

CURIS INC
Form PRE 14A
March 29, 2019
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

CURIS, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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CURIS, INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MAY 23, 2019

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of Curis, Inc. will be held on May 23, 2019 at 10:00 a.m. at the offices of Wilmer Cutler Pickering Hale and Dorr LLP, 60 State Street, Boston, Massachusetts 02109 for the purpose of considering and voting upon the following matters:

1. To elect one Class II director for a term of three years;
2. To approve an amendment to the Third Amended and Restated 2010 Stock Incentive Plan to reserve an additional 4,700,000 shares of common stock for issuance under the plan;
3. To approve an amendment to our Restated Certificate of Incorporation to increase the number of authorized shares of our common stock from 67,500,000 to 101,250,000;
4. To approve an advisory vote on executive compensation;
5. To ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019; and
6. To transact any other business that may properly come before the meeting or any adjournment thereof.

The board of directors has fixed the close of business on March 25, 2019 as the record date for the determination of stockholders entitled to notice of and to vote at the meeting and at any adjournments thereof. Your vote is very important to us. Whether or not you plan to attend the annual meeting in person, your shares should be represented and voted.

Instead of mailing a printed copy of our proxy materials to all of our stockholders, we provide access to these materials to many of our stockholders via the Internet, in accordance with rules adopted by the Securities and Exchange Commission. If you received only a Notice of Internet Availability of Proxy Materials, or Notice, by mail or e-mail, you will not receive a paper copy of the proxy materials unless you request one. Instead, the Notice will provide you with instructions on how to access and view the proxy materials on the Internet. The Notice will also instruct you as to how you may access your proxy card to vote over the Internet or by telephone. If you received a Notice by mail or e-mail and would like to receive a paper copy of our proxy materials, free of charge, please follow the instructions included in the Notice.

The Notice of Internet Availability of Proxy Materials is being mailed to our stockholders on or about April [11], 2019 and sent by e-mail to our stockholders who have opted for such means of delivery on or about April [11], 2019.

Please promptly submit your proxy over the Internet, by phone or by mail. You may revoke your proxy at any time before the 2019 Annual Meeting by following the procedures described in the proxy statement.

All stockholders are cordially invited to attend the meeting.

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By Order of the Board of Directors,

James E. Dentzer
President and Chief Executive Officer

Lexington, Massachusetts

April [11], 2019

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, WE URGE YOU TO VOTE YOUR SHARES OVER THE INTERNET OR BY TELEPHONE, OR TO COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY CARD IN THE ACCOMPANYING ENVELOPE. NO POSTAGE NEED BE AFFIXED IF THE PROXY CARD IS MAILED IN THE UNITED STATES.

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CURIS, INC.

4 Maguire Road

Lexington, Massachusetts 02421

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS

To Be Held on May 23, 2019

This proxy statement is furnished in connection with the solicitation by the board of directors of Curis, Inc. of proxies for use at the annual meeting of stockholders to be held on May 23, 2019 at 10:00 a.m., local time, at the offices of Wilmer Cutler Pickering Hale and Dorr LLP, 60 State Street, Boston, Massachusetts 02109 and at any adjournments thereof. Except where the context otherwise requires, references to Curis, we, us, our, and similar terms refer to Curis, Inc. and its subsidiaries.

References to shares of common stock outstanding and per share amounts in this proxy statement give effect to a 1-for-5 reverse stock split of our common stock that became effective as of 5:00 p.m. Eastern Time on May 29, 2018.

Important Notice Regarding the Availability of Proxy Materials for

the Annual Meeting of Stockholders to be Held on May 23, 2019:

The proxy statement is available at www.proxyvote.com.

We will, upon written or oral request of any stockholder, furnish copies of our 2018 annual report to stockholders, except for exhibits, without charge. Please address all such requests to us at 4 Maguire Road, Lexington, Massachusetts 02421, Attention: Secretary, or telephone: (617) 503-6500.

In accordance with Securities and Exchange Commission, or SEC, rules, instead of mailing a printed copy of our proxy materials to each stockholder of record, we are furnishing the proxy materials, including this proxy statement, our 2018 annual report and the proxy card for the 2019 annual meeting, to many of our stockholders of record as of the record date via the Internet. We will send the Notice of Internet Availability of Proxy Materials, or Notice, to these stockholders on or about April [11], 2019. The Notice contains instructions for accessing and reviewing our proxy materials as well as instructions for voting your proxy via the Internet. If you prefer to receive printed copies of the proxy materials, you can request printed copies of the proxy materials by Internet, telephone or e-mail. If you choose to receive the print materials by mail, you can either (i) complete, date, sign and return the proxy card, (ii) vote via the Internet in accordance with the instructions on the proxy card or (iii) vote via telephone (toll free) in the United States or Canada in accordance with the instructions on the proxy card. Voting by Internet or telephone must be completed by 11:59 P.M. Eastern Time on May 22, 2019. If you choose not to receive printed copies of the proxy materials, you can vote via the Internet in accordance with the instructions contained in the Notice.

If you received a paper copy of these proxy materials, included with such copy is a proxy card or a voter instruction card for the annual meeting.

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INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

What is the purpose of the annual meeting?

At the annual meeting, stockholders will consider and vote on the following matters:

1. To elect one Class II director for a term of three years;
2. To approve an amendment to the Third Amended and Restated 2010 Stock Incentive Plan to reserve an additional 4,700,000 shares of common stock for issuance under the plan;
3. To approve an amendment to our Restated Certificate of Incorporation to increase the number of authorized shares of our common stock from 67,500,000 to 101,250,000;
4. To approve an advisory vote on executive compensation;
5. To ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019; and
6. To transact any other business that may properly come before the meeting or any adjournment thereof.

Who can vote at the annual meeting?

To be entitled to vote on the above matters, you must have been a stockholder of record at the close of business on March 25, 2019, the record date for the annual meeting. The number of shares entitled to vote at the meeting is 33,150,780 shares of our common stock, which is the number of shares that were outstanding on the record date.

How many votes do I have?

Each share of our common stock that you own on the record date entitles you to one vote on each matter that is voted on.

Is my vote important?

Your vote is important regardless of how many shares you own. Please take the time to read the instructions below and vote. Choose the method of voting that is easiest and most convenient for you and please cast your vote as soon as possible.

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How do I vote?

Stockholder of record: Shares registered in your name. If you are a stockholder of record, that is, your shares are registered in your own name, not in street name by a bank or brokerage firm, then you can vote in any one of the following ways:

1. **You may vote over the Internet.** If you have Internet access, you may vote your shares from any location in the world at www.proxyvote.com, by following the instructions on that site or on the Vote by Internet instructions on the Notice or the enclosed proxy card.
2. **You may vote by telephone.** You may vote your shares by calling 1-800-690-6903 and following the instructions provided, or by following the Vote by Phone instructions on the enclosed proxy card.
3. **You may vote by mail.** If you received a printed copy of the proxy materials by mail and would like to vote by mail, you need to complete, date and sign the proxy card that accompanies this proxy statement and promptly mail it in the enclosed postage-prepaid envelope to vote. You do not need to put a stamp on the enclosed envelope if you mail it in the United States. The persons named in the proxy card will vote the shares you own in accordance with your instructions on the proxy card you mail. If you return the proxy card, but do not give any instructions on a particular matter described in this proxy statement, the persons named in the proxy card will vote the shares you own in accordance with the recommendations of our board of directors.
4. **You may vote in person.** If you attend the annual meeting, you may vote by delivering your completed proxy card in person or you may vote by completing a ballot which will be available at the meeting.

Beneficial owner: Shares held in street name. If the shares you own are held in street name by a bank or brokerage firm, then you may vote:

1. **Over the Internet or by Telephone.** You will receive instructions from your bank, brokerage firm or other nominee if they permit Internet or telephone voting. You should follow those instructions.
2. **By Mail.** You will receive instructions from your bank, brokerage firm or other nominee explaining how you can vote your shares by mail. You should follow those instructions.
3. **In Person at the Meeting.** You must bring an account statement or letter from your bank, brokerage firm or other nominee showing that you are the beneficial owner of the shares as of the record date in order to vote your shares at the meeting. To be able to vote your shares held in street name at the meeting, you will need to obtain a proxy card from the holder of record.

Will my shares be voted if I do not return my proxy?

If your shares are registered directly in your name, your shares will not be voted if you do not vote over the Internet, by telephone, by returning your proxy by mail or by ballot at the annual meeting.

If your shares are held in street name, your bank, brokerage firm or other nominee may under certain circumstances vote your shares if you do not return your voting instructions. Banks, brokerage firms or other nominees can vote customers' unvoted shares on discretionary matters, but your bank, brokerage firm or other nominee will not be allowed to vote your shares with respect to certain nondiscretionary items. If you do not return voting instructions to your bank, brokerage firm or other nominee to vote your shares, your bank, brokerage firm or other nominee may, on discretionary matters, either vote your shares or leave your shares unvoted.

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Your bank, brokerage firm or other nominee cannot vote your shares on any matter that is considered nondiscretionary. Proposal 1, the election of directors, Proposal 2, the approval of an amendment to the Third Amended and Restated 2010 Stock Incentive Plan and Proposal 4, a non-binding advisory vote on executive compensation, are considered nondiscretionary matters. If you do not instruct your bank, brokerage firm or other nominee how to vote with respect to these matters, your bank, brokerage firm or other nominee may not vote with respect to these proposals and those votes will be counted as broker non-votes. Broker non-votes are shares that are held in street name by a bank, brokerage firm or other nominee that indicates on its proxy that it does not have or did not exercise discretionary authority to vote on a particular matter. Proposal 3, the approval of an amendment to our Restated Certificate of Incorporation to increase the number of authorized shares of our common stock, and Proposal 5, the ratification of the appointment of our independent registered public accounting firm, are considered discretionary matters, and your bank, brokerage firm or other nominee will be able to vote on these matters even if it does not receive instructions from you, so long as it holds your shares in its name. We encourage you to provide voting instructions to your bank, brokerage firm or other nominee. This ensures that your shares will be voted at the annual meeting according to your instructions. You should receive directions from your bank, brokerage firm or other nominee about how to submit your voting instructions to them.

Can I change my vote after I have mailed my proxy card?

Yes. If you are a stockholder of record, you can change your vote and revoke your proxy at any time before the polls close at the annual meeting by doing any one of the following things:

signing and returning another proxy card with a later date;

giving our corporate secretary a written notice before or at the meeting that you want to revoke your proxy; or

voting in person at the meeting.

Your attendance at the meeting alone will not revoke your proxy.

If you own shares in street name, your bank or brokerage firm should provide you with appropriate instructions for changing your vote.

What constitutes a quorum?

In order for business to be conducted at the meeting, a quorum must be present. A quorum consists of the holders of a majority of the shares of common stock outstanding and entitled to vote at the meeting, that is, at least 16,575,391 shares.

Shares of our common stock represented in person or by proxy (including broker non-votes and shares that abstain or do not vote with respect to one or more of the matters to be voted upon) will be counted for the purpose of determining whether a quorum exists.

If a quorum is not present, the meeting will be adjourned until a quorum is obtained.

What vote is required for each item?

Proposal 1 Election of Directors. The affirmative vote of the holders of a plurality of the votes cast by the stockholders entitled to vote on the matter is required for the election of directors. **Proposal 1 is considered a**

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nondiscretionary matter. Therefore, if your shares are held by your bank, brokerage firm or other nominee in street name and you do not provide voting instructions with respect to your shares, your bank, brokerage firm or other nominee cannot vote your shares on Proposal 1. Shares held in street name by banks, brokerage firms or other nominees who indicate on their proxies that they do not have authority to vote the shares on Proposal 1 will not be counted as votes FOR or WITHHELD from any nominee.

Proposal 2 Approval of an amendment to the Third Amended and Restated 2010 Stock Incentive Plan to reserve an additional 4,700,000 shares of common stock for issuance under the plan. The affirmative vote of the holders of a majority of the votes cast will be required for the approval of an amendment to the Third Amended and Restated 2010 Stock Incentive Plan to reserve an additional 4,700,000 shares of common stock for issuance under the plan. **Proposal 2 is considered a nondiscretionary matter.** Therefore, if your shares are held by your bank, brokerage firm or other nominee in street name and you do not provide voting instructions with respect to your shares, your bank, brokerage firm or other nominee cannot vote your shares on Proposal 2. Shares held in street name by banks, brokerage firms or other nominees who indicate on their proxies that they do not have authority to vote the shares on Proposal 2 will not be counted as votes FOR or AGAINST the proposal and will also not be counted as votes cast or shares voting on the proposal. If you ABSTAIN from voting on Proposal 2, your shares will not be voted FOR or AGAINST the proposal and will also not be counted as votes cast or shares voting on the proposal. As a result, such broker non-votes and votes to ABSTAIN will have no effect on the outcome of Proposal 2.

Proposal 3 Approval of an amendment to our Restated Certificate of Incorporation to increase the number of authorized shares our common stock from 67,500,000 to 101,250,000. To approve Proposal 3, stockholders holding a majority of the outstanding shares of our common stock entitled to vote must vote FOR the proposal. **Proposal 3 is considered a discretionary matter.** Therefore, if your shares are held by your bank, brokerage firm or other nominee in street name and you do not provide voting instructions with respect to your shares, your bank, brokerage firm or other nominee may vote your unvoted shares on Proposal 3. If you ABSTAIN from voting on Proposal 3, your shares will not be voted FOR or AGAINST the proposal. Because this Proposal 3 requires an affirmative vote of the outstanding shares, votes to ABSTAIN will effectively be counted as votes AGAINST the proposal.

