

**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**

**January 4, 2024
Date of Report (Date of earliest event reported)**

Prime Medicine, Inc.
(Exact name of registrant as specified in its charter)

**Delaware
(State or other jurisdiction of
incorporation)
21 Erie Street
Cambridge, MA
(Address of principal executive offices)**

**001-41536
(Commission File Number)**

**84-3097762
(I.R.S. Employer Identification No.)**

**02139
(Zip Code)**

**(617) 564-0013
(Registrant's telephone number, including area code)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$.00001 per share	PRME	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 (§250.12b-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 Chief Financial Officer and Principal Financial Officer

On January 4, 2024, the Board of Directors (the “Board”) of Prime Medicine, Inc. (the “Company”) appointed Allan Reine as the Chief Financial Officer and the principal financial officer of the Company effective as of January 17, 2024.

Dr. Reine, age 49, has over 20 years of experience in the biotechnology sector. Prior to joining the Company, he was Chief Financial Officer of Foghorn Therapeutics, Inc., a biotechnology company, from September 2019 to January 2024 and Chief Financial Officer of Pieris Pharmaceuticals, Inc., a biotechnology company, from August 2017 to September 2019. Previously, Dr. Reine managed various healthcare portfolios primarily focused on biotechnology and pharmaceutical companies at Lombard Odier Asset Management, Citi Principal Strategies, SAC Capital, Trivium Capital and Alexandra Investment Management. He started his career at CIBC World Markets where he worked in both biotechnology investment banking and biotechnology equity research. Dr. Reine is currently chairman of the board of directors of ONK Therapeutics, Inc. where he has served on the board of directors since March 2022. Dr. Reine received his M.D. from the University of Toronto and his B.S. in Statistical Sciences from the University of Western Ontario.

In connection with Dr. Reine’s appointment as Chief Financial Officer, the Company entered into an employment agreement with him (the “Employment Agreement”) pursuant to which the Company has agreed to pay Dr. Reine an annual base salary of \$500,000 and a one-time sign-on bonus of \$176,000. Dr. Reine is also eligible to earn an annual target bonus of 40% of his annual base salary. During Dr. Reine’s employment, he will be eligible to participate in the Company’s equity compensation plans and employee benefit plans available to other employees of the Company.

Pursuant to the Employment Agreement, in the event Dr. Reine is terminated by us without “cause” or he resigns for “good reason” (as such terms are defined in the Employment Agreement), in each case subject to the delivery of and compliance with a fully effective separation agreement that shall include, without limitation, a release of claims, reaffirmation of applicable restrictive covenants and, in the Company’s discretion, a one year non-competition agreement, Dr. Reine will be entitled to (i) an amount equal to the sum of (A) 9 months of his then-current base salary plus (B) 0.75 times his target annual bonus for the then current year, in each case subject to reductions by any amount received by him pursuant to a restrictive covenant agreement, and (ii) subject to Dr. Reine’s co-payment of premium amounts at the applicable active employees’ rate and proper election to continue COBRA health coverage, payment of the portion of the premium equal to the amount the Company would have paid to provide health insurance had he remained employed by us until the earliest of (A) 9 months following his termination, (B) his eligibility for group medical plan benefits under any other employer’s group medical plan or (C) the end of his COBRA health continuation period. These amounts shall be paid out in substantially equal installments in accordance with the Company’s payroll practice over a period of 9 months. In addition, subject to the delivery of the fully effective separation agreement, the bonus amount (if any) that Dr. Reine would have been paid if he had remained employed through the payment date, if such termination occurs on or after January 1 but before the date bonuses are paid for the prior year to the Company’s other executives, will be paid to Dr. Reine on the date the Company’s other executives receive their bonuses.

