

**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**

June 27, 2023

Date of Report (Date of earliest event reported)

Chimerix, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

001-35867

(Commission File Number)

33-0903395

(IRS Employer Identification No.)

**2505 Meridian Parkway, Suite 100
Durham, NC**

(Address of principal executive offices)

27713

(Zip Code)

Registrant's telephone number, including area code: (919) 806-1074

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations 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 \$0.001 per share	CMRX	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

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

Michael Sherman's Retirement as President and Chief Executive Officer

(b) On June 27, 2023, Chimerix, Inc. (the "Company") issued a press release announcing that Michael Sherman intends to retire as the Company's President and Chief Executive Officer, and that the Board of Directors (the "Board") of the Company had appointed Michael Andriole, age 50, to succeed Mr. Sherman as the Company's President and Chief Executive Officer, effective August 1, 2023 (the "Transition Date"). A copy of the press release announcing the retirement of Mr. Sherman and the appointment of Mr. Andriole is attached hereto as Exhibit 99.1. Mr. Sherman and the Company entered into a letter agreement with respect to the transition of his employment, a copy of which is attached hereto as Exhibit 99.2.

Appointment of Michael Andriole as President and Chief Executive Officer

(c) Prior to his appointment as the Company's President and Chief Executive Officer, Mr. Andriole served as the Company's Chief Business Officer and Chief Financial Officer since 2019. Prior to joining the Company, Mr. Andriole served as Chief Financial Officer of Endocyte, Inc., a clinical-stage biotechnology company developing targeted treatments for prostate and other cancers. Prior to joining Endocyte, Mr. Andriole spent 16 years at Eli Lilly and Company in a range of financial, marketing and global business development roles. Mr. Andriole earned a BSBA from Xavier University's Williams College of Business and an MBA from Indiana University's Kelley School of Business.

In connection with his appointment as the Company's President and Chief Executive Officer, Mr. Andriole entered into an amended offer letter (the "CEO Offer Letter") with the Company dated June 27, 2023. Pursuant to the CEO Offer Letter, Mr. Andriole will be entitled to receive a base salary of \$600,000 per year and will be granted a stock option to purchase up to 150,000 shares of the Company's common stock (the "CEO Option"), 25% of which will vest on the first anniversary of the Transition Date, and the remainder of which will vest in equal monthly installments thereafter over three years, subject to Mr. Andriole's continued service. The CEO Option will have an exercise price equal to the closing price of the Company's common stock on the Transition Date. Mr. Andriole will also be granted time-based restricted stock unit awards (the "RSUs") to purchase 25,000 shares of the Company's common stock, which will vest in equal annual installments over a four-year period commencing on the Transition Date, subject to Mr. Andriole's continued service. In addition, Mr. Andriole will be entitled to a discretionary annual performance-based cash bonus, with a target bonus equal to 55% of his base salary.

Furthermore, as Chief Executive Officer, Mr. Andriole will be entitled to the following severance benefits under the Company's Officer Change in Control Severance Benefit Plan:

- upon a covered termination that does not occur within thirty days prior to or thirteen months following a change of control transaction, Mr. Andriole will be entitled to (i) payments equal to 15 months of base salary, (ii) accelerated vesting of all outstanding time-based stock options and other time-based stock awards as if Mr. Andriole had completed service for an additional 15 months, and (iii) payment of COBRA benefits for a period of 15 months; and
- upon a covered termination that occurs within the thirty days prior to or thirteen months following a change of control transaction, Mr. Andriole will be entitled to (i) payments equal to 18 months of base salary, (ii) payment of COBRA benefits for a period of 18 months, (iii) a lump sum payment equal to his target bonus for the year of termination, and (iv) 100% vesting of all outstanding stock options and other stock awards.

A copy of the CEO Offer Letter is attached hereto as Exhibit 99.3.

Mr. Andriole previously entered into the Company's standard form of indemnification agreement for executive officers and directors.

Michael Andriole's Election as Director, Michael Sherman's Appointment as Chair of the Board, and Martha J. Demski's Appointment as Lead Independent Director

(d) Effective as of the Transition Date, the Board appointed Mr. Andriole to serve as a Class I director of the Company. Additionally, effective as of the Transition Date, the Board appointed Mr. Sherman as Chair of the Board to succeed Martha J. Demski in that role and appointed Ms. Demski to serve as Lead Independent Director.