Proposal 4 Approval of an Advisory Vote on Executive Compensation. The affirmative vote of the holders of a majority of the votes cast will be required for the approval of an advisory vote on executive compensation. **Proposal 4 is considered a nondiscretionary matter.** Therefore, if your shares are held by your bank, brokerage firm or other nominee in street name and you do not provide voting instructions with respect to your shares, your bank, brokerage firm or other nominee cannot vote your shares on Proposal 4. Shares held in street name by banks, brokerage firms or other nominees who indicate on their proxies that they do not have authority to vote the shares on Proposal 4 will not be counted as votes FOR or AGAINST the proposal and will also not be counted as votes cast or shares voting on the proposal. If you ABSTAIN from voting on Proposal 4, your shares will not be voted FOR or AGAINST the proposal and will also not be counted as votes cast or shares voting on the proposal. As a result, such broker non-votes and votes to ABSTAIN will have no effect on the outcome of Proposal 4.

Proposal 5 Ratification of Independent Auditors. The affirmative vote of the holders of a majority of the votes cast will be required for the approval of the ratification of the selection of the independent registered public accounting firm for the fiscal year ending December 31, 2019. To approve Proposal 5, stockholders holding a majority of the votes cast on the matter must vote FOR the proposal. **Proposal 5 is considered a discretionary**

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matter. Therefore, if your shares are held by your bank, brokerage firm or other nominee in street name and you do not provide voting instructions with respect to your shares, your bank, brokerage firm or other nominee may vote your unvoted shares on Proposal 5. If you ABSTAIN from voting on Proposal 5, your shares will not be voted FOR or AGAINST the proposal and will also not be counted as votes cast or shares voting on the proposal. As a result, voting to ABSTAIN will have no effect on the outcome of Proposal 5.

Although stockholder approval of our audit committee's appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year ending December 31, 2019 is not required, we believe that it is advisable to give stockholders an opportunity to ratify this appointment. If this proposal is not approved at the annual meeting, our audit committee will reconsider its appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year ending December 31, 2019.

How will votes be counted?

Each share of common stock will be counted as one vote, whether executed by you directly or on a ballot voted in person at the meeting.

Who will count the votes?

Broadridge Financial Solutions, Inc. will count, tabulate and certify the votes.

How does the board of directors recommend that I vote on the proposals?

Our board of directors recommends that you vote:

FOR the election of one Class II director for a term of three years;

FOR the approval of an amendment to the Third Amended and Restated 2010 Stock Incentive Plan to reserve an additional 4,700,000 shares of common stock for issuance under the plan;

FOR the approval of an amendment to our Restated Certificate of Incorporation to increase the number of authorized shares of our common stock from 67,500,000 to 101,250,000;

FOR the approval of an advisory vote on the compensation of our named executive officers; and

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019.

Will any other business be conducted at the annual meeting or will other matters be voted on?

We are not aware of any other business to be conducted or matters to be voted upon at the meeting. If any other matter properly comes before the meeting, the persons named in the proxy card that accompanies this proxy statement will exercise their judgment in deciding how to vote, or otherwise act, at the meeting with respect to that matter or proposal. Our bylaws establish the process for a stockholder to bring a matter before a meeting. See *Stockholder Proposals for 2020 Annual Meeting* on page 70 of this proxy statement.

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Where can I find the voting results?

We will report the voting results from the annual meeting in a Form 8-K filed with the SEC within four business days following the date of the annual meeting.

Who bears the costs of soliciting proxies?

We will bear the cost of soliciting proxies. In addition to solicitation by mail, our directors, officers and employees may solicit proxies by telephone, e-mail, facsimile and in person without additional compensation. We may reimburse banks, brokerage firms or other nominees holding stock in their names, or in the names of their nominees, for their expenses in sending proxies and proxy material to beneficial owners.

How can I obtain a copy of Curis's Annual Report on Form 10-K?

Our Annual Report on Form 10-K is available in the Investors section of our website at www.curis.com. Alternatively, if you would like us to send you a copy, without charge, please contact:

Curis, Inc.

4 Maguire Road

Lexington, MA 02421

Attention: Secretary

(617) 503-6500

If you would like us to send you a copy of the exhibits listed on the exhibit index of the Annual Report on Form 10-K, we will do so upon your payment of our reasonable expenses in furnishing a requested exhibit.

Whom should I contact if I have any questions?

If you have any questions about the annual meeting or your ownership of our common stock, please contact our secretary at the address or telephone number listed above.

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The following table sets forth certain information, as of January 31, 2019, with respect to the beneficial ownership of shares of our common stock by:

each person known to us to beneficially own more than 5% of the outstanding shares of our common stock,

each director named in this proxy statement,

each of our named executive officers for the fiscal year ending December 31, 2018 included in the Summary Compensation Table below; and

all directors and executive officers as a group.

As of January 31, 2019, we had 33,150,780 shares of common stock outstanding. The number of shares of common stock beneficially owned by each person is determined under rules promulgated by the SEC and includes shares over which the indicated beneficial owner exercises voting and/or investment power. For each person named in the table below, the number in the **Shares Acquirable Within 60 Days** column consists of shares underlying options to purchase common stock that may be exercised within 60 days after January 31, 2019. Such options are deemed outstanding for computing the percentage ownership of the person holding the options but are not deemed outstanding for computing the percentage ownership of any other person. Unless otherwise indicated, we believe that each stockholder in the table has sole voting and investment power over the shares listed. The inclusion in the table of any shares does not constitute an admission of beneficial ownership of those shares by the named stockholder. For each person, the **Number of Shares Beneficially Owned** column may include shares of common stock attributable to the person due to that person's voting or investment power or other relationship.

Unless otherwise indicated, the address for each of the stockholders in the table below is c/o Curis, Inc., 4 Maguire Road, Lexington, Massachusetts 02421.

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned (1)	+	Shares Acquirable Within 60 Days	=	Total Number of Shares Beneficially Owned	Percent of Shares Beneficially Owned (2)
5% Stockholders:						
Aurigene Discovery Technologies Limited (3)	5,465,692				5,465,692	16.49%
EcoR1 Capital, LLC (4)	2,982,208				2,982,208	9.00%
Directors and Named Executive Officers:						
Martyn D. Greenacre	26,089		69,000		95,089	*
Kenneth I. Kaitin, Ph.D.	28,121		69,000		97,121	*
Lori A. Kunkel, M.D.	22,200		53,062		75,262	*
Marc Rubin, M.D.	28,819		69,000		97,819	*
Ali Fattaey, Ph.D. (5)	23,178		514,997		538,175	1.62%
James E. Dentzer (6)	41,639		369,380		411,019	1.24%
Robert E. Martell, M.D., Ph.D. (7)	23,027		64,000		87,027	*
David Tuck, M.D. (8)	13,627		115,050		128,677	*
All current directors and executive officers as a group (6 persons)	169,895		693,442		863,337	2.60%

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* Less than 1% of the outstanding common stock.

- (1) None of our directors or named executive officers has pledged any of their shares as security.
- (2) The percent of ownership for each stockholder on January 31, 2019 is calculated by dividing (1) the stockholder's total beneficial ownership (i.e., the total number of shares beneficially owned plus the shares acquirable within 60 days) by (2) the sum of (i) 33,150,780 shares of our common stock that were outstanding on January 31, 2019 and (ii) shares of common stock subject to options held by such person that will be exercisable within 60 days of January 31, 2019.
- (3) This information is based on a Schedule 13G filed with the SEC on September 13, 2016 by Aurigene Discovery Technologies Limited. The principal business address of Aurigene Discovery Technologies Limited is 39-40, KIADB Industrial Area, Phase II, Electronic City Hosur Road, Bangalore 560100 Karnataka India. Aurigene Discovery Technologies Limited has sole voting power and sole dispositive power with respect to all such shares. Dr. Reddy's Laboratories Ltd. and Dr. Reddy's Holdings Limited, parent companies of Aurigene Discovery Technologies Limited each are also beneficial holders of all such shares and each also has sole voting power and sole dispositive power with respect to all 5,465,692 shares of our common stock.
- (4) This information is based on a Schedule 13G filed with the SEC on December 27, 2018 by EcoR1 Capital, LLC. The principal business address of EcoR1 Capital, LLC is 409 Illinois Street, San Francisco, CA 94158. EcoR1 Capital, LLC has sole voting power with respect to 0 shares of our common stock, shared voting power with respect to 2,982,208 shares of our common stock, and shared dispositive power with respect to 2,982,208 shares of our common stock. Oleg Nodelman has sole voting power with respect to 0 shares of our common stock, shared voting power with respect to 2,982,208 shares of our common stock, and shared dispositive power with respect to 2,982,208 shares of our common stock. EcoR1 Capital Fund Qualified, L.P. has sole voting power with respect to 0 shares of our common stock, shared voting power with respect to 2,491,288 shares of our common stock, and shared dispositive power with respect to 2,491,288 shares of our common stock. EcoR1 Capital Fund Qualified, L.P. disclaims that it is a beneficial owner of the other shares filed under such Schedule 13G.
- (5) Dr. Fattaey ceased to serve as our president and chief executive officer and resigned as a director in September 2018.
- (6) Includes 30,937 shares of unvested restricted common stock.
- (7) Dr. Martell resigned from our board of directors on May 31, 2018 and began serving as our head of research and development on June 1, 2018.
- (8) Dr. Tuck served as our senior vice president and chief medical officer until August 3, 2018.

Table of Contents**PROPOSAL 1 ELECTION OF DIRECTOR****Directors and Nominee for Director**

Our board of directors is divided into three classes, with one class being elected each year and members of each class holding office for a three-year term. Our board of directors currently consists of two Class I directors, James E. Dentzer and Lori A. Kunkel, M.D., one Class II director, Marc Rubin, M.D., and two Class III directors, Martyn D. Greenacre and Kenneth I. Kaitin, Ph.D. In accordance with our bylaws, our directors may fill existing vacancies on the board of directors. The Class I, Class II and Class III directors will serve until the annual meetings of stockholders to be held in 2021, 2022 and 2020 respectively, and until their respective successors are elected and qualified. At the 2019 annual meeting, Class II directors stand for reelection.

Our board of directors has nominated Marc Rubin, M.D. as a nominee for reelection as a Class II director, to serve for a three-year term, until the 2022 annual meeting of stockholders or until his successor is elected and qualified. Dr. Rubin is currently a director and has indicated his willingness to serve, if elected; however, if Dr. Rubin should be unable to serve, the shares of common stock represented by proxies will be voted for a substitute nominee designated by the board of directors.

Below are the names, ages and certain other information for each member of the board, including the nominee for election as Class II director. There are no familial relationships among any of our directors, nominees for director and executive officers. In addition to the detailed information presented below for each of our directors, we also believe that each of our directors is qualified to serve on our board and has the integrity, business acumen, knowledge and industry experience, diligence, freedom from conflicts of interest and the ability to act in the interests of our stockholders.

The following table sets forth our directors and their respective ages and positions:

Name	Age	Position
James E. Dentzer	52	President and Chief Executive Officer, Director
Martyn D. Greenacre (2)(3)	77	Chairman of the Board
Kenneth I. Kaitin, Ph.D. (1)(2)(3)	66	Director
Lori A. Kunkel, M.D. (1)	61	Director
Marc Rubin, M.D. (1)(2)(3)	64	Director

- (1) Member of the compensation committee.
- (2) Member of the nominating and corporate governance committee.
- (3) Member of the audit committee.

James E. Dentzer has served on our board and as our President and Chief Executive Officer since September 2018. From March 2018 to September 2018, Mr. Dentzer served as our Chief Operating Officer and Chief Financial Officer. From March 2016 to March 2018, Mr. Dentzer served as our Chief Administrative Officer and Chief Financial Officer. Mr. Dentzer has also held the positions of secretary and treasurer since March 2016. Previously, Mr. Dentzer served as Chief Financial Officer of Dicerna Pharmaceuticals, Inc., an RNA interference-based biopharmaceutical company, from December 2013 to December 2015. Prior to that, he was the Chief Financial Officer of Valeritas, Inc., a commercial-stage medical technology company, from March 2010 to December 2013. Prior to joining Valeritas, Inc., he was the Chief Financial Officer of Amicus Therapeutics, Inc., a biotechnology company, from October 2006 to October 2009. In prior positions, he spent

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six years as Corporate Controller of Biogen Inc., a biotechnology company, and six years in various senior financial roles at E.I. du Pont de Nemours and Company, a chemical company, in the U.S. and Asia. Mr. Dentzer holds a B.A. in philosophy from Boston College and an M.B.A. from the University of Chicago. We believe that Mr. Dentzer's qualifications to serve on our board include his extensive experience in executive leadership roles of more than 25 years, including his roles at Dicerna Pharmaceuticals, Amicus Therapeutics, Valeritas, and Biogen.