In the event Dr. Reine is terminated by us without cause or he resigns for good reason, in each case within 12 months following a “change in control” (as defined in the Employment Agreement), subject to the delivery of and compliance with a fully effective separation agreement (as described above), Dr. Reine will be entitled to the following, in lieu of the benefits above: (i) a lump sum cash payment equal to the sum of (A) 12 months of his then-current base salary (or his base salary in effect immediately prior to the change in control, if higher) plus (B) 1.0 times his target annual bonus for the then current year (or target in effect immediately prior to the change in control, if higher), in each case subject to reductions by any amount received by him pursuant to a restrictive covenant agreement, (ii) subject to Dr. Reine’s co-payment of premium amounts at the applicable active employees’ rate and proper election to continue COBRA health coverage, payment of the portion of the premium equal to the amount the Company would have paid to provide health insurance had he remained employed by us until the earliest of (A) 12 months from the date of his separation, (B) his eligibility for group medical plan benefits under any other employer’s group medical plan or (C) the end of his COBRA health continuation period, and (iii) the bonus amount (if any) that Dr. Reine would have been paid if he had remained employed through the payment date, if such termination occurs on or after January 1 but before the date bonuses are paid for the prior year to the Company’s other executives. In addition, in the event Dr. Reine is terminated by us without cause or he resigns for good reason, in each case within 12 months following a change in control, all of the then-outstanding and unvested portion of his stock options and other stock-based awards that are subject solely to time-based vesting shall become fully vested and exercisable or non-forfeitable immediately as of the date of termination, with any such performance-based awards vesting at target.

Pursuant to the Employment Agreement, the Board approved the grant of a stock option to purchase 600,000 shares of the Company's common stock pursuant to the Company's 2022 Stock Option and Incentive Plan (the "2022 Plan") to Dr. Reine. The stock option award will have an exercise price equal to the closing price of the Company's common stock on the Nasdaq Global Market on the date of grant. Twenty-five percent of the shares will vest on the one-year anniversary of the date of the grant and the balance will vest monthly in equal installments over the following 36 months, subject to Dr. Reine's continuous service. In addition, the Board approved the grant of a stock option to purchase 250,000 shares of the Company's common stock pursuant to the Plan to Dr. Reine. The stock option award will have an exercise price equal to the closing price of the Company's common stock on the Nasdaq Global Market on the date of grant and will vest upon the achievement of agreed milestones that will be set forth in the applicable equity agreement, subject to Dr. Reine's continuous service.

There is no arrangement or understanding between Dr. Reine and any other person pursuant to which he was selected as an officer of the Company, and there are no family relationships between Dr. Reine and any of the Company's directors or executive officers. There are no transactions to which the Company is a party and in which Dr. Reine has a direct or indirect material interest that would be required to be disclosed under Item 404(a) of Regulation S-K.

The foregoing description of the terms of Dr. Reine's employment is not complete and is qualified in its entirety by reference to the Employment Agreement, a copy of which is attached hereto as Exhibit 10.1.

Transition of Interim Chief Financial Officer and Principal Financial Officer

Effective January 17, 2024, Carman Alenson will transition from Interim Chief Financial Officer and Chief Accounting Officer to Senior Vice President, Finance and Chief Accounting Officer. She will step down from the role of principal financial officer and will continue in her role of principal accounting officer.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
10.1	Employment Agreement, effective as of January 17, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 5, 2024

Prime Medicine, Inc.

By: /s/ Keith Gottesdiener

Name: Keith Gottesdiener, M.D.

Title: President and Chief Executive Officer

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") is made between Prime Medicine, Inc., a Delaware corporation (the "Company"), and Allan Reine (the "Executive") and is effective as of January 17th, 2024 (the "Effective Date").

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company on the new terms and conditions contained herein.

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 for any or no reason, subject to the terms of this Agreement.

b. Position and Duties. The Executive shall serve as the Chief Financial Officer of the Company and shall report to the Chief Executive Officer of the Company (the "CEO") or another duly authorized executive. This is a full-time position, and the Executive shall not engage in any other employment, consulting or other business activities (whether full-time or part-time), except as expressly authorized in writing by the CEO; provided, however, that the Executive may continue to serve on the board of directors for ONK Therapeutics, so long as such activities do not materially interfere with the Executive's performance of the Executive's duties hereunder or create a conflict of interest with the Executive's obligations to the Company. Notwithstanding the foregoing, the Executive may engage in professional and educational organizations, religious, charitable and other community activities (as well as manage the Executive's personal investments) so long as any outside activities do not interfere or conflict with the Executive's obligations to the Company. Any compensation received by the Executive for outside board service or other activities shall belong solely to the Executive, and the Company shall have no right to such compensation.

c. The Executive's primary work location is remote, based in New York, New York, provided that the Executive may be required to travel for business, consistent with the Company's business needs.

d. Commuting Costs. From the commencement of the Executive's employment with the Company, the Company shall reimburse the Executive for all reasonable and properly documented commuting expenses incurred by him in connection with his commute between Cambridge, Massachusetts and New York, New York. All required payments are subject to legally required tax withholdings.

e. Remote Housing Costs. For twelve (12) months from the commencement of the Executive's employment with the Company, the Company shall reimburse the Executive for all reasonable and properly documented expenses incurred by him in connection with his living accommodations, up to \$2,000 per month in or near Cambridge, Massachusetts. The Company will cover additional tax gross-up costs on the remote housing benefits provided in this Section 1(e).