In accordance with the Company's non-employee director compensation policy, as amended, Mr. Sherman will be entitled to receive a \$35,000 annual chair service retainer for his service as Chair of the Board, and Ms. Demski will be entitled to receive a \$35,000 annual lead independent director service retainer for her service as Lead Independent Director, respectively, in addition to each receiving a \$40,000 annual board service retainer.

A copy of the Company's non-employee director compensation policy, as amended, is attached hereto as Exhibit 99.4.

Each of Mr. Sherman and Ms. Demski previously entered into the Company's standard form of indemnification agreement for executive officers and directors.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of Chimerix, Inc., dated June 27, 2023.
99.2	Letter Agreement with Michael Sherman, dated June 27, 2023.
99.3	Amended Employment Offer Letter to Michael Andriole, dated June 27, 2023.
99.4	Chimerix, Inc. Non-Employee Director Compensation Policy.
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.

Chimerix, Inc.

Dated: June 27, 2023

By: /s/ Michael T. Andriole

Michael T. Andriole

Chief Business and Financial Officer



Chimerix Announces Promotion of Michael T. Andriole to President and Chief Executive Officer

Mike Sherman to Transition to Chair of the Board of Directors

Martha Demski to Assume Role of Lead Independent Director

DURHAM, N.C., June 27, 2023 – Chimerix, Inc. (NASDAQ:CMRX), a biopharmaceutical company whose mission it is to develop medicines that meaningfully improve and extend the lives of patients facing deadly diseases, today announced the promotion of Mike Andriole, Chief Business Officer and Chief Financial Officer, to President and Chief Executive Officer of Chimerix and his appointment to the Board of Directors. Mr. Andriole replaces Mike Sherman, who is retiring from his role as Chief Executive Officer and will become Chairman of the Board of Directors. Martha Demski, the current Board Chair, will assume the role of Lead Independent Director. These appointments will be effective on August 1, 2023.

“The Board has been thoughtful in planning this succession, ensuring ongoing strong leadership with the continuity of an accomplished management team,” said Martha Demski, Board Chair of Chimerix. “As part of that process, Mike Andriole has been involved in nearly every aspect of the business beyond his formal responsibilities and we look forward to his continued strong leadership as we begin preparing the organization for potential commercialization of ONC201. We also thank Mike Sherman for his vision and leadership in guiding Chimerix through its transformation into an oncology-focused company, one that is fulfilling its mission to bring new therapies to patients suffering from deadly disease.”

“I have worked closely with Mike Sherman for six years to bring new medicines to patients facing a potential life-threatening illness. During our time at Chimerix and our prior company, we have led teams resulting in two product approvals that have meaningfully advanced the standard of care in their respective indications,” said Mr. Andriole. “Mike’s planned retirement follows a pivotal transition period at Chimerix in which we evolved the Company into an oncology focused organization with a proven management team. Importantly, we have secured a strong balance sheet and are executing the Phase 3 ACTION trial for ONC201 as a treatment for H3 K27M-mutant glioma. In addition, we are accelerating the development of ONC206, which has shown early signals of activity that may expand the reach of our imipridone platform to a much broader patient population. I look forward to continuing to lead Chimerix as we work to make these treatments available to patients as quickly as possible with a particular focus on the organization’s launch readiness for ONC201.”

“Mike Andriole has been instrumental in repositioning Chimerix. I am confident he is the right leader to continue to successfully execute our growth strategy, which we expect to yield important new medicines for patients and to create significant value for shareholders,” stated Mr. Sherman. “With the ACTION trial well underway, I will work closely with the management team to ensure a smooth transition and look forward to remaining engaged as Chair to maximize value and bring this and future opportunities to fruition.”

The Company also announced today that Martha Demski would be assuming the role of Lead Independent Director. “I would also like to thank Martha for her leadership as Board Chair, a position she has held since 2018,” added Mr. Sherman. “As Lead Independent Director she will provide another element of continuity, while playing an important governance role continuing to support the interest of shareholders.”