Martyn D. Greenacre has served on our board since February 2000 and has served as Chairman of our board since May 2017. From June 1993 to July 2000, Mr. Greenacre was a director of Creative BioMolecules, Inc., a predecessor life science company of Curis. Mr. Greenacre served as Chairman of Life Mist L.L.C., a privately held company in the field of fire suppression, from September 2001 to December 2016. From June 1997 to June 2001, Mr. Greenacre was Chief Executive Officer of Delsys Pharmaceutical Corporation, a drug formulation company. From 1993 to 1997, Mr. Greenacre was President and Chief Executive Officer of Zynaxis, Inc., a biopharmaceutical company. Prior to Zynaxis, Mr. Greenacre served in various senior management positions at SmithKline Beecham Limited, a pharmaceuticals company, from 1973 through 1992, including as Chairman of European Operations and was appointed to its board of directors. Mr. Greenacre also serves as a director of Formula Pharmaceuticals, Inc. Previously, Mr. Greenacre served as a director of Acusphere, Inc., Cephalon, Inc., Neostem, Inc. (n/k/a Caladrius) and Orchestra Therapeutics, Inc., and as a director and Chairman of BMP Sunstone Corporation. Mr. Greenacre received an M.B.A. from Harvard Business School and a B.A. from Harvard College. We believe that Mr. Greenacre's qualifications to serve on our board include his years of experience as President and Chief Executive Officer of various biotech and pharmaceutical companies as well as his experience as a director of other public companies.

Kenneth I. Kaitin, Ph.D. has served on our board since November 2003. Since July 1998, Dr. Kaitin has been the Director of the Tufts Center for the Study of Drug Development, an academic drug policy research group providing strategic information to help drug developers, regulators, and policy makers improve the quality and efficiency of the drug development process. Since August 2014, Dr. Kaitin has held a primary appointment as Professor of Public Health and Community Medicine at the Tufts University School of Medicine, as well as secondary appointments as Professor of Medicine and Professor of Integrative Physiology and Pathobiology at Tufts University School of Medicine. In December 2014, Dr. Kaitin received the appointment of Advisory Professor at Shanghai Medical College of Fudan University. Since September 1999, he has served on the faculty of the European Center for Pharmaceutical Medicine at the University of Basel, and since April 2006 he has been a Visiting Executive at the Tuck School of Business at Dartmouth College. At the Tufts University School of Medicine, Dr. Kaitin was a Research Associate Professor of Medicine from October 2003 to May 2008 and a Research Professor from May 2008 to August 2014. Dr. Kaitin has written extensively on a broad range of drug development issues and has provided public testimony before the U.S. Congress in hearings on pharmaceutical innovation and FDA reform. An internationally recognized expert on the science of drug development, Dr. Kaitin is regularly quoted in the business and trade press on R&D trends in the research-based drug industry and new models of innovation. In 2011, Dr. Kaitin received the Dr. Louis M. Sherwood Award granted by the Academy of Pharmaceutical Physicians and Investigators. Dr. Kaitin is a former Editor-in-Chief of the *Drug Information Journal*, and from 1997 to 1998 he was President of the Drug Information Association. He is currently Editor-in-Chief of *Expert Review of Clinical Pharmacology*, and he serves on the editorial boards of a number of peer-review journals. Dr. Kaitin serves as an expert consultant to the U.S. Department of Defense on Bioterror Countermeasure issues. Dr. Kaitin received an M.S. and Ph.D. in pharmacology from the University of Rochester and a B.S. from Cornell University. We believe that Dr. Kaitin's qualifications to serve on our board include his

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expertise in the economics of drug development and biopharmaceutical innovation and his extensive knowledge on a broad range of drug development and life-sciences industry issues.

Lori A. Kunkel, M.D. has served on our board since November 2016. Since April 2012, Dr. Kunkel has been the principal owner of LAK505, LLC (f/k/a D2D, LLC) a drug development consulting company that provides strategic, clinical, clinical/regulatory and technical advice to pharmaceutical and biotechnology companies and investment firms from diligence to development. From October 2013 to October 2014, Dr. Kunkel served as the Acting Chief Medical Officer of Loxo Oncology, Inc., a biopharmaceutical company, and from December 2011 to August 2013, she served as the Chief Medical Officer of Pharmacyclics, Inc., a biopharmaceutical company. Dr. Kunkel also served as Chief Medical Officer/consultant at ACT Biotech, Inc., a biotechnology company, and at Syndax Pharmaceuticals, Inc., a biopharmaceutical company, from February 2009 to December 2011. She held the position of Chief Medical Officer, Vice President of Clinical Development at Proteolix, Inc., a biopharmaceutical company, from January 2007 to January 2009, and the position of Vice President, Clinical Development of Xencor, Inc., a biopharmaceutical company, from August 2005 to January 2007. Dr. Kunkel was an independent clinical immunology/oncology consultant from March 2003 to August 2005. From May 2000 to March 2003, Dr. Kunkel served as Vice President, Medical Affairs at Genitope Corporation, a biotechnology company. From September 1998 to May 2000, she served as Lead Clinical Scientist on Rituxan and Clinical Team Leader at Genentech, Inc., a biotechnology company, and as Associate Director, Clinical Development, Oncology at Chiron Corporation, a biotechnology company, from July 1997 to September 1998. From July 1995 to May 1997, Dr. Kunkel held various positions at Baxter Healthcare, Immunotherapy Division. Dr. Kunkel also serves as a director of Loxo Oncology, Inc., Maverick Therapeutics, Inc., a privately held preclinical stage biotechnology company, and Tocagen Inc., a privately held clinical-stage, cancer-selective gene therapy company. Dr. Kunkel received her B.A. in Biology from the University of California San Diego and an M.D. from the University of Southern California. She completed her internal medicine internship and residency at Baylor College of Medicine, Affiliated Hospitals. In addition she completed her hematology fellowship at University of Southern California and her medical oncology fellowship at University of California Los Angeles. We believe that Dr. Kunkel's qualifications to serve on our board include her expertise in hematology and oncology as well as her extensive and valuable industry experience in pharmaceutical and biotechnology companies in developing and commercializing oncologic/immunologic therapies.

Marc Rubin, M.D. has served on our board since June 2010. Since May 2009, Dr. Rubin has served as Executive Chairman of Titan Pharmaceuticals, Inc., a biopharmaceutical company, and he served as its President and Chief Executive Officer from October 2007 to December 2008. From June 2006 to February 2007, Dr. Rubin served as Head of Global Research and Development for Bayer Schering Pharma AG, a pharmaceutical company, as well as a member of the Executive Committee of Bayer HealthCare LLC, a pharmaceutical and medical products company and subsidiary of Bayer AG, and the Board of Management of Bayer Schering Pharma AG. From October 2003 until the merger of Bayer AG and Schering AG in June 2006, Dr. Rubin was a member of the Executive Board of Schering AG, as well as Chairman of Schering Berlin Inc. and President of Berlex Pharmaceuticals, Inc., a division of Schering AG. From January 1990 to August 2003, Dr. Rubin held various positions in global clinical and commercial development at GlaxoSmithKline plc, a healthcare company, as well as the position of Senior Vice President of Global Clinical Pharmacology & Discovery Medicine from 2001 to 2003. Prior to his pharmaceutical industry career, Dr. Rubin completed subspecialty training and board certification in both medical oncology and infectious diseases at the National Cancer Institute within the National Institutes of Health from 1983 to 1986. From September 1986 to December 1989, Dr. Rubin also served as an Investigator and on the Senior Staff of the infectious diseases section at the National Cancer Institute. Dr. Rubin

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also serves as a director of Galectin Therapeutics Inc. and the Rogosin Institute. Previously, Dr. Rubin served as a director of FirstString Research, Inc., Gemmus Pharma, Inc., Medarex, Inc. and Surface Logix, Inc. Dr. Rubin holds an M.D. from Cornell University Medical College. We believe that Dr. Rubin's qualifications to serve on our board include his extensive experience in clinical development as well as his medical, commercial and scientific expertise having held executive-level clinical development positions with Bayer Schering Pharma AG, Schering AG and GlaxoSmithKline plc.

Board Recommendation

OUR BOARD OF DIRECTORS BELIEVES THAT THE ELECTION OF MARC RUBIN, M.D. TO SERVE AS A CLASS II DIRECTOR IS IN THE BEST INTERESTS OF CURIS AND OUR STOCKHOLDERS AND, THEREFORE, THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE NOMINEE.

CORPORATE GOVERNANCE

Our board of directors believes that good corporate governance is important to ensure that Curis is managed for the long-term benefit of stockholders. This section describes key corporate governance guidelines and practices that our board of directors has adopted. Complete copies of our corporate governance guidelines, committee charters and code of conduct are available on the Investors' Corporate Governance section of our website, www.curis.com. Alternatively, you can request a copy of any of these documents by writing to our secretary at the following address: Curis, Inc., 4 Maguire Road, Lexington, MA 02421.

Corporate Governance Guidelines

Our board of directors has adopted corporate governance guidelines to assist in the exercise of its duties and responsibilities and to serve the best interests of Curis and our stockholders. These guidelines, which provide a framework for the conduct of the board of directors' business, provide that:

the board of directors' principal responsibility is to oversee the management of Curis;

a majority of the members of the board of directors shall be independent directors;

the independent directors shall meet regularly in executive session;

directors have full and free access to management and, as necessary and appropriate, independent advisors;

all directors are encouraged to participate in continuing director education on an ongoing basis; and

periodically, the board of directors and its committees will conduct a self-evaluation to determine whether they are functioning effectively.

Determination of Independence

Rule 5605 of the Nasdaq Listing Rules requires a majority of a listed company's board of directors to be comprised of independent directors within one year of listing. In addition, Nasdaq Listing Rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and

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governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act. Under Rule 5605(a)(2), a director will only qualify as an independent director if in the opinion of our board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee: (1) accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries; or (2) be an affiliated person of the listed company or any of its subsidiaries. In addition, in affirmatively determining the independence of any director who will serve on a company's compensation committee, Rule 10C-1 under the Exchange Act requires that a company's board of directors consider all factors specifically relevant to determining whether a director has a relationship to such company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: (1) the source of compensation of the director, including any consulting, advisory or other compensatory fee paid by such company to the director; and (2) whether the director is affiliated with the company or any of its subsidiaries or affiliates.

In March 2019, our board of directors undertook a review of the composition of our board of directors and its committees and the independence of each director. Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, including family relationships, our board of directors determined that none of Mr. Greenacre, Dr. Kaitin, Dr. Kunkel or Dr. Rubin has a relationship which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is an independent director as defined under Rule 5605(a)(2) of the Nasdaq Stock Market Marketplace Rules. In addition, our board has determined that all of the members of the audit committee, the compensation committee, and the nominating and governance committee are independent as defined under the Nasdaq Stock Market Marketplace Rules, including, (i) in the case of all members of the audit committee, the independence requirements contemplated by Rule 10A-3 under the Exchange Act and (ii) in the case of all members of the compensation committee, the enhanced independence requirements contemplated by Rule 10C-1 under the Exchange Act.

Board Meetings and Attendance

Our corporate governance guidelines provide that directors are expected to attend the annual meeting of stockholders. All directors then serving attended the 2018 annual meeting of stockholders. The board met 16 times during the fiscal year ended December 31, 2018, either in person or by teleconference. During the fiscal year ended December 31, 2018, each of our directors attended at least 75% of the aggregate of the total number of board meetings and meetings of all committees of the board on which they then served.

Board Leadership Structure

Our board has chosen to separate the role of our chief executive officer and the role of chairman of our board. Accordingly, our Board has appointed Mr. Greenacre, an independent director within the meaning of Nasdaq rules (see [Determination of Independence](#) above), as the Chairman of the Board of Directors. Mr. Greenacre's duties as Chairman of the Board include the following:

chairing meetings of the independent directors in executive session;

meeting with any director who is not adequately performing his duties as a member of our board or any committee;

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facilitating communications between other members of our board and our chief executive officer;

preparing or approving the agenda for each board meeting;

determining the frequency and length of board meetings and recommending when special meetings of our board should be held; and

reviewing and, if appropriate, recommending action to be taken with respect to written communications from stockholders submitted to our board.

Our board decided to separate the roles of Chairman and Chief Executive Officer because it believes that this leadership structure offers the following benefits:

increasing the independent oversight of Curis and enhancing our board's objective evaluation of our chief executive officer;

freeing our chief executive officer to focus on company operations instead of board administration;

providing our chief executive officer with an experienced sounding board;

providing greater opportunities for communication between stockholders and our board;

enhancing the independent and objective assessment of risk by our board; and

providing an independent spokesman for our company.

Board's Role in Risk Oversight

Our board of directors oversees our risk management processes directly and through its committees. Our management is responsible for risk management on a day-to-day basis. Our board of directors and its committees oversee the risk management activities of management. They fulfill this duty by discussing with management the policies and practices utilized by management in assessing and managing risks and providing input on those policies and practices. In general, our (i) board of directors oversees risk management activities relating to business strategy, acquisitions, capital allocation, organizational structure and certain operational risks, (ii) audit committee oversees risk management activities related to financial controls, (iii) compensation committee oversees risk management activities relating to our compensation policies, programs and practices and management succession planning, and (iv) nominating and corporate governance committee oversees risk management activities relating to board of directors composition and corporate governance policies and procedures. Each committee reports to our full board of directors on a regular basis, including reports with respect to the committee's risk oversight activities as appropriate.

Board Committees

Our board has established three standing committees—audit, compensation and nominating and corporate governance—each of which operates under a charter that has been approved by our board. Current copies of the charters of the audit committee, compensation committee, and nominating and corporate governance committee are posted on the Investors—Corporate Governance section of our website, www.curis.com.