2. Compensation and Related Matters.

a. Base Salary. The Company will pay the Executive a base salary at the rate of \$500,000 per year, payable in accordance with the Company's standard payroll schedule for its executive officers and subject to applicable deductions and withholdings. The Executive's base salary will be subject to periodic review and adjustments by the Company's Board of Directors (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 the "Base Salary."

b. Annual Bonus. The Executive will be eligible to receive an annual target performance bonus of 40% of the Executive's Base Salary. The annual target performance bonus in effect at any given time is referred to herein as "Target Bonus." The actual bonus amount is discretionary. To earn an annual bonus, the Executive must be

employed by the Company as of the payment date of such bonus, except as otherwise provided herein; provided that if the Executive is terminated by the Company without Cause or the Executive resigns for Good Reason (as such terms are defined in Section 3), in either event on or after January 1 but before the date bonuses for the prior year are paid to the Company's other executives (the "Bonus Payment Date"), the bonus amount (if any) that the Executive would have been paid if the Executive had remained employed through the Bonus Payment Date shall be paid to the Executive on the Bonus Payment Date if the Executive enters into, does not revoke and complies with the Separation Agreement (as defined below). Any annual bonus will be paid no later than March 15th of the calendar year following the calendar year to which such bonus relates.

c. Expenses. The Company will promptly reimburse the Executive for all reasonable business expenses incurred by the Executive in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its executives.

d. Benefits/Paid Time Off. The Executive will be eligible, subject to the terms of the applicable plans and programs, to participate in the employee benefits and insurance programs and be eligible for paid time off generally made available to the Company's full-time executive employees. The Company reserves the right to modify, amend or cancel any of its benefits plans or programs at any time. The Executive will be entitled to indemnification by the Company in accordance with the Company's bylaws and, to the extent procured by the Company, any applicable directors and officers ("D&O") liability insurance policy.

e. Equity. Subject to the approval of the Board, the Executive will be granted an option to purchase 600,000 shares of the Company's common stock with an exercise price per share equal to the fair market value as of the date of grant (the "Option"). The Option will be subject to the terms of and contingent upon the Executive's execution of a stock option award agreement issued pursuant to the Company's 2022 Stock Option and Incentive Plan (the "Plan"); provided, however, and notwithstanding anything to the contrary in any applicable option agreement or other stock-based award agreement, in the event that the Executive's employment is terminated by the Company without Cause or by the Executive for Good Reason, in each case during the Change in Control Period (as defined below), all of the then-outstanding and unvested portion of the Executive's stock options and other stock-based awards that are subject solely to time-based vesting shall become fully vested and exercisable or nonforfeitable immediately as of the Date of Termination (as defined below). For the avoidance of doubt, (I) the forfeiture provisions upon a Change in Control described in the Plan shall not apply to the Executive's equity awards that are subject to acceleration pursuant to this subsection, and (II) any stock options or other stock-based awards that are subject to performance-based vesting that are granted to the Executive after the Effective Date shall not be subject to acceleration pursuant to this subsection, and the vesting and any acceleration of vesting of such awards (if any) will be addressed in the applicable award agreements.

The Company shall recommend to the Board that you be granted an option to purchase an additional 250,000 shares of the Company's common stock with an exercise price equal to the fair market value at the time of grant (the "Milestone Equity"). Milestone Equity will vest upon achievement of each agreed milestone that will be set forth in the applicable equity agreement (the "Milestones"). The Company will discuss the milestones with you, which will be determined by the CEO, in consultation with the Board, and finalized the time of grant or as soon as practicable thereafter. In the event of any discrepancy between Section 2 and the applicable stock option agreement, including, without limitation, with respect to the description of the Milestones, the Milestone Equity and the Equity, the stock option agreement will govern. Milestone Equity will be subject to the terms of, and contingent upon your execution of, a stock option agreement issued pursuant to the Plan.

f. Sign-on. The Company will pay you a Sign-On Bonus, referred to herein as "Sign-On Bonus" in the amount of \$176,000. Should you leave the company voluntarily within one year of your start date, you will be required to repay this bonus, unless this requirement is waived by the CEO based on the terms of your departure.