About Mike Andriole

Mr. Andriole joined Chimerix in 2019 as Chief Business Officer and Chief Financial Officer. Since that time, he has supervised strategic planning, new product planning, corporate development, project management, market research, finance and accounting. Prior to joining Chimerix, Mr. Andriole served as Chief Financial Officer of Endocyte, Inc., a clinical-stage biotechnology company developing targeted treatments for prostate and other cancers, where, in partnership with Mr. Sherman, he was instrumental in managing the company through a series of strategic transactions which began at a point in time when the organization had a negative enterprise value and culminated in its sale to Novartis for \$2.1 billion.

Prior to joining Endocyte, Mr. Andriole spent 16 years at Eli Lilly and Company in a range of financial, marketing and global business development roles, including participation on leadership teams of two commercial product launches which eventually generated more than \$5 billion in annual revenue.

During his more than 20-year biopharmaceutical career, Mr. Andriole has held leadership roles in the planning, development, or acquisition of nine programs that have garnered regulatory approvals spanning oncology, neuroscience, and infectious disease.

Mr. Andriole earned a BSBA from Xavier University's Williams College of Business and an MBA from Indiana University's Kelley School of Business.

About Chimerix

Chimerix is a biopharmaceutical company whose mission is to develop medicines that meaningfully improve and extend the lives of patients facing deadly diseases. The Company's most advanced clinical-stage development program, ONC201 (dordaviprone), is currently enrolling in a Phase 3 clinical trial to treat patients with H3 K27M-mutant diffuse glioma.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Forward-looking statements include those relating to, among other things: the potential commercialization of ONC201; the acceleration of ONC206 clinical development and the reach of our imipridone platform; the execution and results of our growth strategy; and other statements containing the words "subject to", "believe", "anticipate", "plan", "expect", "intend", "estimate", "potential," "project", "may", "will", "should", "would", "could", "can", the negatives thereof, variations thereon and similar expressions. Among the factors and risks that could cause actual results to differ materially from those indicated in the forward-looking statements are risks related to risks that ongoing or future trials may not be successful or replicate previous trial results, or may not be predictive of real-world results or of results in subsequent trials; risks and uncertainties relating to competitive products and technological changes that may limit demand for our drugs; risks that our drugs may be precluded from commercialization by the proprietary rights of third parties; and additional risks set forth in the Company's filings with the Securities and Exchange Commission. These forward-looking statements represent the Company's judgment as of the date of this release. The Company disclaims, however, any intent or obligation to update these forward-looking statements.

CONTACT:

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Will O'Connor
Stern Investor Relations

212-362-1200
will@sternir.com

June 27, 2023

Michael Sherman
1817 Milford Street
Carmel, IN 46032

Re: Management Transition

Dear Mike:

This letter agreement will serve to memorialize our mutual understanding regarding the transition of your employment with Chimerix, Inc. (the "**Company**").

Effective as of August 1, 2023 (the "**Transition Date**"), you will retire as Chief Executive Officer of the Company, your employment with the Company will terminate, and your eligibility to participate in the Company's Officer Severance Benefit Plan and any other employee benefits offered by the Company will cease, subject to the applicable terms and conditions of such employee benefit plans. On or promptly following the Transition Date, the Company will pay you all accrued salary and all accrued unused vacation earned through the Transition Date, subject to standard payroll deductions and withholdings. You will continue to be bound by the standard Proprietary Information and Inventions Agreement previously executed by you and the Company.

Notwithstanding the foregoing, or anything to the contrary in your offer letter with the Company dated April 2, 2019, you will remain a member of the Board of Directors of the Company (the "**Board**"), and effective as of the Transition Date, you will assume the position of Chair of the Board. Your resignation as President and Chief Executive Officer on the Transition Date will not be deemed to affect your "continuous service" for purposes of the continued vesting and exercisability of your outstanding equity awards. In connection with your service as Chair of the Board, you will become entitled to the applicable compensation for such role under the Company's Non-Employee Director Compensation Policy, as it may be amended from time to time.

Please indicate your acknowledgment to the terms set forth in this letter by signing below. We look forward to your continued service to the Company.