Audit Committee

The audit committee's responsibilities include:

appointing, approving the compensation of, and assessing the independence of our independent registered public accounting firm;

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pre-approving all audit and non-audit services of our independent registered public accounting firm, except for de minimis non-audit services which are approved in accordance with applicable SEC rules, including meeting with our independent registered public accounting firm prior to the annual audit to discuss the planning and staffing of the audit;

overseeing the work of our independent registered public accounting firm, including through the receipt and consideration of certain reports from such firm;

reviewing and discussing with management and the independent registered public accounting firm our annual and quarterly financial statements and related disclosures, earnings releases and other publicly disseminated financial information;

reviewing and discussing with our independent registered public accounting firm matters concerning the quality, not just the acceptability, of our accounting determinations, particularly with respect to judgmental areas;

monitoring our internal control over financial reporting, disclosure controls and procedures and code of business conduct and ethics;

discussing our risk management policies;

establishing policies regarding hiring employees from our independent registered public accounting firm and procedures for the receipt and retention of accounting-related complaints and concerns;

meeting independently with our independent registered public accounting firm and management on a quarterly basis;

reviewing and approving or ratifying any related person transactions;

establishing, and periodically reviewing, complaint procedures for (i) the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters; and (ii) the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters; and

preparing the audit committee report required by SEC rules, which is included on page 22 of this proxy statement.

The current members of the audit committee are Mr. Greenacre (Chair), Dr. Kaitin and Dr. Rubin. The audit committee met four times during the fiscal year ended December 31, 2018. The board of directors has determined that Mr. Greenacre is an audit committee financial expert as defined by applicable SEC rules.

Compensation Committee

The compensation committee's responsibilities include:

determining the chief executive officer's compensation;

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reviewing and approving the compensation of our other executive officers;

overseeing an evaluation of our senior executives;

overseeing and administering our cash and equity incentive plans;

reviewing and making recommendations to the board with respect to director compensation;

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reviewing and discussing annually with management our Compensation Discussion and Analysis, which is included beginning on page 25 of this proxy statement;

preparing the compensation committee report required by SEC rules, which is included on page 50 of this proxy statement; and

reviewing and making recommendations to the board with respect to management succession planning.

The processes and procedures followed by our compensation committee in considering and determining executive and director compensation are described below under the heading Executive Officer and Director Compensation Processes.

The current members of the compensation committee are Dr. Kaitin, Dr. Kunkel and Dr. Rubin (Chair). The compensation committee met 14 times during the fiscal year ended December 31, 2018.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee's responsibilities include:

identifying individuals qualified to become board members;

recommending to the board the persons to be nominated for election as directors and to each of the board's committees;

overseeing an annual evaluation of the board; and

periodically reviewing the composition of each board committee and the establishment or dissolution of additional board committees.

The processes and procedures followed by the nominating and corporate governance committee in identifying and evaluating director candidates are described below under the heading Director Nomination Process.

The members of the nominating and corporate governance committee are Mr. Greenacre, Dr. Kaitin (Chair) and Dr. Rubin. The nominating and corporate governance committee met five times during the fiscal year ended December 31, 2018.

Executive Officer and Director Compensation Processes

The compensation committee oversees our compensation programs. In this capacity, the compensation committee determines and approves all compensation related to our executive officers. In addition, the compensation committee periodically reviews and makes recommendations to the board with respect to director compensation.

The compensation committee has the authority to retain and terminate any compensation consultant to be used to assist in the evaluation of executive officer compensation and has the sole authority to approve the consultant's fees and other retention terms. The compensation committee also has authority to commission compensation surveys or studies as the need arises. Periodically, the compensation committee retains an independent third party compensation consultant to review director and officer compensation. The compensation

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committee has periodically retained Willis Towers Watson as an independent third party compensation consultant. In October 2016, the compensation committee retained Willis Towers Watson to review director and officer compensation, officer employment agreements and severance policies, rank and file employee compensation, and to conduct a new peer group analysis and share usage analysis that helped inform the compensation committee's compensation decisions for 2017. In January 2018, the compensation committee retained Willis Towers Watson to review director and officer compensation, officer employment agreements and severance policies as compared to the peer group, to conduct a share usage analysis, and to provide advice related to the amendment and restatement of our Second Amended and Restated 2010 Stock Incentive Plan. Most recently, in January 2019, the compensation committee retained Willis Towers Watson to review compensation recommendations for officer and employee base salary increases, annual bonus payments for officers and employees, and annual option grants for directors and officers. The compensation committee has determined that there are no conflicts of interest or other applicable factors affecting independence with its retention of Willis Towers Watson, as required by Nasdaq Stock Market Marketplace Rules.

The compensation committee typically seeks the chairman of the board's input in compensation matters involving our president and chief executive officer (to the extent the chairman of the board is not then also a member of the compensation committee). Our president and chief executive officer provides input on all other executive officer compensation matters including the appropriate mix of compensation for such other officers. Our president and chief executive officer is not present during the compensation committee's voting or deliberations regarding his compensation.

Risks Arising from Compensation Policies and Practices

Employee compensation generally consists of salary, stock option awards and, depending on overall company performance and the successful achievement of objectives set forth in an annual short-term incentive program, cash bonus payments. We have reviewed our compensation policies and practices for all employees and have concluded that any risks arising from our policies and programs are not reasonably likely to have a material adverse effect on our company.

Director Nomination Process

The process followed by the nominating and corporate governance committee to identify and evaluate director candidates includes requests to board members and others for recommendations, retaining a search firm, meetings from time to time to evaluate biographical information and background material relating to potential candidates, and interviews of selected candidates by members of the nominating and corporate governance committee and the board.

In considering whether to recommend any particular candidate for inclusion in the board's slate of recommended director nominees, the nominating and corporate governance committee will apply the criteria set forth in our corporate governance guidelines and its charter. These criteria include the candidate's integrity, business acumen, knowledge of our business and industry, experience, diligence, freedom from conflicts of interest and the ability to act in the interests of all stockholders. Our nominating and corporate governance charter provides that the value of diversity on our board should be considered by the nominating and corporate governance committee. The committee does not assign specific weights to particular criteria and no particular criterion is a prerequisite for each prospective nominee. We believe that the backgrounds and qualifications of our directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that

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will allow the board to fulfill its responsibilities. We do not discriminate against candidates based on their race, religion, national origin, sex, sexual orientation, disability or any other basis proscribed by law.

Stockholders may recommend individuals to the nominating and corporate governance committee for consideration as potential director candidates by submitting candidate names, together with appropriate biographical information and background materials and a statement as to whether the stockholder or group of stockholders making the recommendation has beneficially owned more than 5% of our common stock for at least one year as of the date such recommendation is made, to: Nominating and Corporate Governance Committee, c/o Secretary, Curis, Inc., 4 Maguire Road, Lexington, MA 02421. Assuming that appropriate biographical and background material has been provided on a timely basis, the committee will evaluate stockholder-recommended candidates by following substantially the same process, and applying substantially the same criteria, as it follows for all candidates.

Stockholders also have the right under our bylaws to nominate director candidates by following the procedures set forth under Stockholder Proposals for 2020 Annual Meeting.

Communicating with the Board of Directors

The board of directors will give appropriate attention to written communications that are submitted by stockholders, and will respond if and as appropriate. The chairman of the board of directors is primarily responsible for monitoring communications from stockholders, and for providing copies or summaries to the other directors as he considers appropriate.

Communications are forwarded to all directors if they relate to important substantive matters and include suggestions or comments that the chairman of the board considers to be important for all directors to know. In general, communications relating to corporate governance and corporate strategy are more likely to be forwarded than communications relating to ordinary business affairs, personal grievances and matters as to which we receive repetitive or duplicative communications.

Stockholders who wish to send communications on any topic to the board of directors should address such communications to: Chairman of the Board of Directors, c/o Secretary, Curis, Inc., 4 Maguire Road, Lexington, MA 02421, or via email at info@curis.com.

Code of Business Conduct and Ethics

We have adopted a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer. We have posted a current copy of this code on the Investors Corporate Governance section of our website, www.curis.com. In addition, we intend to post on our website all disclosures that are required by law or Nasdaq stock market listing standards concerning any amendments to, or waivers of, any provision of the code.

Policies and Procedures for Related Person Transactions

Our board has adopted written policies and procedures for the review of any transaction, arrangement or relationship in which Curis is a participant, the amount involved exceeds \$120,000, and one of our executive officers, directors, director nominees or 5% stockholders (or their immediate family members), each of whom we refer to as a related person, has a material interest, directly or indirectly.

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If a related person proposes to enter into such a transaction, arrangement or relationship, which we refer to as a related person transaction, the related person must report such proposed transaction to our chief financial officer and/or general counsel. The policy calls for the proposed related person transaction to be reviewed and, if deemed appropriate, approved by the board's audit committee. Whenever practicable, the reporting, review and approval will occur prior to entry into the transaction. If advance review and approval is not practicable, the audit committee will review, and, in its discretion, may ratify the related person transaction at the next meeting of the committee. The policy also permits the chairman of the audit committee to review and, if deemed appropriate, approve proposed related person transactions that arise between committee meetings, subject to ratification by the audit committee at its next meeting. Any related person transactions that are ongoing in nature will be reviewed periodically. The audit committee will review and consider such information regarding the related person transaction as it deems appropriate under the circumstances.

The audit committee may approve or ratify the transaction only if the committee determines that, taking into account all of the circumstances, the transaction is not inconsistent with Curis's best interests. The audit committee may impose any conditions on the related person transaction that it deems appropriate, which shall be deemed conditions precedent to approval and/or consummation of such transaction.

In addition to transactions excluded by the instructions to the SEC's related person transaction disclosure rule, the board has determined that the following transactions do not create a material direct or indirect interest on behalf of related persons and, therefore, are excluded from classification as related person transactions for purposes of this policy:

interests arising solely from the related person's position as an executive officer of another entity (whether or not the person is also a director of such entity) who is a participant in the transaction, where (a) the related person and all other related persons own, in the aggregate, less than 10% of the equity interests in such entity, and (b) the related person and his or her immediate family members are neither involved in the negotiation of the terms of the transaction, nor receive any special benefits as a result of the transaction; and

a transaction that is specifically contemplated by the provisions of our charter or bylaws.

The policy provides that transactions involving compensation of executive officers shall be reviewed and approved by the compensation committee in the manner specified in its charter.

Related Person Transactions

Aurigene Discovery Technologies Limited

In January 2015, we entered into an exclusive collaboration agreement focused on immune-oncology and selected precision oncology targets with Aurigene Discovery Technologies Limited, or Aurigene. Aurigene beneficially owns approximately 16.5% of our outstanding shares of common stock.

Under the collaboration agreement, Aurigene granted us an option to obtain one or more exclusive, royalty-bearing licenses to relevant Aurigene compounds within specified programs to develop, manufacture and commercialize products anywhere in the world, except for India or Russia, which are the territories retained by Aurigene. We have licensed four programs under the Aurigene collaboration. For each option to license we exercise, we are obligated to use commercially reasonable efforts to develop, obtain regulatory approval for, and

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commercialize at least one product in the United States, specified countries in the European Union, and Japan, and Aurigene is obligated to use commercially reasonable efforts to perform its obligations under the development plan for such licensed program. Subject to specified exceptions, we and Aurigene agreed to collaborate exclusively with each other on the discovery, research, development and commercialization of programs and compounds within immuno-oncology for an initial period of approximately two years from the effective date of the collaboration agreement. At our option, and subject to specified conditions, we may extend such exclusivity for up to three additional one-year periods by paying to Aurigene additional exclusivity option fees on an annual basis. We exercised the first one-year exclusivity option in 2017. The fee for this exclusivity option exercise was \$7.5 million, which we paid in two equal installments in 2017.

We initially issued to Aurigene 3,424,026 shares of our common stock valued at \$24.3 million in partial consideration for the rights granted to us under the collaboration agreement. We also agreed to make specified research payments, option exercise fees and milestone payments under the collaboration agreement. In September 2016, we entered into an amendment to the collaboration agreement, pursuant to which, in exchange for our issuance to Aurigene of 2,041,666 shares of our common stock, Aurigene waived payment of up to a total of \$24.5 million in milestones and other payments that may become due to Aurigene under the collaboration agreement. Since January 1, 2018, we have not made any cash payments to Aurigene pursuant to the collaboration agreement, and our aggregate cash payments to Aurigene since the inception of the collaboration agreement are \$22.0 million.

In addition to the collaboration agreement, in June 2017, we entered into a master development and manufacturing agreement with Aurigene for the supply of drug substance and drug product, under which we have made cash payments to Aurigene of \$0.6 million in 2018 and \$0.8 million in 2017.

David Tuck, M.D.

In May 2018, David Tuck, M.D. provided us notice of his intention to retire from the Company, effective as of August 31, 2018. Dr. Tuck subsequently determined to retire on August 3, 2018. We and Dr. Tuck entered into a letter agreement on August 1, 2018 pursuant to which Dr. Tuck agreed to provide us with specified advisory services commencing on August 4, 2018 and extending until May 3, 2019, subject to earlier termination (the advisory period). In consideration for Dr. Tuck's advisory services, we have agreed to (i) pay him a monthly retainer of \$35,000 during the advisory period and (ii) reimburse him for any pre-approved reasonable, documented out-of-pocket expenses relating to his advisory services. In addition, we and Dr. Tuck have agreed to amend his stock option agreements such that his outstanding options will cease to vest as of his date of resignation on August 3, 2018. The letter agreement may be terminated (i) at any time upon the mutual written consent of the parties, (ii) at any time immediately upon Dr. Tuck's breach or threatened breach of the terms of his Invention, Non-Disclosure and Non-Competition Agreement, or (iii) at any time upon Dr. Tuck's material breach of the terms of the letter agreement and failure to cure such breach within five days after written notice from the company. In the event of termination of the letter agreement, Dr. Tuck will be entitled to payment for services performed and expenses paid or incurred prior to the effective date of termination that have not previously been paid. The letter agreement also contains other customary terms and conditions relating to his advisory service. Dr. Tuck received \$136,613 during the year ended December 31, 2018 under the letter agreement.