3. Termination. 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 death.

b. Disability. The Company may terminate the Executive's employment if the Executive is disabled and unable to perform or expected to be 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 the Company for Cause. The Company may terminate the Executive's employment hereunder for Cause. For purposes of this Agreement, "Cause" shall mean any of the following:

- i. the Executive's dishonest statements or acts with respect to the Company or any affiliate of the Company, or any current or prospective customers, suppliers, vendors or other third parties with which such entity does business that results in or is reasonably anticipated to result in material harm to the Company;
- ii. the Executive's commission of (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud;
- iii. the Executive's refusal to perform the Executive's assigned duties and responsibilities, which refusal to perform continues, in the reasonable judgment of the CEO, for 30 days after written notice given to the Executive by the CEO describing such refusal in reasonable detail;
- iv. the Executive's gross negligence, willful misconduct or insubordination with respect to the Company that results in or is reasonably anticipated to result in harm to the Company;
- v. the Executive's material violation of any material provision of any written employment policies or any agreement(s) between the Executive and the Company, including any agreement relating to noncompetition, nonsolicitation, nondisclosure and/or assignment of inventions; or
- vi. the Executive's 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 the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

d. Termination by the Company 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 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 without the Executive's consent (each, a "Good Reason Condition"):

- i. a material diminution in the Executive's title, responsibilities, authority or duties, except that a suspension of the Executive's responsibilities, authority and/or duties for the Company during any portion of a

bona fide internal investigation or an investigation by regulatory or law enforcement authorities shall not be a Good Reason Condition;

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 change of more than 50 miles in the geographic location at which the Executive is required to provide services to the Company; or

iv. a material breach of this Agreement or any equity award by the Company.

The "Good Reason Process" shall mean that:

i. the Executive reasonably determines that a Good Reason Condition has occurred;

ii. the Executive notifies the Company in writing of the occurrence of the Good Reason Condition within 30 days of the Executive's knowledge of such condition;

iii. the Executive cooperates in good faith with the Company's efforts, for a period of not less than 30 days following such notice (the "Cure Period"), to remedy the Good Reason Condition;

iv. notwithstanding such efforts, the Good Reason Condition continues to exist at the end of the Cure Period; and

v. the Executive terminates employment within 30 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.

4. Matters related to Termination.

a. 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.

b. Date of Termination. "Date of Termination" shall mean: (i) if the Executive's employment is terminated by death, the date of 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 without Cause 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, 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.

c. Accrued Obligations. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 2(c) of this Agreement); and (iii) 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. The payments and benefits due to the Executive under this Section 4(c) are collectively referred to herein as the "Accrued Obligations."

d. Resignation of All Other Positions. To the extent applicable, the Executive shall be deemed to have resigned from all officer and board member positions that the Executive holds with the Company or any of its respective subsidiaries and affiliates upon the termination of the Executive's employment for any reason. The Executive shall execute any documents in reasonable form as may be requested to confirm or effectuate any such resignations.

5. Severance Pay and Benefits Upon Termination by the Company without Cause or by the Executive for Good Reason Outside the Change in Control Period. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates employment for Good Reason as provided in Section 3(e), in each case outside of the Change in Control Period, then, in addition to the Accrued Obligations, and subject to (i) the Executive signing a separation agreement and release in a form and manner reasonably satisfactory to the Company, which shall include, without limitation, a general release of claims against the Company and all related persons and entities that shall not release the Executive's rights under this Agreement, a reaffirmation of the Executive's Continuing Obligations (as defined below), and, in the Company's sole discretion, a one year post-employment noncompetition agreement, and shall provide that if the Executive breaches in any material respect the Continuing Obligations, all payments of the Severance Amount (as defined below) shall immediately cease (the "Separation Agreement"), and (ii) the Separation Agreement becoming irrevocable, all within 60 days after the Date of Termination (or such shorter period as set forth in the Separation Agreement), which shall include a seven (7) business day revocation period:

a. the Company shall pay the Executive an amount equal to the sum of (i) nine (9) months of the Executive's then-current Base Salary plus (ii) 0.75 times the Executive's Target Bonus for the then-current year (the "Severance Amount"); and

b. subject to the Executive's copayment of premium amounts at the applicable 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 to the group health plan provider or the COBRA provider a monthly payment equal to 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 nine (9) month anniversary of the Date of Termination; (B) the date that the Executive becomes eligible for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's health continuation rights under COBRA; provided, however, that if the Company determines that it cannot pay such amounts to the group health plan provider or the COBRA provider (if applicable) without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company shall convert such payments to payroll payments directly to the Executive for the time period specified above. Such payments to the Executive shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates.

