company has to Executive. The Company's breach of any such obligation shall not be a defense against the enforcement of this Agreement or otherwise limit Executive's obligations under this Agreement.

23. Protected Disclosures. Executive understands that nothing contained in this Agreement limits her ability to communicate with any federal, state, or local governmental agency or commission, including to provide documents or other information, without notice to the Company. Executive also understands that nothing in this Agreement limits her ability to share compensation information concerning them or others, except that this does not permit Executive to disclose compensation information concerning others that Executive obtains because her job responsibilities require or allow access to such information.

24. Defend Trade Secrets Act of 2016. Executive understands that pursuant to the federal Defend Trade Secrets Act of 2016, Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

25. Successor to the Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal representatives, executors, administrators, heirs, distributees, devisees and legatees. In the event of the Executive's death after her termination of employment but prior to the completion by the Company of all payments due them under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to her death (or to her estate, if the Executive fails to make such designation).

26. Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

27. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

28. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document. Delivery of an executed counterpart's signature page of this Agreement, by facsimile, electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, has the same effect as delivery of an executed original of this Agreement.

29. Gender Neutral. Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise. Plural pronouns shall be considered as including singular pronouns, male and female, unless the context clearly indicates otherwise.

30. Entire Agreement; Amendment. This Agreement, any applicable option agreement or other stock-based award agreement and the Stock Plan constitute the entire agreement between the Company and Executive with respect to the subject matter hereof, and supersede all prior agreements or understandings, both written and oral, between the Company and Executive with respect to the subject matter hereof, but does not in any way merge with or supersede any other confidentiality, assignment of inventions or other restrictive covenant agreement or obligation entered into by the Company and Executive, which agreements and obligations shall supplement, and shall not limit or be limited by, this Agreement. This Agreement may be amended only in a written agreement executed by a duly authorized officer of the Company and Executive.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

AXCELLA HEALTH INC.

By: /s/ William Hinshaw
William Hinshaw

Its: President and Chief Executive Officer

By: /s/ Alison Schecter
Alison Schecter



Axcella Announces Alison D. Schecter, M.D., as President of R&D

Experienced biopharma leader to oversee research, candidate development, clinical and regulatory functions

Cambridge, Mass., MARCH 3, 2021 – Axcella (Nasdaq: AXLA), a clinical-stage biotechnology company pioneering a new approach to treat complex diseases and improve health using endogenous metabolic modulator (EMM) compositions, today announced the appointment of Alison D. Schecter, M.D., as the company’s President of Research and Development. In this role, Dr. Schecter will oversee all of the company’s research, product candidate design, clinical and regulatory efforts. Additionally, Manu Chakravarthy, M.D., Ph.D., has decided to step down as the company’s Chief Medical Officer to pursue another opportunity.

“We are excited to welcome Alison to Axcella and view her unique skillsets as a great match for our innovative, efficient and highly informative development model. Her impressive experience across the drug development lifecycle will be valuable as we enter late-stage development with our lead candidates and execute our pipeline expansion plans,” said Bill Hinshaw, President and Chief Executive Officer of Axcella. “On behalf of Axcella’s employees and board, I would like to extend our appreciation to Manu for his collaboration and many contributions over the past few years, culminating in the finalization of our AXA1125 IND submission and clearance of our AXA1665 IND. We wish him the very best in his new venture.”

Dr. Schecter brings more than 20 years of R&D, clinical and regulatory experience to Axcella. Previously, she served as Chief Medical Officer at Selecta Biosciences, Inc. and Global Project Head, Rare Diseases at Sanofi-Genzyme. Prior to this, Dr. Schecter was Global Program Head at Baxalta, where she was instrumental in obtaining multinational approvals for Adynovate and advancing the company’s other hemophilia candidates. Earlier, she held roles of increasing responsibility in translational medicine, cardiovascular and metabolism product innovation at the Northeast J&J Innovation Center and the Novartis Institutes of Biomedical Research (NIBR). Dr. Schecter started her career in academia as Associate Professor in Immunology and Medicine and co-founder and co-director of the Cardiovascular Research Institute at the Icahn School of Medicine at Mount Sinai. She is a boarded cardiologist and internist who completed an Internal Medicine residency at The Johns Hopkins Hospital, a Cardiology fellowship at Massachusetts General Hospital and a Research Fellowship at Mount Sinai School of Medicine. Dr. Schecter earned her medical degree from SUNY Downstate Health Sciences University.