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Epi-Cure Pharmaceuticals, Inc.

On October 17, 2018, we entered into an exclusive option and license agreement with Epi-Cure Pharmaceuticals, Inc., a privately held early-stage biotechnology company. Robert E. Martell, M.D., Ph.D., our head of research and development and a former director of the Company, is a founder of Epi-Cure, was formerly an officer and director of Epi-Cure, and is currently a holder of a convertible promissory note to Epi-Cure and beneficially owns more than 10% of the outstanding shares of Epi-Cure common stock. Under the terms of the agreement, Epi-Cure granted us an exclusive option to certain program compounds that may arise during the initial research and development period, and any extension thereof. Upon execution of the agreement, we agreed to pay Epi-Cure a transaction payment of \$105,000 for legal and consulting costs incurred by Epi-Cure.

Under the terms of the agreement, Epi-Cure has primary responsibility for conducting research and development activities and we are responsible for funding up to \$502,750 of the research and development program costs and expenses during the initial research and development period. If, after the end of the initial research and development period, we elect to exercise our option to license the program compounds, we have agreed to make a license fee payment of \$2.0 million and have agreed to be responsible for the development and commercialization of products that may result from the collaboration. We have also agreed to make cash payments to Epi-Cure of up to \$63.0 million subject to successful achievement of certain patent, development, clinical, drug approval and commercial sales milestones and have also agreed to pay Epi-Cure mid-single digit royalties on net product sales if product candidates derived from this collaboration are successfully developed.

Epi-Cure has retained the right to opt in to co-develop and share in profits upon initiation of a phase 2 clinical study, in which event we have agreed to share in any development costs and profits on a 50/50 basis. Epi-Cure also has the right to opt-out of co-development/co-profit in which case they would receive royalty payments in lieu of profit-sharing.

Each party has the right to terminate the agreement for uncured material breach by the other party. We have the right to terminate the agreement for our convenience upon sixty days prior written notice. The agreement also sets forth customary terms regarding each party's intellectual property ownership rights, representations and warranties, indemnification obligations, confidentiality rights and obligations, patent prosecution, and maintenance and defense rights and obligations.

Since October 17, 2018, we have made \$130,500 of cash payments to Epi-Cure pursuant to the collaboration agreement, including payments related to its chemistry services provider on Epi-Cure's behalf.

Audit Committee Report

The information contained in this report shall not be deemed to be soliciting material or filed or incorporated by reference in future filings with the U.S. Securities and Exchange Commission, or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that we specifically request that it be treated as soliciting material or specifically incorporate it by reference into a document filed under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

The responsibilities of the audit committee are set forth in the charter of the audit committee. The audit committee has reviewed our audited financial statements for the fiscal year ended December 31, 2018, and has discussed these financial statements with our management and our independent registered public accounting firm.

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Our management is responsible for the preparation of our financial statements and for maintaining an adequate system of disclosure controls and procedures and internal control over financial reporting for that purpose. Our independent registered public accounting firm is responsible for conducting an independent integrated audit of our annual financial statements and our internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (PCAOB) and issuing a report on the results of their integrated audit. The audit committee is responsible for providing independent, objective oversight of these processes.

The audit committee has also received from, and discussed with, our independent registered public accounting firm various communications that our independent registered public accounting firm is required to provide to the audit committee, including the matters required to be discussed by the PCAOB Auditing Standard No. 1301. PCAOB Auditing Standard No. 1301 requires our independent registered public accounting firm to discuss with the audit committee, among other things, the following:

methods to account for significant unusual transactions;

the effect of significant accounting policies, including policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus;

the process used by management in formulating particularly sensitive accounting estimates and the basis for the auditors' conclusions regarding the reasonableness of those estimates;

disagreements with management over the application of accounting principles, the basis for management's accounting estimates and the disclosures in the financial statements; and

written disclosures required by PCAOB Rule 3526 – Communication with Audit Committees Concerning Independence.

The audit committee has received the written disclosures and the letter from our independent registered public accounting firm required by applicable requirements of the PCAOB regarding our independent registered public accounting firm's communications with the audit committee concerning independence, and has discussed with the independent registered public accounting firm their independence from Curis. The audit committee has also received written disclosures required by PCAOB Rule 3526 – Communication with Audit Committees Concerning Independence.

Based on the review and discussions referred to above, the audit committee recommended to our board of directors that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2018.

Submitted by the audit committee of our board of directors.

Martyn D. Greenacre (Chair)

Kenneth I. Kaitin, Ph.D.

Marc Rubin, M.D.

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The following table summarizes the fees of PricewaterhouseCoopers LLP, our independent registered public accounting firm, billed to us for each of the last two fiscal years:

Fee Category	2018	2017
Audit Fees (1)	\$ 586,000	\$ 605,000
All Other Fees (2)	1,800	1,800
Total Fees	\$ 587,800	\$ 606,800

- (1) Audit fees consist of fees for the audit of our financial statements, the audit of our internal control over financial reporting, the review of the interim financial statements included in our quarterly reports on Form 10-Q, and other professional services provided in connection with statutory and regulatory filings or engagements. Audit fees also include fees of \$81,000 and \$115,000 for 2018 and 2017, respectively, associated with comfort letters for our 2018 registration statements, and September 2017 public offering and 2017 registration statements. 100% of the audit fees for 2018 and 2017 were pre-approved by the audit committee. The 2018 and 2017 amounts exclude reimbursement of out-of-pocket expenses of approximately \$2,300 and \$4,500 for 2018 and 2017, respectively.
- (2) Other fees consist of an annual license fee for use of accounting research software. None of the other fees incurred during 2018 and 2017 were for services provided under the de minimis exception to the audit committee pre-approval requirements. 100% of these fees for 2018 and 2017 were pre-approved by the audit committee.

Pre-Approval Policy and Procedures

Our audit committee has adopted policies and procedures relating to the approval of all audit and non-audit services that are to be performed by our independent registered public accounting firm. This policy generally provides that we will not engage our independent registered public accounting firm to render audit or non-audit services unless the audit committee specifically approves the service in advance or the engagement is entered into pursuant to one of the pre-approval procedures described below.

From time to time, our audit committee may pre-approve specified types of services that are expected to be provided to us by our independent registered public accounting firm during the next 12 months. Any such pre-approval is detailed as to the particular service or type of services to be provided and is also generally subject to a maximum dollar amount.

The audit committee has also delegated to the chairman of the audit committee the authority to approve any audit or non-audit services to be provided to us by our independent registered public accounting firm. Any approval of services by a member of the audit committee pursuant to this delegated authority is reported on at the next meeting of the audit committee.

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EXECUTIVE AND DIRECTOR COMPENSATION AND RELATED MATTERS

Compensation Discussion and Analysis

This Compensation Discussion and Analysis describes our compensation strategy, policies, programs and practices for our named executive officers identified in the Summary Compensation Table or our named executive officers.

For the fiscal year ending December 31, 2018, our named executive officers were:

Ali Fattaey, Ph.D., our former president and chief executive officer, who served as our president and chief executive officer for the first nine months of 2018;

James E. Dentzer, our former chief operating officer and chief financial officer, who was promoted to president and chief executive officer in September 2018;

Robert E. Martell, M.D., Ph.D., who joined the company as head of research and development in June 2018 and was our most highly compensated executive officer, other than our chief executive officer, who was serving as an executive officer on December 31, 2018; and

David Tuck, M.D., our former senior vice president and chief medical officer, who would have been included among our most highly compensated executive officers if he were serving as such on December 31, 2018.

Dr. Tuck ceased to serve as an executive officer in August 2018 and Dr. Fattaey ceased to serve as an executive officer in September 2018. We have included information concerning Drs. Fattaey and Tuck in accordance with the requirements of the SEC's disclosure rules. Compensation decisions for our executive officers are made by the compensation committee of our board of directors.

We held our most recent say-on-pay advisory stockholder vote on the compensation of our executive officers at the May 2018 annual meeting. This advisory vote was supported by our stockholders with 78.58% of the voted shares voting for such proposal. Our compensation committee carefully considered the results of this advisory stockholder vote, including the level of support received, and subsequently solicited further feedback from our leading institutional stockholders on compensation matters and engaged in constructive dialogue regarding that feedback. The compensation committee continues to believe that its pay-for-performance philosophy in determining the compensation of executive officers, as further described herein, best achieves the desired alignment of our compensation objectives.

The compensation paid to our named executive officers in 2018 reflected our primary compensation objectives of attracting and retaining key executive officers critical to our long-term success, recognizing and rewarding overall company performance, and each executive officer's individual performance and level of responsibility, as well as continuing to align our executive officers' incentives with stockholders' interests. Cash compensation, including annual cash bonus incentive, is a basic element of our executive officers' total compensation. In addition, a significant portion of our executive officers' realizable compensation is tied to the performance of our company and our stock price. We believe stock-based compensation aligns our executive officers' interest and our shareholders' interest in incentivizing our executive officers to achieve performance objectives and to create long-term shareholder value. If our executive officers are unable to create long-term shareholder value and the price of our stock declines, then the realizable value of such executive officer's long-term stock-based compensation also declines. Consistent with its pay-for-performance philosophy, our compensation committee may elect to decrease any executive officer's compensation, or take other corrective or remedial steps, for non-performance.

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2018 Pay-for-Performance

Our executive compensation program embodies a pay-for-performance philosophy that supports our business strategy and aligns the interests of our executives with our stockholders. Our board of directors believes this link between compensation and the achievement of our near- and long-term business goals has helped drive our performance over time. At the same time, we believe our program does not encourage excessive risk-taking by management.

In 2018, the compensation committee adhered to its long-standing pay-for-performance philosophy. As such, a significant portion of total 2018 executive compensation was comprised of cash incentives and long-term compensation based on corporate performance. We achieved a number of key corporate goals and objectives in 2018, including:

Fimepinostat (CUDC-907)

In May 2018, we received Fast Track Designation for fimepinostat development in patients with relapsed/refractory diffuse large B-cell lymphoma (DLBCL);

Our clinical researchers presented a poster on the combined results of our phase 1 and phase 2 study of the durable responses achieved in patients with MYC-altered DLBCL treated with fimepinostat in September 2018 at the Society of Hematologic Oncology 6th Annual Meeting;

Our clinical researchers presented results from a pooled analysis of fimepinostat in relapsed/refractory diffuse large B-cell lymphoma (DLBCL) including patients with MYC-altered disease at the 4th Annual International Conference on New Concepts in Lymphoid Malignancies in September 2018; and

We presented a poster on the pooled analysis of fimepinostat in relapsed/refractory diffuse large B-cell lymphoma (DLBCL) including patients with MYC-altered disease at the American Society of Hematology (ASH) Annual Meeting in December 2018.

CA-170

Based on the preliminary data that we generated in our Phase 1 study of CA-170, Aurigene initiated a phase 2 study of CA-170 in India in the first quarter of 2018.

We presented three posters at the Society for Immunotherapy of Cancer (SITC) Annual Meeting in November 2018, which included (i) one on the pharmacodynamic effects of CA-170, (ii) a second on an integrative genomic and proteomic analysis that identifies cancer subtypes and signaling networks associated with aberrant tumor expression of VISTA, and (iii) a third on the Phase 1 study of CA-170.

CA-4948

We initiated patient dosing of CA-4948 in a Phase 1 trial in patients with relapsed or refractory Non-Hodgkin lymphomas in January 2018; and

We presented preclinical data at the American Association for Cancer Research in April 2018, at the ASH Meeting on Lymphoma Biology in August 2018, at the International Workshops on Waldenström's Macroglobulinemia in October 2018, and at ASH in December 2018.

Capital Position

In October 2018, we implemented a 27% reduction in headcount and a re-allocation of pre-clinical resources to strengthen focus on clinical development and to reduce our quarterly cash burn rate.

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Key compensation decisions for 2018 that reflect our compensation committee's pay-for-performance philosophy were as follows:

In determining executive officer compensation for 2018, the compensation committee considered the overall performance and financial condition of the company, as well as each individual executive officer's role in contributing to company performance.

In January 2018, the compensation committee granted a mix of stock options and restricted stock to incentivize our executive officers to progress our clinical development programs in order to increase stockholder value over time through stock price growth, thereby aligning our executives' incentives with our stockholders' interests.

In March 2018, the compensation committee established target short-term cash incentive payment amounts for our executive officers.

In January 2019, taking into consideration the overall execution of the company's programs, the extension of its runway, as well as the changes in executive leadership, the compensation committee determined that it would award cash incentive payments to Mr. Dentzer and Dr. Martell of \$297,000 and \$124,688, respectively.