Sincerely,

CHIMERIX, INC.

By: /s/ Martha J. Demski

Name: Martha J. Demski

Title: Chair of the Board of Directors

Acknowledged and agreed:

/s/ Michael Sherman

Michael Sherman



Mike Andriole
2015 Strathmoor Blvd.
Louisville, KY 40205

Dear Mike,

Chimerix is pleased to confirm your continued employment in the role of President and Chief Executive Officer, reporting to the Board of Directors. This Amended Offer Letter will be effective on August 1, 2023 (the "Transition Date").

The following are the terms of this offer:

Base Salary: Your annual base salary will be \$600,000, less applicable deductions and withholdings.

Stock Option: You will be granted a nonstatutory stock option to purchase 150,000 shares of Chimerix common stock (the "Option"), under Chimerix's 2013 Equity Incentive Plan (the "2013 Plan"). The shares subject to the Option will vest over a period of four years so long as you continue to provide services to Chimerix, with 25% vesting one year from the Transition Date and the balance vesting at the rate of 1/36 per month over the remaining three years. The exercise price of the Option will be equal to the closing price per share of Chimerix common stock on the Transition Date, as reported by Nasdaq. Additionally, you will be granted time-based restricted stock unit awards to purchase 25,000 shares of Chimerix common stock (the "RSUs") pursuant to the 2013 Plan. The RSUs will vest in equal annual installments over a four-year period from the Transition Date, so long as you continue to provide services to Chimerix.

Annual Bonus: You will be eligible for an annual bonus of up to 55% of your base salary, based on the accomplishment of annual performance goals set by the Board of Directors or the Compensation Committee at their discretion.

Board of Directors: You will serve on Chimerix's Board of Directors for so long as you remain Chimerix's Chief Executive Officer. Upon termination of your employment for any reason, or in the event you cease to remain Chimerix's Chief Executive Officer for any other reason, you will immediately resign from the Board of Directors unless otherwise unanimously requested by all the other members of the Board of Directors.

Benefits: You will be eligible for comprehensive health and dental insurance benefits for yourself and your eligible dependents. For the current plan year, Chimerix pays the entire monthly premium for this coverage. You will also be eligible for company-paid term life insurance, short term and long-term disability insurance, effective on your hire date.

Additional benefits for which you will be eligible currently include: accrued vacation equal to 20 days per year and 12 paid holidays per calendar year. You will also be eligible to participate in the Chimerix Employee Stock Purchase Plan and 401(k) Plan, subject to applicable eligibility requirements.

Severance: You will be eligible to participate in the Chimerix Officer Severance Benefit Plan (the "Severance Plan"). Under the Severance Plan, you would receive 15 months of salary and benefits continuation in the event of a termination by Chimerix that is not in connection with a change of control. In addition, such a termination would result in 15 months' forward acceleration of any unvested portion of the Option and any other equity awards then held by you. In the event of a termination by Chimerix or a successor in connection with a change of control of Chimerix, the salary and benefits continuation described above would be extended from 15 to 18 months, you would receive a payment equal to your current target bonus, and the vesting of the Option, the RSUs and any other equity awards then held by you would be accelerated in full.

Chimerix is an at-will employer and as such your employment must be entered into voluntarily and for no specified period. As a result, you are free to resign or Chimerix may terminate your employment at any time, for any reason, with or without cause, subject to the provisions of the Severance Plan. No one other than the Board of Directors has the authority to alter this employment relationship, either verbally or in writing.

Please understand it is Chimerix's policy not to solicit or accept proprietary information and/or trade secrets of other companies. If you have or have had access to trade secrets or other confidential, proprietary information developed by your former employer; the use of such information in performing your duties at Chimerix is prohibited. This may include, but is not limited to, confidential or proprietary information in the form of documents, magnetic media, software, customer lists, formulae and business plans or strategies. You will be required to continue to comply with Chimerix's standard Proprietary Information and Inventions Agreement.

If you accept this offer, the terms described in this letter, together with the other plans and agreements referred to in this letter, shall be the terms of your employment, provided, however, that your duties are performed in accordance with all standards and policies adopted by Chimerix. Your duties may change from time to time, depending upon the needs of Chimerix and your skills. This letter supersedes any prior agreements, representations or promises of any kind, express or implied, concerning your employment and it constitutes the full and complete agreement between you and Chimerix.