The amounts payable under Section 5, to the extent taxable, shall be paid out in substantially equal installments in accordance with the Company's payroll practice over nine (9) 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, such payments, to the extent they qualify as "non-qualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), 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). For the avoidance of doubt, the Executive shall not be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under this Section 5, subject to the terms of this Agreement.

6. Severance Pay and Benefits Upon Termination by the Company without Cause or by the Executive for Good Reason during the Change in Control Period. The provisions of this Section 6 shall apply in lieu of, and expressly supersede, the provisions of Section 5 if (i) the Executive's employment is terminated either (a) by the Company without Cause as provided in Section 3(d), or (b) by the Executive for Good Reason as provided in

Section 3(e), and (ii) the Date of Termination occurs during the Change in Control Period. These provisions shall terminate and be of no further force or effect after the Change in Control Period.

a. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates employment for Good Reason as provided in Section 3(e) and in each case the Date of Termination occurs during the Change in Control Period, then, in addition to the Accrued Obligations, and subject to the signing of the Separation Agreement by the Executive and the Separation Agreement becoming fully effective, all within the time frame set forth in the Separation Agreement 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 the sum of (A) 12 months of 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) one times the Executive's Target Bonus for the then-current year (or the Executive's Target Bonus in effect immediately prior to the Change in Control, if higher) (the "Change in Control Payment"); and

ii. subject to the Executive's copayment of premium amounts at the applicable active employees' rate and the Executive's proper election to receive benefits under COBRA, the Company shall pay to the group health plan provider or the COBRA provider a monthly payment equal to 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 12 month anniversary of the Date of Termination; (B) the date that the Executive becomes eligible for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's health continuation rights under COBRA; provided, however, that if the Company determines that it cannot pay such amounts to the group health plan provider or the COBRA provider (if applicable) without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company shall convert such payments to payroll payments directly to the Executive for the time period specified above. Such payments to the Executive shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates.

The amounts payable under this Section 6(a), to the extent taxable, 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 payments to the extent they qualify as "non-qualified deferred compensation" within the meaning of Section 409A of the Code, shall be paid or commence to be paid in the second calendar year by the last day of such 60-day period. For the avoidance of doubt, the Executive shall not be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under this Section 6, subject to the terms of this Agreement.

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 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 Agreement:

i. “Change in Control” shall mean a “Sale Event” as defined in the Plan.

ii. “Change in Control Period” shall mean the period beginning on the date of the consummation of the first event constituting a Change in Control (the “Closing Date”) and ending on the 12 month anniversary of the Closing Date.

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 or otherwise 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 their 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 or are exempt

from Section 409A of the Code. Each payment pursuant to this Agreement or the Restrictive Covenants 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. Continuing Obligations.

a. Restrictive Covenants Agreement. As a condition of employment, and in exchange for the benefits set forth in this Agreement, to which the Executive was not previously entitled, the Executive is required to enter into the Employee Confidentiality, Assignment, Nonsolicitation and Noncompetition Agreement attached hereto as Exhibit A (the "Restrictive Covenants Agreement"). For purposes of this Agreement, the obligations in this Section 8 and those that arise in the Restrictive Covenants Agreement and any other agreement relating to confidentiality, assignment of inventions, or other restrictive covenants shall collectively be referred to as the "Continuing Obligations." For the avoidance of doubt, all restrictive covenants obligations are supplemental to one another, and in the event of any conflict between restrictive covenants obligations, the most restrictive provision that is enforceable shall govern. In the event the Executive is entitled to both payments pursuant to the Restrictive Covenants Agreement and severance payments pursuant to Section 5 or Section 6 of this Agreement, then the severance payments pursuant to Section 5 or Section 6 of this Agreement received in any calendar year will be reduced by the amount the Executive is paid in the same such calendar year pursuant to the Restrictive Covenants Agreement.

b. Third-Party Agreements and Rights. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

c. Litigation and Regulatory Cooperation. During and for 36 months after the Executive's employment, the Executive shall cooperate reasonably with the Company in (i) 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, and (ii) the investigation, whether internal or external, of any matters about which the Company believes the Executive may have knowledge or information. The Executive's reasonable cooperation in connection with such claims, actions or investigations shall include, but not be limited to, being available to meet with counsel to answer questions or 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 reasonably 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 incurred in connection with the Executive's performance of obligations pursuant to this Section 8(c).

d. Relief. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the Continuing Obligations, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of the Continuing Obligations, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company.