Benchmarking Assessments and Evaluations

In January 2017, the compensation committee retained Willis Towers Watson to conduct a benchmarking assessment, which we refer to as the 2017 benchmarking assessment, based upon comparative compensation data for 17 companies in our industry consisting of a mix of mid-to-late stage, multi-drug, pre-commercial companies and smaller commercial companies with pipelines similar to our stage of development, which we refer to as the peer group. In selecting the peer group, the compensation committee considered companies with the following criteria: market cap of approximately 0.5x to 5x of Curis, up to approximately 3x of Curis revenue, net income of less than \$40 million, less than 350 employees, and annual research and development expense of greater than \$20 million. The peer group companies were:

Achillion Pharmaceuticals, Inc.
Agenus Inc.
AMAG Pharmaceuticals, Inc.
Arena Pharmaceuticals, Inc.
Ariad Pharmaceuticals Inc.
Atara Biotherapeutics, Inc.
Cytokinetics, Incorporated
Epizyme, Inc.
Geron Corporation

Halozyme Therapeutics, Inc.
Infinity Pharmaceuticals, Inc.
Keryx Biopharmaceuticals Inc.
NantKwest, Inc.
Ophthotech Corporation
Otonomy, Inc.
Rigel Pharmaceuticals, Inc.
Sarepta Therapeutics, Inc.

The elements of executive compensation included in the benchmarking assessment consisted of base salary, short-term annual incentive compensation opportunities, total cash compensation, the fair value of long-term incentive awards and actual total direct compensation for each of our executive officers as compared to the peer group companies. Willis Towers Watson conducted a competitive analysis of compensation at the 25th, 50th, and 75th percentiles of the relevant data. The results of the 2017 benchmarking assessment were utilized by our compensation committee in setting 2018 compensation for our named executive officers.

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In January 2018, the compensation committee elected not to do a new benchmarking assessment, but retained Willis Towers Watson to conduct an evaluation, which we refer to as the 2018 evaluation, of director and officer compensation, officer employment agreements and severance policies as compared to the peer group. The elements of executive compensation included in the 2018 evaluation consisted of base salary, short-term annual incentive compensation opportunities, total cash compensation, the fair value of long term incentive awards and actual total direct compensation for each of our executive officers as compared to the peer group. Willis Towers Watson conducted a competitive analysis of compensation at the 25th, 50th, and 75th percentiles of the relevant data. The compensation committee considered the results of the 2017 benchmarking assessment and the 2018 evaluation in setting 2018 executive compensation.

In January 2019, the compensation committee again elected not to do a new benchmarking assessment, but retained Willis Towers Watson to review compensation recommendations for officer and employee base salary increases, annual bonus payments for officers and employees, and annual option grants for directors and officers, which we refer to as the 2019 evaluation. The compensation committee considered the results of the 2017 benchmarking assessment, the 2018 evaluation and the 2019 evaluation in setting 2019 executive compensation.

Process for Determining Executive Compensation

Our president and chief executive officer evaluates the performance of each of the other executive officers at least once annually against established goals and objectives for such executive officer, and also takes into consideration each executive officer's contribution to the achievement of company goals and objectives. These annual assessments are provided either orally or through a written review. The president and chief executive officer provides recommendations to the compensation committee for all elements of compensation of our other executive officers based upon these evaluations, and the compensation committee considers our president and chief executive officer's assessments when determining compensation for such executive officers. The compensation committee evaluates the performance of the president and chief executive officer based upon its assessment of his performance, and this assessment is updated at periodic committee meetings, as well as through recommendations from the chairman of our board of directors (to the extent the chairman of the board is not then also a member of the compensation committee). Our president and chief executive officer does not participate in the determination of his own compensation. Our corporate goals and objectives are established through a process that involves input by our board and all of our executive officers. Members of our management team then regularly report on progress toward the achievement of these goals during our periodic meetings of the board of directors.

For a further discussion of the processes and procedures used by our compensation committee in considering and determining executive and director compensation, see *Executive Officer and Director Compensation Processes* beginning on page 17 of this proxy statement.

Elements of Executive Compensation

The elements of executive officer compensation generally consist of the following:

base salary;

short-term cash incentives;

stock option and restricted stock awards;

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insurance, retirement and other employee benefits; and

change in control and severance benefits.

We do not have any formal policy or target for allocating compensation between long-term and short-term compensation, between cash and non-cash compensation, or among the different forms of non-cash compensation. The compensation committee, after considering information including company performance, individual executive officer performance, the financial condition of the company, benchmarking data, and other market compensation for executive officers at other similarly-sized biotechnology companies, determines what it believes to be the appropriate level and mix of the various compensation components.

Base Salary

Base salary is used to recognize the experience, skills, knowledge and responsibilities required of all our employees, including our executive officers. Base salaries for our executive officers are established based on the scope of their responsibilities, periodically taking into account competitive market compensation paid by other companies for similar positions, as well as the financial condition of the company. Base salaries are reviewed annually, and adjusted from time to time to reflect promotions and to realign salaries with market levels as appropriate.

2018 Base Salaries

For 2018, the compensation committee set base salaries for our named executive officers as follows:

Name	2018 Base Salary	2017 Base Salary	Percentage Increase
Ali Fattaey, Ph.D. (1)	\$ 590,000	\$ 590,000	0%
James E. Dentzer (2)	\$ 495,000	\$ 442,900	11.8%
Robert E. Martell, M.D., Ph.D. (3)	\$ 332,500	\$	%
David Tuck M.D. (4)	\$ 420,000	\$ 420,000	0%

- (1) Dr. Fattaey ceased to serve as an executive officer effective as of September 24, 2018.
- (2) Mr. Dentzer's annual base salary was increased to \$475,000 upon his appointment as our chief operating officer and chief financial officer effective March 21, 2018, and was further increased to \$495,000 upon his promotion to president and chief executive officer effective as of September 24, 2018.
- (3) Dr. Martell resigned from our board of directors on May 31, 2018 and began serving as our head of research and development on June 1, 2018. Dr. Martell's base salary is set at \$475,000 and prorated based upon a 70% time commitment to the company.
- (4) Dr. Tuck retired effective as of August 3, 2018.

Our compensation committee utilized the 2018 evaluation, together with the 2017 benchmarking assessment, in setting 2018 compensation for our president and chief executive officer, our chief operating officer and chief financial officer, and for our chief medical officer. Based upon the 2018 evaluation, the compensation committee determined that Drs. Fattaey and Tuck's salaries remained at or very near median and, as such, did not make further adjustments to their salaries for 2018. Upon his appointment as our chief operating officer and chief financial officer in March 2018, Mr. Dentzer received a 7.2% increase to his 2017 base salary to account for his increased level of responsibility. His salary was further increased from \$475,000 to \$495,000 effective as of September 24, 2018 upon his appointment as president and chief executive officer, which represented a total increase of 11.8% for 2018.

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In June 2018, Dr. Martell became an employee of the company and was appointed head of research and development. Dr. Martell's base salary was set at \$475,000 and prorated based upon a 70% time commitment to the company. Dr. Martell's base salary was set at slightly above the 75th percentile for the chief medical officer position of the peer group to account for Dr. Martell's background, prior chief medical officer experience, competition for Dr. Martell's services and the company's overarching strategy to attract and retain top level executives who demonstrate the ability to execute on the company's short and long term business objectives.

2019 Base Salaries

In January 2019, the compensation committee set the base salaries for Mr. Dentzer and Dr. Martell as follows:

Name	2019 Base Salary	2018 Base Salary	Percentage Increase
James E. Dentzer	\$ 509,850	\$ 495,000	3%
Robert E. Martell, M.D., Ph.D. (1)	\$ 342,650	\$ 332,500	3%

(1) Dr. Martell's base salary is set at \$489,500 and prorated based upon a 70% time commitment to the company.

Based upon the results of the 2017 benchmarking assessment, the 2018 evaluation and the company's overall 2018 performance, the compensation committee provided Mr. Dentzer and Dr. Martell a 3% increase to their 2018 base salary to account for a cost of living adjustment.

Short-Term Cash Incentive Plans

Our compensation committee believes that allocating a meaningful amount of our executive officers' total cash compensation to the achievement of objectives under a short-term incentive plan is another way to align our executive officers' interests with those of our stockholders. Accordingly, our compensation committee implements a short-term incentive plan, which we refer to herein as a cash incentive program. The cash incentive program sets forth specific objectives each year that, if achieved, result in short-term incentive cash compensation for our executive officers.

A cash incentive program is designed to motivate our executive officers to achieve specified performance objectives for the applicable fiscal year and to reward them for their achievement. To be eligible, an executive officer must (i) be designated by the compensation committee or independent board members as an eligible participant, (ii) have achieved an overall performance evaluation at a meets expectations or higher level within our evaluation framework, and (iii) be serving as an executive officer at the time the award is paid.

The compensation committee generally establishes categories of goals that are then further delineated into three levels of potential achievement: Threshold, Target, and Maximum. Cash incentive payments may be paid based upon the degree to which each category of corporate goals has been achieved on this continuum, if at all. For each of the categories, achievement of performance at the Threshold level results in a weighted payment of no less than 50% of the target amount, achievement of performance at the Target level results in a weighted payment equal to 100% of the target amount, and achievement of performance at the Maximum level results in a weighted payment of no more than 150% of the target amount.

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The cash incentive program is administered by the compensation committee. The compensation committee has the authority and discretion to modify performance goals under a cash incentive program and has the right to amend, modify or terminate a cash incentive program at any time. The awards generally are paid in cash. The compensation committee has sole discretion, however, to pay an award using a combination of cash and equity, or all equity. If the compensation committee determines that such payment is to be made in the form of equity, in whole or in part, the compensation committee has the sole discretion to determine the nature, amount and other terms of such equity award. Payment of the awards, if any, is generally to be made after the completion of the relevant fiscal year but no later than March 15 of the following year.

2018 Short-Term Cash Incentive Payments

Taking into consideration the 2017 benchmarking assessment and the 2018 evaluation, the compensation committee established the following target short-term incentive target amounts, for each named executive officer:

Named Executive Officer	2018 Annual Base Salary	Target Incentive Compensation Payment as a Percentage of 2018 Annual Base Salary, Assuming Performance at the Target 100% Level	
		(%)	(\$)
Ali Fattaey, Ph.D. (1)	\$ 590,000	60%	\$ 354,000
James E. Dentzer (2)	\$ 495,000	60%	\$ 297,000
Robert E. Martell, M.D., Ph.D. (3)	\$ 332,500	50%	\$ 124,688
David Tuck, M.D. (4)	\$ 420,000	40%	\$ 168,000
Total	\$ 1,837,500		\$ 943,688

- (1) Dr. Fattaey ceased to serve as our president and chief executive officer as of September 2018.
- (2) Mr. Dentzer was appointed president and chief executive officer effective as of September 24, 2018. In connection with Mr. Dentzer's promotion, his annual base salary was increased from \$475,000 to \$495,000, and his target bonus amount was increased from 50% to 60% of his annual base salary, or \$297,000 for 2018.
- (3) In June 2018, Dr. Martell was hired as an employee of the company and appointed head of research and development. His target short-term incentive payment amount was set at 50% of his prorated base salary of \$332,500 and further prorated for his service as an employee.
- (4) Dr. Tuck ceased to serve as an executive officer in August 2018.

The compensation committee did not approve a formal short-term cash incentive program with specific performance goals for executive officers in 2018. On January 21, 2019, taking into consideration the overall execution of the company's programs, the extension of its runway in 2018, as well as the changes in executive leadership, the compensation committee approved the payment of short term cash incentive awards at 100% of the target amounts to Mr. Dentzer and Dr. Martell, the two named executive officers then serving, as follows:

Name	Total 2018 Cash Incentive Amount Paid	Percentage of 2018 Base Salary
James E. Dentzer	\$ 297,000	60%
Robert E. Martell, M.D., Ph.D.	\$ 124,688	50%

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2019 Short-Term Cash Incentive Payments

For 2019, the compensation committee has established the following categories of corporate goals:

Program execution, including clinical execution of our development programs with the focus to generate initial data for each of our programs within certain target timeframes in 2019, evaluation of early stage programs, and increasing our external presence in both clinical and investor communities; and

Financial performance, including management of current cash and resources, and execution on objectives for raising additional capital.

Under the terms of our employment agreement with Mr. Dentzer, he may be entitled to receive an annual bonus amount of up to 60% of his base salary based on the achievement of specific objectives established by the board and/or compensation committee. Pursuant to his employment agreement, Dr. Martell may be entitled to receive an annual bonus amount of up to 50% of his prorated base salary based on the achievement of specific objectives established by the board and/or compensation committee.

Long-Term Incentive Program

The compensation committee believes that long-term value creation is achieved through an ownership culture that encourages performance by our executive officers through grants of stock and stock-based awards. We have established our stock compensation plans to provide our employees, including our executive officers, with incentives that align employee interests with the interests of our stockholders. Our Third Amended and Restated 2010 Stock Incentive Plan, or Third Amended and Restated 2010 Plan, permits the issuance of stock options, restricted stock awards, and other stock-based awards to our employees, directors and consultants.

Stock Options

The compensation committee reviews and approves stock option grants to all of our executive officers. An initial stock option grant is made to our executive officers at the commencement of their employment, and then options are generally granted in annual supplements in conjunction with the review of the company's overall performance for the prior fiscal year and the individual performance of our executive officers. Grants may also be made following a significant change in job responsibilities or to meet other special retention or performance objectives. The review and approval of stock option awards to executive officers is based upon an assessment of individual performance, a review of each executive officer's existing long-term incentives and retention considerations. In appropriate circumstances, the compensation committee considers the recommendations of our president and chief executive officer (except with respect to his own compensation) and the chairman of our board of directors (to the extent the chairman of the board is not then also a member of the compensation committee) in determining the long-term compensation for our other executive officers. Stock options are granted with an exercise price equal to the fair market value of our common stock on the date of grant and typically vest with respect to 25% of the shares underlying the award on the first anniversary of the grant date, and as to an additional 6.25% of the shares underlying the award in each subsequent quarter, subject to the optionholder continuing to provide services to us on the applicable vesting date.

