

**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): September 22, 2020

EQUILLIUM, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38692
(Commission
File Number)

82-1554746
(IRS Employer
Identification No.)

2223 Avenida de la Playa, Suite 105, La Jolla, CA
(Address of principal executive offices)

92037
(Zip Code)

Registrant's telephone number, including area code: (858) 412-5302

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	EQ	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.

On September 22, 2020, Krishna Polu, M.D., Executive Vice President Research & Development and Chief Medical Officer of Equillum, Inc. (the “**Company**”), notified the Company of his decision to resign from his position, which the Company and Dr. Polu have agreed will become effective December 31, 2020. Dr. Polu expressed to the Company his desire to make a career change and rejoin the life science investment community. There are no disagreements between Dr. Polu and the Company on any matters relating to its strategies, operations, policies or practices.

During his tenure, Dr. Polu has provided leadership to the Company on its clinical programs and has built a capable, experienced clinical development team. Through the end of the year, Dr. Polu will continue to provide guidance and oversight of the Company’s development programs and will assist the board of directors and leadership team in identifying a suitable successor. Dr. Polu and the Company have entered into a consulting agreement, effective January 1, 2021, whereby Dr. Polu will help provide transitional support to his successor and assist the Company in the conduct of its business as reasonably requested by the Company. The Company’s board of directors is undertaking a search to identify the best candidate to succeed Dr. Polu.

The Company and Dr. Polu have entered into an amendment to the offer letter (the “**Employment Amendment**”) to provide for Dr. Polu’s last date of employment, to allow Dr. Polu to receive a discretionary bonus for 2020 even if not employed on the date of payment, to allow for vesting of stock options for a defined period, and to remove certain termination and change of control benefits. The foregoing description of the Employment Amendment does not purport to be complete and is qualified in its entirety by reference to the full Employment Amendment, a copy of which is attached hereto as Exhibit 1.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
1.1†	<u>Second Amendment to Offer Letter, effective as of September 28, 2020, by and between the Company and Krishna Polu.</u>

† Indicates a management contract or compensatory plan or arrangement

SIGNATURE

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

Date: September 28, 2020

EQUILLIUM, INC.

By: /s/ Bruce D. Steel

Bruce D. Steel

President and Chief Executive Officer

**EQUILLIUM, INC.
SECOND AMENDMENT TO
OFFER LETTER**

This Second Amendment to Offer Letter (this "**Amendment**"), amending that certain Offer Letter (the "**Offer Letter**"), dated August 1, 2018, by and between Equillium, Inc. (the "**Company**") and Krishna Polu, M.D. (the "**Executive**") as amended by the First Amendment to Offer Letter, effective January 1, 2020, is entered into effective as of September 28, 2020. Capitalized terms used herein which are not defined herein shall have the definition ascribed to them in the Offer Letter.

RECITALS

WHEREAS, the Company and the Executive have previously entered into the Offer Letter;

WHEREAS, the Executive has notified the Company that Executive wishes to terminate his employment, effective December 31, 2020; and

WHEREAS, the Company and the Executive desire to amend the Offer Letter as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the promises and covenants contained herein and in the Offer Letter, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **Sixth Paragraph of the Offer Letter.** The sixth paragraph of the Offer Letter is hereby amended and restated in its entirety to read as follows:

"You will be eligible to earn an annual discretionary performance-based bonus at an annual target amount of forty percent (40%) of your then current base salary ("**Target Bonus**"), based on the attainment of individual and Company objectives to be determined and approved by the Company. The Company's payment, and the amount, of any such bonus shall be in the sole discretion of the Company. No amount of bonus is guaranteed, and, in addition to the other conditions for earning any such bonus, you must remain an employee in good standing of the Company on the date the bonus is determined and through December 31, 2020, but not when paid."

2. **Seventh Paragraph of the Offer Letter.** The seventh paragraph of the Offer Letter is hereby amended by adding a new sentence at the end of the seventh paragraph, which reads as follows:

"All Options shall continue to vest through March 31, 2021, and Executive agrees that all options that have not vested as of March 31, 2021 shall be forfeited immediately as of such date. For purposes of the Equity Plans, Executive's change in status from employee to

consultant, in connection with the consulting agreement effective January 1, 2021 shall not constitute an interruption of Continuous Service (as defined in the Equity Plans), and Executive agrees that such Continuous Service shall terminate on March 31, 2021, regardless if Executive remains a consultant to the Company after such date.”

3. **Eighth, Ninth and Tenth Paragraphs of the Offer Letter.** The eighth, ninth and tenth paragraphs of the Offer Letter are hereby deleted in their entirety, and Executive understands and agrees that he shall not be entitled to Termination Benefits or Change of Control Benefits.

4. **Fourteenth Paragraph of the Offer Letter.** The fourteenth paragraph of the Offer Letter is hereby amended and restated in its entirety to read as follows:

“Your employment relationship with the Company will be at-will. Your last date of employment shall be December 31, 2020 (the “**Termination Date**”). You may terminate your employment with the Company at any time prior to the Termination Date and for any reason whatsoever simply by notifying the Company. Likewise, the Company may terminate your employment at any time, with or without cause or advance notice. Notwithstanding anything to the foregoing, the Company may change or remove Executive’s title, role and responsibilities at any time, or direct that the Executive perform no duties and exercise no powers; provided, however, that, following any such direction, the Executive will continue to be required to comply with his other obligations under this Agreement (and will continue to have a duty of loyalty to the Company as an employee) through the Termination Date or any such earlier termination. Any such changes or directions shall not prejudice either Company or Executive to any other rights or payments due under this Agreement. Executive will take all steps reasonably requested by the Company to effect a successful transition of client, supplier and vendor relationships to the person or persons designated by the Company. Your employment at-will status can only be changed in a written agreement signed by you and the Board.”

5. **Effect of Amendment.** Except as expressly modified by this Amendment, the Offer Letter shall remain unmodified and in full force and effect.

6. **Governing Law.** This Amendment shall be governed by the laws of the State of California, without regard to any conflicts of law principals thereof that would call for the application of the laws of any other jurisdiction.

7. **Counterparts.** This Amendment may be executed via facsimile or electronic (i.e., PDF) transmission and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Second Amendment to Offer Letter as of the date first written above.

COMPANY:

EQUILLIUM, INC.

/s/ BRUCE D. STEEL

Name: Bruce D. Steel

Title: Chief Executive Officer

EXECUTIVE:

/s/ KRISHNA POLU

Krishna Polu, M.D.