9. Consent to Jurisdiction. The parties hereby consent to the jurisdiction of the state and federal courts of the Commonwealth of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the exclusive personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.
10. Waiver of Jury Trial. Each of the Executive and the Company irrevocably and unconditionally WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT BY THE COMPANY OR ANY AFFILIATE OF THE COMPANY, INCLUDING WITHOUT LIMITATION THE EXECUTIVE'S OR THE COMPANY'S PERFORMANCE UNDER, OR THE ENFORCEMENT OF, THIS AGREEMENT.
11. Integration. This Agreement, together with the Restrictive Covenants Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter.
12. Withholding; Tax Effect. All forms of compensation referred to in this Agreement are subject to reduction to reflect applicable withholding and payroll taxes and other deductions required by law. The Executive hereby acknowledges that the Company does not have a duty to design its compensation policies in a manner that minimizes the Executive's tax liabilities, and the Executive will not make any claim against the Company or the Board related to tax liabilities arising from the Executive's compensation.
13. Assignment; Successors and Assigns. Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; provided, however, that the Company may assign its rights and obligations under this Agreement (including the Restrictive Covenants Agreement) without the Executive's consent to any affiliate or to any person or entity with whom the Company shall hereafter effect a reorganization or consolidation, into which the Company merges or to whom it transfers all or substantially all of its properties or assets; provided, further that if the Executive remains employed or becomes employed by the Company, the purchaser or any of their affiliates in connection with any such transaction, then the Executive shall not be entitled to any payments or benefits pursuant to Section 5 or Section 6 of this Agreement or any accelerated vesting pursuant to Section 2(e) of this Agreement solely as a result of such transaction (except that, for the avoidance of doubt, the Executive will be eligible for double trigger accelerated vesting as set forth herein). This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of the Executive's and the Company's respective successors, executors, administrators, heirs and permitted assigns. In the event of the Executive's death after the Executive's termination of employment but prior to the completion by the Company of all payments due to the Executive under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to the Executive's death (or to the Executive's estate, if the Executive fails to make such designation).
14. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
15. Survival. The provisions of this Agreement (and the Restrictive Covenants Agreement) shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.
16. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or

the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

17. 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 CEO. Notices, requests, demands and other communications provided for by this Agreement shall also be sufficient if sent by email to the Company email address of the Executive or, in the case of Company, the Company email address of the CEO, with confirmation of receipt.

18. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

19. Effect on Other Plans and Agreements. An election by the Executive to resign for Good Reason under the provisions of this Agreement shall not be deemed a voluntary termination of employment by the Executive for the purpose of interpreting the provisions of any of the Company's benefit plans, programs or policies. Nothing in this Agreement shall be construed to limit the rights of the Executive under the Company's benefit plans, programs or policies except as otherwise provided in Section 8 hereof, and except that the Executive shall have no rights to any severance benefits under any Company severance pay plan, offer letter or otherwise. Except for the Restrictive Covenants Agreement, in the event that the Executive is party to an agreement with the Company providing for payments or benefits under such plan or agreement and under this Agreement, the terms of this Agreement shall govern and the Executive may receive payment under this Agreement only and not both. Further, Section 5 and Section 6 of this Agreement are mutually exclusive and in no event shall the Executive be entitled to payments or benefits pursuant to both Section 5 and Section 6 of this Agreement.

20. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles thereof. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

21. Conditions. Notwithstanding anything to the contrary herein, the effectiveness of this Agreement shall be conditioned on (i) the Executive's satisfactory completion of reference and background checks, if so requested by the Company, and (ii) the Executive's submission of satisfactory proof of the Executive's legal authorization to work in the United States.

22. Counterparts. This Agreement may be executed in separate counterparts. When both counterparts are signed, they shall be treated together as one and the same document. PDF copies of signed counterparts shall be equally effective as originals.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the Effective Date.

PRIME MEDICINE INC.

By: /s/ Keith Gottesdiener
Keith Gottesdiener
Title: CEO

EXECUTIVE

/s/ Allan Reine
Allan Reine

Exhibit A

Employee Confidentiality, Assignment, Nonsolicitation and Noncompetition Agreement