Restricted Stock

The compensation committee may review and approve restricted stock grants to our executive officers from time to time. The review and approval of restricted stock awards to executive officers is based upon an

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assessment of individual performance, a review of each executive officer's existing long-term incentives, variable compensation arrangements, and retention considerations. The size of the restricted stock award may be based upon the company's performance, market data for the median of the broad-based published compensation survey group size grant at peer group and other comparable companies, and target portions of variable compensation determined by the compensation committee. Grants of restricted stock awards with a multi-year vesting period are made to provide a strong incentive for sustained operational and financial performance and aligns the interests of our executive officers with those of our stockholders.

2018 Stock Option Grants

Taking into consideration the results of the 2017 benchmarking assessment and the 2018 evaluation, in January 2018, the compensation committee granted stock options to Drs. Fattaey and Tuck, and Mr. Dentzer. In determining to make these grants, the compensation committee considered the company's overall performance as well as the performance and experience of each of our executive officers, the mix of cash compensation, short term incentive compensation and the value of such stock option grants to align our executive officers' interests with the interests of our stockholders, the value of such stock option grants, and the number of shares that remain available for grant. In addition, Dr. Martell was granted stock options in connection with his appointment as our head of research and development in June 2018, and Mr. Dentzer received an award of stock options in connection with his appointment as our president and chief executive officer in September 2018. The following table sets forth the number of stock options granted to Drs. Fattaey, Martell and Tuck, and Mr. Dentzer.

Name	Number of Shares Underlying	Number of Shares Underlying	Number of Shares Underlying
	January 2018 Option Grants (1)	June 2018 Option Grants (2)	September 2018 Option Grants (3)
Ali Fattaey, Ph.D. (4)	165,000		
James E. Dentzer	165,000		750,000(5)
Robert E. Martell, M.D., Ph.D.		303,000(6)	
David Tuck, M.D. (7)	107,000		

- (1) Such stock options were granted subject to shareholder approval of the Third Amended and Restated 2010 Plan, have an exercise price per share equal to \$3.45, the fair market value of our common stock on the date of grant, and become exercisable as to 25% of the shares underlying the award on January 22, 2019 and as to an additional 6.25% of the shares underlying the award in each subsequent quarter, subject to the optionholder continuing to provide services to us on the applicable vesting date.
- (2) Such stock options were granted pursuant to our Third Amended and Restated 2010 Plan, have an exercise price per share equal to \$2.49, the fair market value of our common stock on the date of grant, and become exercisable as to 25% of the shares underlying the award on June 1, 2019 and as to an additional 6.25% of the shares underlying the award in each subsequent quarter, subject to the optionholder continuing to provide services to us on the applicable vesting date.
- (3) Such stock options were granted pursuant to our Third Amended and Restated 2010 Plan, have an exercise price equal to \$1.62 per share, the fair market value of our common stock on the date of grant, and become exercisable as to 25% of the shares underlying the award on September 26, 2019 and as to an additional 6.25% of the shares underlying the award in each subsequent quarter, subject to the optionholder continuing to provide services to us on the applicable vesting date.
- (4) Dr. Fattaey ceased to serve as our president and chief executive officer as of September 2018 at which time his unvested options were forfeited.

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- (5) Such stock options were granted to Mr. Dentzer in connection with his appointment as president and chief executive officer effective as of September 24, 2018.
- (6) Such stock options were granted to Dr. Martell in connection with his appointment as head of research and development on June 1, 2018.
- (7) Dr. Tuck ceased to serve as an executive officer in August 2018 at which time his unvested options were forfeited.

2018 Restricted Stock Awards

Our Second Amended and Restated 2010 Plan permitted the issuance of restricted stock awards to our employees, directors and consultants. The compensation committee generally does not make grants of restricted stock awards to our executive officers. However, taking into consideration the results of the 2017 benchmarking assessment and the 2018 evaluation, in January 2018, in addition to granting stock options, the compensation committee granted restricted stock to Drs. Fattaey and Tuck and Mr. Dentzer in the amounts set forth in the table below.

Name	Number of Shares Underlying January 2018 Restricted Stock Grants (1) (2)
Ali Fattaey, Ph.D. (3)	41,250
James E. Dentzer	41,250
David Tuck, M.D. (4)	26,750

- (1) Such restricted stock awards were granted pursuant to our Second Amended and Restated 2010 Plan, and vest as to 25% of the underlying shares on January 22, 2019 and as to an additional 25% of the underlying shares annually thereafter, subject to such award recipient continuing to provide services to us on the applicable vesting date.
- (2) This table does not include a restricted stock award granted to Dr. Martell for his services as director in 2018.
- (3) Dr. Fattaey ceased to serve as our president and chief executive officer as of September 2018 at which time his unvested shares of restricted stock were forfeited.
- (4) Dr. Tuck ceased to serve as an executive officer in August 2018 at which time his unvested shares of restricted stock were forfeited.

2019 Stock Option Grants

Taking into consideration the results of the 2017 benchmarking assessment and the 2018 evaluation, in January 2019, the compensation committee granted stock options to Mr. Dentzer and Dr. Martell as set forth in the table below. In determining to make these grants, the compensation committee considered the company's overall performance as well as the performance of Mr. Dentzer and Dr. Martell in moving the company forward in 2018, the mix of cash compensation, short term incentive compensation, the value of such stock option grants to align our executive officers' interests with the interests of our stockholders, the value of such stock option grants, and the number of shares available for grant.

Name	Number of Shares Underlying January 2019 Option Grants (1)
James E. Dentzer	1,115,871
Robert E. Martell, M.D., Ph.D.	386,996

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- (1) Such stock options were granted pursuant to our Third Amended and Restated 2010 Plan, have an exercise price per share equal to \$1.16, the fair market value of our common stock on the last trading day before the date of grant, and shall become exercisable as to 25% of the shares underlying the award on January 21, 2020 and as to an additional 6.25% of the shares underlying the award in each subsequent quarter, subject to the optionholder continuing to provide services to us on the applicable vesting date. These stock options, referred to as the Contingent Option Awards, will terminate and be forfeited if our stockholders do not approve an amendment to our Third Amended and Restated 2010 Plan to increase the number of shares authorized for issuance thereunder within 12 months after the grant date; and further provided that each such option will not be exercisable and no common stock will be issued thereunder before the approval of such stock incentive plan amendment by our stockholders. The stock options will terminate no later than January 20, 2029.

Amended and Restated 2010 Employee Stock Purchase Plan

As with all employees of the company, our executive officers are eligible to participate in our Amended and Restated 2010 employee stock purchase plan, as amended, or the Amended and Restated 2010 ESPP. The Amended and Restated 2010 ESPP will be implemented by consecutive, overlapping 24-month offering periods, each consisting of four six-month purchase periods. Each offering period will begin on June 15 and December 15 of each year, or, if the national stock exchanges and the Nasdaq System are not open on such day, then on the first business day thereafter. The plan permits employee participants to purchase up to \$25,000 per calendar year of company stock through payroll deductions. The price of the stock is 85% of the lower of the fair market value of the stock on the first day of the offering period or the last day of the applicable purchase period.

Other Compensation Employee Benefits

Our employees, including our executive officers, are entitled to various employee benefits such as medical and dental expense coverage, flexible spending accounts, various insurance programs, an employee assistance program, paid time off, and matching contributions in our 401(k) retirement plan.

Change in Control and Severance Payments

Each of our current named executive officers is party to an agreement or offer letter that obligates us to make cash payments to such executive officer in the event we terminate the executive officer's employment without cause, or the executive officer resigns for good reason (as defined in the applicable agreement or offer letter). We believe that our severance program is aligned with other comparable biotechnology companies and provides our executive officers with income protection in the event of an unplanned separation from employment. In addition, we are also obligated to make cash payments to each of our named executive officers in the event of a change in control.

Our Third Amended and Restated 2010 Plan provides that, unless otherwise provided in the applicable award agreement, all plan participants, including our executive officers, are entitled to accelerated vesting of stock options and/or restricted stock awards upon certain events (including a change in control). In the event that a change in control occurs, 50% of the then-unvested options of each plan participant, including executive officers, would become immediately exercisable, and the restrictions underlying 50% of any restricted stock awards would lapse. To that extent, the arrangement is a so-called "single trigger" change in control arrangement.

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because it provides for equity acceleration benefits immediately upon a change in control. In the event any executive officer is terminated within one year after a change in control without cause or resigns for good reason (each as defined in the applicable plan), then all remaining unvested stock options and restricted stock awards will become fully vested. To that extent, the arrangement is a so-called "double trigger" change in control arrangement because it provides for equity acceleration benefits in the event of a change in control, the first trigger, followed by an employment termination under specified circumstances, the second trigger. Our Third Amended and Restated 2010 Plan generally defines a change in control as a merger by us with or into another company, or, a sale of all or substantially all of our assets.

We provide for these change in control arrangements because we recognize that, as is the case with many publicly-held corporations, the possibility of a change in control of our company exists and such possibility, and the uncertainty and questions which it may raise among our executive officers, could result in the departure or distraction of executive officers to the detriment of our company and our stockholders. As a consequence, our compensation committee determined that it was necessary and appropriate to provide such change in control-related benefits to reinforce and encourage the continued employment and dedication of our executive officers without distraction or interference.

Our change in control and equity acceleration arrangements with our executive officers do not obligate us to make any additional payments to "gross-up" any compensation payable to such executive officers in order to offset income tax liabilities.

For a further description of the foregoing arrangements, see "Summary Compensation Table," "Employment Agreements" and "Potential Payments Upon Termination or Change in Control."

Stock Ownership Guidelines

Our compensation committee last considered the implementation of stock ownership guidelines for our executive officers and directors in January 2018. Willis Towers Watson analyzed the proxy filings of our peer group companies and determined that the implementation of stock ownership guidelines was a minority practice within our peer group. Taking into consideration the results of the 2018 evaluation, the compensation committee determined not to implement stock ownership guidelines for our executive officers and directors.

Tax and Accounting Considerations

We account for equity compensation paid to our employees under the rules of FASB Codification Topic 718, which rules require us to estimate and record an expense over the service period of any such award. Accounting rules also require us to record cash compensation as an expense at the time the obligation is accrued. To date, these accounting requirements have not impacted our executive compensation programs and practices.

Section 162(m) of the Internal Revenue Code of 1986, as amended, or the Code, generally disallows a tax deduction to public companies for compensation in excess of \$1 million paid in any taxable year to each of the company's chief executive officer, chief financial officer, and three most highly compensated officers (other than the chief executive officer and chief financial officer). Historically, compensation paid to the Company's chief financial officer and compensation that qualified under Section 162(m) as performance-based compensation was exempt from the deduction limitation. However, subject to certain transition rules, tax reform legislation signed into law on December 22, 2017 expanded the deduction limitation to apply to compensation in excess of

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\$1 million paid in any taxable year to the company's chief financial officer and eliminated the qualified performance-based compensation exception. As a result, for taxable years beginning after December 31, 2017, all compensation in excess of \$1 million paid to each of the executives described above (other than certain grandfathered compensation or compensation paid pursuant to certain equity awards granted during the transition period following our initial public offering) will not be deductible by us. The compensation committee reserves the right to use its business judgment to authorize compensation payments that may be subject to the limitations under Section 162(m) when the compensation committee believes that compensation is appropriate and in the best interests of Curis and our stockholders, after taking into consideration changing business conditions and performance of our employees.

Table of Contents**Summary Compensation Table**

The following table sets forth information regarding compensation earned by each of our named executive officers for the fiscal years ending December 31, 2018, 2017, and 2016.

Name and Principal Position	Year	Salary (\$)	Stock Awards (\$ (1))	Option Awards (\$ (2))	Non-Equity Incentive Plan	All Other Compensation	Total (\$)
					Compensation (\$ (3))	(\$)	
Ali Fattaey, Ph.D.	2018	444,769	142,313	254,480		454,307(5)	\$ 1,295,869
Former President and Chief Executive Officer (4)	2017	588,805		1,492,400	286,740	24,964(6)	2,392,909
James E. Dentzer	2018	479,383	142,313	1,031,405	297,000	14,635(9)	\$ 1,964,736
President and Chief Executive Officer (8)	2017	442,652		970,060	143,500	22,749(10)	1,578,961
Robert E. Martell, M.D., Ph.D.	2018	186,712	127,650	475,377	124,688		\$ 914,426
Head of Research and Development (12)							
David Tuck, M.D.	2018	258,462	92,288	165,026		160,247(14)	\$ 676,023
Former Senior Vice President and Chief Medical Officer (13)	2017	419,135		796,942	136,080	10,800(15)	1,362,957
	2016	371,308		299,760	84,375	10,600(15)	766,043

- (1) The amounts in this column reflect the aggregate grant date fair value of awards of restricted stock granted pursuant to our stock incentive plan during the relevant fiscal year, computed in accordance with FASB Codification Topic 718 and other relevant guidance. Assumptions used in the calculation of these amounts are included in footnote 6 to our audited financial statements for the fiscal year ended December 31, 2018 included in our Annual Report on Form 10-K filed with the SEC on March 26, 2019.
- (2) The amounts in this column reflect the aggregate grant date fair value of awards of stock options granted pursuant to our stock incentive plan or outside of our stock incentive plan as an inducement material to the commencement of employment during the relevant fiscal year, computed in accordance with FASB Codification Topic 718 and other relevant guidance. Assumptions used in the calculation of these amounts are included in footnote 6 to our audited financial statements for the fiscal year ended December 31, 2018 included in our Annual Report on Form 10-K filed with the SEC on March 26, 2019.
- (3) The amounts in this column reflect amounts paid to each of our named executive officers under the short-term cash incentive payments described in Compensation Discussion and Analysis above.
- (4) Dr. Fattaey ceased to serve as our president and chief executive officer as of September 2018.
- (5) Of this amount, \$21,121 represents earned vacation payout, \$404,183 represents separation payments, \$18,001 represents fees paid for personal estate planning and tax preparation, including an associated gross-up payment for applicable taxes and \$11,000 represents a 401(k) matching contribution made by us.
- (6) Of this amount, \$14,164 represents fees paid for personal estate planning and tax preparation, including an associated gross-up payment for applicable taxes and \$10,800 represents a 401(k) matching contribution made by us.
- (7) Consists of 401(k) matching contributions made by us.
- (8) Mr. Dentzer commenced service as our chief financial officer and chief administrative officer in March 2016. In March 2018, Mr. Dentzer was promoted to chief operating officer and chief financial officer, and in September 2018, he was promoted to president and chief

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executive officer.

