

**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): April 7, 2020

MORPHIC HOLDING, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-38940
(Commission
File Number)

47-3878772
(I.R.S. Employer
Identification No.)

35 Gatehouse Drive, A2
Waltham, MA
(Address of principal executive offices)

02451
(Zip Code)

(781) 996-0955
(Registrant's telephone number, including area code)

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:

- 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))

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value per share	MORF	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 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On April 7, 2020, Morphic Holding, Inc., (the “**Company**”) announced that it appointed Marc Schegerin as the Chief Financial Officer of the Company, including as the “principal financial officer” of the Company within the meaning of Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended, pursuant to an offer letter dated February 3, 2020 (the “**Offer Letter**”). Before joining the Company, Mr. Schegerin served as the Chief Financial Officer and Head of Strategy & Communications of ArQule, a biotechnology company, from April 2018 to January 2020. Prior to ArQule, Mr. Schegerin served as Director at Citi Healthcare Investment Banking, an investment banking company, from June 2016 to April 2018, and as the Vice President of Investment Banking of Bank of America Merrill Lynch, a banking company, from August 2014 to June 2016. Prior to this, Mr. Schegerin served as the Senior Director of Sage Therapeutics, a pharmaceutical company, from 2013 to 2014, as the Program Director of Biogen Idec., a pharmaceutical company, from 2009 to 2013, and as an Associate of Goldman Sachs, an investment banking company, from 2007 to 2008. Mr. Schegerin received his Master’s in Business Administration and Medical Doctorate from Dartmouth College, and his bachelor’s degrees in Premedical Studies from Harvard University and in Finance from the Freeman School of Business at Tulane University.

Mr. Schegerin commenced his employment on April 6, 2020 (the “**Start Date**”). In connection with Mr. Schegerin’s appointment as Chief Financial Officer, the Company entered into the Offer Letter with Mr. Schegerin, which includes the following terms: (i) an annual base salary of \$420,000, (ii) a target bonus of 45% of Mr. Schegerin’s annual base salary, prorated for the portion of fiscal 2020 for which he is employed as Chief Financial Officer of the Company, (iii) a sign-on bonus of \$125,000, and (iii) an option grant to acquire 225,600 shares of our common stock (the “**Option**”) pursuant to and accordance with the Company’s 2019 Equity Incentive Plan. Subject to Mr. Schegerin’s provision of service to the Company on each vesting date, 25% of the shares subject to the Option will vest and become exercisable on the first annual anniversary of Start Date and the remaining 75% of the shares subject to the Option will vest in equal, monthly installments on each of the first 36 monthly anniversaries thereafter. Mr. Schegerin’s employment is at will and may be terminated at any time by the Company, with or without cause. The foregoing summary of the Offer Letter does not purport to be complete and is subject to, and qualified in its entirety by, the Offer Letter, which will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the three months ending June 30, 2020. In connection with Mr. Schegerin’s appointment as Chief Financial Officer, the Compensation Committee of the board of directors of the Company (the “**Compensation Committee**”) also approved the Company’s entry into a change in control and severance agreement (the “**Severance Agreement**”) with Mr. Schegerin, which includes the following terms:

- The Severance Agreement provides for an initial three-year term, subject to automatic renewal for successive one-year terms measured from the initial expiration date.
 - In the event Mr. Schegerin’s employment is terminated without Cause or for Good Reason (each as defined in the Severance Agreement) within 3 months prior to or 12 months following a Change in Control (as defined in the Severance Agreement), he would be entitled to the following, subject to his execution and non-revocation of a release of claims:
 - o a lump sum payment equal to the sum of (i) 12 twelve months of his then-current annual base salary and (i) 100% of his target bonus;
 - o if he elects to continue his health insurance coverage under COBRA, payment of the premiums for his continued health insurance (or equivalent cash payment, if applicable law so requires) for up to 12 months; and
 - o full acceleration of each of his then-outstanding but unvested equity awards, provided that the grant agreement for any performance-based equity awards may provide for alternative treatment and, if no such treatment is so provided, such performance-based equity awards will be deemed to have been achieved at target.
 - In the event Mr. Schegerin’s employment is terminated without Cause or for Good Reason outside of the period within 3 months prior to or 12 months following a Change in Control, Mr. Schegerin will be entitled to the following, subject to his execution and non-revocation of a release of claims:
 - o 9 months of continued payment of his base salary; and
 - o if he elects to continue his health insurance coverage under COBRA, payment of the premiums for his continued health insurance (or equivalent cash payment, if applicable law so requires) for up to 12 months.
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Mr. Schegerin will also be entitled to any earned but unpaid bonus for any performance periods that have been completed as of the date of his termination of employment, for any termination of employment other than a termination of employment for Cause.

The foregoing summary of the Severance Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the Severance Agreement, which will be filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the three months ending June 30, 2020.