“With strong clinical data, recent regulatory milestones and a plethora of R&D opportunities afforded by its unique platform, I could not be more excited to take on this role at Axcella,” said Dr. Schecter. “I am looking forward to working with the team as we strive to improve the lives of patients with complex diseases utilizing novel EMM compositions.”

Dr. Chakravarthy said, “My time at Axcella has been extremely gratifying as we were able to pioneer a new class of multi-targeted therapeutic candidates, demonstrate their potential, replicate our findings in multiple clinical studies, and advance two liver disease candidates into Phase 2/2b trials within 4 years of their design. It has been a privilege to be a part of this organization, and I am looking forward to helping ensure a smooth transition as Axcella enters its next exciting phase of development.”

Internet Posting of Information

Axcella uses its website, www.axcellahealth.com, as a means of disclosing material nonpublic information and for complying with its disclosure obligations under Regulation FD. Such disclosures will be included on the company's website in the "Investors and News" section. Accordingly, investors should monitor this portion of the company's website, in addition to following its press releases, SEC filings and public conference calls and webcasts.

About Axcella

Axcella is a clinical-stage biotechnology company pioneering a new approach to treat complex diseases and improve health using endogenous metabolic modulator (EMM) compositions. The company's product candidates are comprised of EMMs and their derivatives that are engineered in distinct combinations and ratios to simultaneously impact multiple biological pathways. Axcella's pipeline includes lead therapeutic candidates for non-alcoholic steatohepatitis (NASH) and the reduction in risk of overt hepatic encephalopathy (OHE) recurrence. For more information, please visit www.axcellahealth.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including, without limitation, statements regarding the company's ability to progress into late-stage development with its lead candidates and execute its pipeline expansion plans. The words "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "project," "potential," "continue," "target" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Any forward-looking statements in this press release are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties and important factors that may cause actual events or results to differ materially from those expressed or implied by any forward-looking statements contained in this press release, including, without limitation, those related to the potential impact of COVID-19 on the company's ability to conduct and complete its ongoing or planned clinical studies and clinical trials in a timely manner or at all due to patient or principal investigator recruitment or availability challenges, clinical trial site shutdowns or other interruptions and potential limitations on the quality, completeness and interpretability of data the company is able to collect in its planned clinical trials of AXA1665 and AXA1125, other potential impacts of COVID-19 on the company's business and financial results, including with respect to its ability to raise additional capital and operational disruptions or delays, changes in law, regulations, or interpretations and enforcement of regulatory guidance, whether data readouts support the company's clinical trial initiation plans and timing, clinical trial design and target indications for AXA1665 and AXA1125, the clinical development and safety profile of AXA1665 and AXA1125 and their therapeutic potential, whether and when, if at all, the company's product candidates will receive approval from the FDA or other comparable regulatory authorities, potential competition from other biopharma companies in the company's target indications, and other risks identified in the company's SEC filings, including Axcella's Annual Report on Form 10-K, Quarterly Report on Form 10-Q and subsequent filings with the SEC. The company cautions you not to place undue reliance on any forward-looking statements, which speak only as of the date they are made. Axcella disclaims any obligation to publicly update or revise any such statements to reflect any change in expectations or in events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements. Any forward-looking statements contained in this press release represent the company's views only as of the date hereof and should not be relied upon as representing its views as of any subsequent date. The company explicitly disclaims any obligation to update any forward-looking statements.

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