If the terms described herein are acceptable to you, please acknowledge your acceptance by signing below and returning this letter to us. Please keep a copy for your records.

Mike Andriole
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With warm regards,

Chimerix, Inc.

Martha J. Demski
Chair of the Board of Directors

Accepted:

/s/ Mike Andriole
Mike Andriole

6/27/2023
Date

CHIMERIX, INC.

NON-EMPLOYEE DIRECTOR COMPENSATION POLICY

Last Modified: June 27, 2023

Each member of the Board of Directors (the “**Board**”) who is not also serving as an employee of Chimerix, Inc. (“**Chimerix**”) or any of its subsidiaries (each such member, an “**Eligible Director**”) will receive the compensation described in this Non-Employee Director Compensation Policy for his or her Board service. This policy may be amended at any time in the sole discretion of the Board or the Compensation Committee of the Board.

Annual Cash Compensation

The annual cash compensation amount set forth below is payable in equal quarterly installments, payable in arrears on the last day of each fiscal quarter in which the service occurred. If an Eligible Director joins the Board or a committee of the Board at a time other than effective as of the first day of a fiscal quarter, each annual retainer set forth below will be pro-rated based on days served in the applicable fiscal year, with the pro-rated amount paid for the first fiscal quarter in which the Eligible Director provides the service, and regular full quarterly payments thereafter. All annual cash fees are vested upon payment.

1. Annual Board Service Retainer:
 - a. All Eligible Directors: \$40,000
2. Annual Chair Service Retainer (in addition to Annual Board Service Retainer): \$35,000
3. Annual Lead Independent Director Service Retainer (in addition to Annual Board Service Retainer): \$35,000
4. Annual Committee Member Service Retainer:
 - a. Member of the Audit Committee: \$10,000
 - b. Member of the Compensation Committee: \$7,500
 - c. Member of the Nominating & Corporate Governance Committee: \$5,000
5. Annual Committee Chair Service Retainer (in lieu of Annual Committee Service Retainer):
 - a. Chair of the Audit Committee: \$20,000
 - b. Chair of the Compensation Committee: \$15,000
 - c. Chair of the Nominating & Corporate Governance Committee: \$10,000

Equity Compensation

The equity compensation set forth below will be granted under the Chimerix 2013 Equity Incentive Plan or a successor plan (the “**Plan**”). All stock options granted under this policy will be nonstatutory stock options, with an exercise price per share equal to 100% of the Fair Market Value (as defined in the Plan) of the underlying common stock of Chimerix (the “**Common Stock**”) on the date of grant, and a term of ten years from the date of grant (subject to earlier termination in connection with a termination of service as provided in the Plan), *provided* that upon a termination of service other than for Cause (as defined in the Plan), the post-termination exercise period will be the earlier of (i) three years from the date of termination, or (ii) the expiration date of the stock option.

1. **Initial Grant:** On the date of the Eligible Director’s initial election to the Board (or, if such date is not a market trading day, the first market trading day thereafter), the Eligible Director will be automatically, and without further action by the Board or Compensation Committee of the Board, granted a stock option to purchase 100,000 shares. One-third of the shares subject to the stock option will vest on the one year anniversary of the date of grant and the balance of the shares will vest in a series of 24 equal monthly installments thereafter, such that the option is fully vested on the third anniversary of the date of grant, subject to the Eligible Director’s Continuous Service (as defined in the Plan) through each such vesting date and will vest in full upon a Change in Control (as defined in the Plan).
2. **Annual Grant:** On the date of each Chimerix annual stockholder meeting, each Eligible Director will be automatically, and without further action by the Board or Compensation Committee of the Board, granted a stock option to purchase 60,000 shares. The shares subject to the stock option will vest in 12 equal monthly installments from the date of grant, provided that in any case each stock option is fully vested on the date of Chimerix’s next annual stockholder meeting, subject to the Eligible Director’s Continuous Service (as defined in the Plan) through each such vesting date and provided further that the stock option will vest in full upon a Change in Control (as defined in the Plan).