The Company has entered into its standard form of indemnification agreement with Mr. Schegerin. The form of the indemnification agreement was previously filed by the Company as Exhibit 10.1 to the Company's Registration Statement on Form S-1 filed with the Securities and Exchange Commission on June 14, 2019 and incorporated by reference herein.

There are no arrangements or understandings between Mr. Schegerin and any other persons, pursuant to which he was appointed as Chief Financial Officer, no family relationships among any of the Company's directors or executive officers and Mr. Schegerin and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

A copy of the press release announcing Mr. Schegerin's appointment is attached hereto as exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

d) Exhibits

**Exhibit
Number**

Description

99.1	Press release dated April 7, 2020
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SIGNATURE

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

Date: April 7, 2020

MORPHIC HOLDING, INC.

By: /s/ William DeVaul

William DeVaul

General Counsel and Secretary



Morphic Announces Appointment of Marc Schegerin, MD, as Chief Financial Officer and Chief Operating Officer

WALTHAM, Mass. – April 7, 2020 – Morphic Therapeutic (NASDAQ: MORF), a biopharmaceutical company developing a new generation of oral integrin therapies for the treatment of serious chronic diseases, today announced the appointment of Marc Schegerin, MD, as chief financial officer and chief operating officer. Dr. Schegerin was most recently chief financial officer of ArQule and joins Morphic with extensive experience in the biotechnology space spanning clinical and business development, strategy, finance and operations.

“Marc is a veteran industry professional with an accomplished and diverse background in healthcare investment banking, drug development and medicine,” said Praveen Tipirneni, president and chief executive officer of Morphic Therapeutic. “With the appointment of Dr. Schegerin, and the recent hiring of Dr. Peter G. Linde, MD, as chief medical officer, Morphic has strategically expanded its leadership to support the clinical development of our portfolio of small molecule integrin inhibitors and drive long-term value creation from the MInT platform.”

Before joining Morphic, Dr. Schegerin served as chief financial officer, treasurer and head of strategy & communications at ArQule, an oncology-focused drug developer, until its recent acquisition by Merck for \$2.7 billion. Prior to this role, Dr. Schegerin served in various senior healthcare investment banking roles at CitiGroup and Bank of America Merrill Lynch. Dr. Schegerin has held industry management roles at Biogen and Sage Therapeutics as a program director responsible for the overall strategy and execution of drug development for a number of candidates after beginning his career in the healthcare group at Goldman Sachs.

“Morphic’s unique approach to developing orally administered, small molecule integrin inhibitors represent a long-awaited advance in the drug development field, potentially opening new indications to integrin modulation and a more accessible modality for patients,” commented Dr. Schegerin. “Integrins are a diverse, near-ubiquitous family of proteins, and a portfolio of integrin-targeting therapies has the potential to transform treatment for many chronic diseases, from autoimmune disorders to cancer. As both a physician and life science executive, I am excited by the possibilities that Morphic’s capabilities provide for both patients and healthcare broadly.”

Marc earned his MD from Dartmouth Medical School and MBA from the Tuck School of Business at Dartmouth. Prior to Dartmouth, he received undergraduate degrees in premedical studies from Harvard University and finance from Tulane University.

About Morphic Therapeutic

Morphic Therapeutic is a biopharmaceutical company developing a new generation of oral integrin therapies for the treatment of serious chronic diseases, including autoimmune, cardiovascular and metabolic diseases, fibrosis and cancer. In collaboration with AbbVie, Janssen, and Schrödinger, Morphic is advancing its pipeline and discovery activities using its proprietary MInT technology platform which leverages the Company’s unique understanding of integrin structure and biology. For more information, visit www.morphictx.com.



Cautionary Note Regarding Forward-Looking Statements

This press release contains “forward-looking” statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to: Morphic’s plan to develop and commercialize oral small-molecule integrin therapeutics; the ability of MORF-057 to treat inflammatory bowel disease; and Morphic’s expectations about timing and ability to obtain regulatory approvals for MORF-057 or any other of its product candidates. Statements including words such as “believe,” “plan,” “continue,” “expect,” “will be,” “develop,” “signal,” “potential,” or “ongoing” and statements in the future tense are forward-looking statements. These forward-looking statements involve risks and uncertainties, as well as assumptions, which, if they do not fully materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are subject to risks and uncertainties that may cause Morphic’s actual activities or results to differ significantly from those expressed in any forward-looking statement, including risks and uncertainties related to Morphic’s ability to develop, obtain regulatory approval for and commercialize MORF-720, MORF-057, and other product candidates, the timing and results of preclinical studies and clinical trials, Morphic’s ability to protect intellectual property; the ongoing COVID-19 pandemic and other risks set forth in our filings with the Securities and Exchange Commission. These forward-looking statements speak only as of the date hereof and Morphic specifically disclaims any obligation to update these forward-looking statements or reasons why actual results might differ, whether as a result of new information, future events or otherwise, except as required by law.

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