- (9) Of this amount, \$3,634 represents fees paid for personal estate planning and tax preparation, including an associated gross-up payment for applicable taxes and \$11,000 represents a 401(k) matching contribution made by us.

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- (10) Of this amount, \$11,949 represents fees paid for personal estate planning and tax preparation, including an associated gross-up payment for applicable taxes and \$10,800 represents a 401(k) matching contribution made by us.
- (11) Of this amount, \$9,903 represents fees paid for personal estate planning and tax preparation, including an associated gross-up payment for applicable taxes and \$10,600 represents a 401(k) matching contribution made by us.
- (12) Dr. Martell resigned from our board of directors on May 31, 2018 and began serving as our head of research and development on June 1, 2018. The amounts in this table reflect amounts paid to Dr. Martell as an employee of the company. For director compensation paid to Dr. Martell, see Director Compensation beginning on page 47.
- (13) On January 19, 2016, Dr. Tuck was promoted to senior vice president, clinical and translational sciences and appointed as an executive officer of the company. On March 29, 2016, Dr. Tuck assumed the role of senior vice president and chief medical officer. Dr. Tuck ceased to serve as an executive officer in August 2018.
- (14) Of this amount, \$13,295 represents earned vacation payout, \$10,338 represents a 401(k) matching contribution made by us and \$136,613 represents amounts paid under his letter agreement dated August 1, 2018.
- (15) Consists of 401(k) matching contributions made by us.

Grants of Plan-Based Awards

The following table sets forth information regarding awards under our Amended and Restated 2010 Plan to our named executive officers during the fiscal year ended December 31, 2018.

Name	Grant Date	All Other Stock Awards: Number of Shares of Stock (#) (1)	All Other Option Awards: Number of Securities Underlying Options (#) (2)	Exercise or Base Price of Option Awards (\$/Sh) (3)	Grant Date Fair Value of Stock and Option Awards (\$) (4)
Ali Fattaey, Ph.D. (5)	01/22/2018	41,250		\$	\$ 142,313
	01/22/2018		165,000	3.45	254,480
James E. Dentzer	01/22/2018	41,250			142,313
	01/22/2018		165,000	3.45	254,480
Robert E. Martell, M.D., Ph.D. (7)	09/26/2018		750,000(6)	1.62	776,925
	06/01/2018		303,000(8)	2.49	475,377
David Tuck, M.D. (9)	01/22/2018	26,750			92,288
	01/22/2018		107,000	3.45	165,026

- (1) Such restricted stock awards were granted pursuant to our Second Amended and Restated 2010 Plan on January 22, 2018, when the fair market value of our common stock was \$3.45 per share, and vested as to 25% of the underlying shares on January 22, 2019 and vest as to an additional 25% of the underlying shares annually thereafter, subject to such award recipient continuing to provide services to us on the applicable vesting date. Upon a change in control, the vesting of one-half of the shares underlying such restricted stock award will be accelerated and such shares shall become free from conditions or restrictions.
- (2) Such stock options were granted pursuant to our Third Amended and Restated 2010 Plan, have an exercise price per share equal to the fair market value of our common stock on the date of grant, and become exercisable as to 25% of the shares underlying the award on the first anniversary of the grant date and as to an additional 6.25% of the shares underlying the award in each subsequent quarter, subject to the optionholder continuing to provide services to us on the applicable vesting date. Such stock options will expire 10 years from date of grant and in the event of a change in control, 50% of the then unvested options

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held by each executive officer would become immediately exercisable. In the event an executive officer terminates his or her employment for good reason or we terminate the executive officer without cause within one year after a change in control, then all such options held by the executive officer would become fully vested and exercisable upon such termination.

- (3) These amounts are equal to the closing price per share of our common stock on the Nasdaq Global Market on the date of grant.
- (4) The amounts shown in this column represent the total grant date fair value of each stock and option award as determined in accordance with FASB Codification Topic 718.
- (5) Dr. Fattaey ceased to serve as our president and chief executive officer as of September 2018.
- (6) Such stock options were granted to Mr. Dentzer in connection with his appointment as president and chief executive officer effective as of September 24, 2018.
- (7) Dr. Martell resigned from our board of directors on May 31, 2018 and began serving as our head of research and development on June 1, 2018. This table does not include a restricted stock award granted to Dr. Martell for his services as director in 2018.
- (8) Such stock options were granted to Dr. Martell in connection with his appointment as head of research and development.
- (9) Dr. Tuck ceased to serve as an executive officer in August 2018.

We have entered into employment agreements with our current named executive officers, as described below under Employment Agreements and Indemnification of Executive Officers.

Salary and payments pursuant to our short-term incentive plans accounted for approximately 38% of total compensation of the named executive officers for 2018, 38% of total compensation of the named executive officers for 2017, and 37% of total compensation of the named executive officers for 2016.

Table of Contents**Outstanding Equity Awards at Fiscal Year-End**

The following table summarizes the outstanding equity awards held by our named executive officers as of December 31, 2018, except for Drs. Fattaey and Tuck, who were not employed by the company on December 31, 2018.

Name	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#) (1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares of Stock That Have Not Vested (#)	Market Value of Shares of Stock That Have Not Vested (#)
Ali Fattaey, Ph.D.	75,000			\$ 13.15	2/13/2027		
	125,000			\$ 8.80	1/19/2026		
	157,500			\$ 11.95	2/9/2025		
	17,500			\$ 9.70	1/26/2025		
	39,999			\$ 8.75	6/2/2024		
	19,999			\$ 15.45	2/18/2024		
	79,999			\$ 15.10	2/19/2023		
James E. Dentzer		750,000		\$ 1.62	9/25/2028		
		165,000		\$ 3.45	1/21/2028		
	56,879	73,120(2)		\$ 13.15	2/13/2027		
	233,750	106,250(3)		\$ 7.55	3/29/2026		
						41,250(4)	\$ 28,463(5)
Robert E. Martell, M.D., Ph.D. (6)		303,000		\$ 2.49	5/31/2028		
	24,000			\$ 11.55	2/27/2027		
	10,000			\$ 8.80	1/19/2026		
	5,000			\$ 9.70	1/26/2025		
	5,000			\$ 14.70	1/27/2024		
	5,000			\$ 16.60	1/17/2023		
	10,000			\$ 22.60	1/5/2022		
	5,000			\$ 16.80	9/14/2021		
						37,000(7)	\$ 25,530(8)
David Tuck, M.D.	40,050			\$ 13.15	2/13/2027		
	33,751			\$ 7.55	3/29/2026		
	18,750			\$ 13.70	11/30/2025		
	22,499			\$ 16.00	5/27/2025		

- (1) Except as noted in footnote 3 below, the stock options were granted pursuant to our Amended and Restated 2010 Plan, our Second Amended and Restated 2010 Plan or our Third Amended and Restated 2010 Plan, as applicable. Each stock option vests and becomes exercisable as to 25% of the shares underlying the award on the first anniversary of the date of grant and as to an additional 6.25% of the shares underlying the award at the end of each three-month anniversary thereof until all of such shares underlying such award shall become exercisable, subject to continued service by the grantee. Such stock options will expire 10 years from date of grant and in the event of a change in control, 50% of the then unvested options held by each

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- executive officer would become immediately exercisable. In the event an executive officer terminates his or her employment for good reason or we terminate the executive officer without cause within one year after a change in control, then all options held by the executive officer would become fully vested upon such termination. In addition, options granted pursuant to our Second Amended and Restated 2010 Plan will automatically become fully vested upon a termination of employment due to the optionholder's death or disability.
- (2) Such stock options were granted pursuant to our Second Amended and Restated 2010 Plan and became exercisable as to 25% of the shares underlying the award on January 1, 2018 and vest as to an additional 6.25% of the shares underlying the award in each subsequent quarter, subject to the optionholder continuing to provide services to us on the applicable vesting date.
 - (3) The stock option granted to Mr. Dentzer was granted pursuant to the inducement grant exception under Nasdaq Stock Market Rule 5635(c)(4) as an inducement equity award outside of our Amended and Restated 2010 Plan, and such grant was made as an inducement material to Mr. Dentzer's acceptance of employment. Such stock option vests and becomes exercisable as to 25% of the shares underlying the award on the first anniversary of the date of grant and as to an additional 6.25% of the shares underlying the award at the end of each three-month anniversary thereof until all of such shares underlying such award shall become exercisable, subject to continued service by Mr. Dentzer. Such stock option will expire 10 years from date of grant and in the event of a change in control, 50% of the then unvested options held by Mr. Dentzer would become immediately exercisable. In the event Mr. Dentzer terminates his employment for good reason or we terminate Mr. Dentzer without cause within one year after a change in control, then all options held by Mr. Dentzer would become fully vested upon such termination.
 - (4) Such restricted stock award was granted pursuant to our Second Amended and Restated 2010 Plan, and vested as to 25% of the underlying shares on January 22, 2019 and will vest as to an additional 25% of the underlying shares annually thereafter, subject to Mr. Dentzer continuing to provide services to us on the applicable vesting date.
 - (5) Represents the value of Mr. Dentzer's restricted stock award based upon the closing price of \$0.69 of our common stock on the Nasdaq Global Market on December 31, 2018.
 - (6) Dr. Martell served on our board of directors from September 2011 until he resigned on May 31, 2018. He began serving as our head of research and development on June 1, 2018. The outstanding equity awards summarized in this table reflect both options granted to Dr. Martell as a director and options granted to Dr. Martell as a named executive officer.
 - (7) Such restricted stock award was granted to Dr. Martell when he was serving on our board of directors, was granted pursuant to our Second Amended and Restated 2010 Plan, and vested and became exercisable as to 100% of the underlying shares on January 22, 2019.
 - (8) Represents the value of Dr. Martell's restricted stock award based upon the closing price of \$0.69 of our common stock on the Nasdaq Global Market on December 31, 2018.

Employment Agreements

We are party to the following employment arrangements with our named executive officers, except for the below-described employment agreements with Drs. Fattaey and Tuck, which agreements terminated upon their departures from the company in September and August 2018, respectively. Taking into consideration the 2017 benchmarking assessment, the 2018 evaluation, and the objective of using a consistent form of employment agreement for each of our officers, in March 2018, we entered into amended employment agreements with Drs. Fattaey and Tuck and Mr. Dentzer, and entered into a comparable employment agreement with Dr. Martell when he assumed the role of head of research and development in June 2018.

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James E. Dentzer. On September 24, 2018, we entered into a second amended employment agreement with Mr. Dentzer under which he serves as president, chief executive officer, secretary and treasurer, which agreement further amended his March 29, 2016 employment agreement, as amended on March 7, 2017 and March 21, 2018. Mr. Dentzer's current base salary, which is subject to annual review by the board and/or compensation committee, was set at \$495,000 per annum. Mr. Dentzer's agreement also provides for four weeks paid vacation and for reimbursement of specified expenses related to his estate planning and tax preparation up to an annual maximum of \$10,000, for which an associated gross-up payment for applicable taxes is also provided. Mr. Dentzer is entitled to participate in our medical and other benefits programs, and may be entitled to receive an annual bonus of up to 60% of his base salary based on the achievement of specific objectives established by the board and/or compensation committee. Mr. Dentzer is also entitled to receive severance benefits under the agreement in the event of his termination without cause (after 30 days' notice by Curis) or by him for good reason (as defined in the agreement) comprised of (i) twelve months' pay at his then-current base salary, (ii) a portion of the same year's target bonus, pro-rated to reflect the portion of the year elapsed, and (iii) COBRA premium benefits for up to twelve months. In the event of termination without cause (after 30 days' notice by Curis) or for good reason within 12 months following a change in control of Curis, Mr. Dentzer will receive (i) an amount equal to twice the sum of (x) his base salary and (y) his target bonus for the year of termination, and (ii) a portion of the same year's target bonus, pro-rated to reflect the portion of the year elapsed as well as (iii) COBRA premium benefits for up to 24 months. The amended employment agreement also provides for a limitation on payments under the agreement if limiting the payments would leave Mr. Dentzer in a better net position than bearing the tax penalties under Section 280G of the Code. For a description and quantification of such severance and change in control benefits, see Potential Payments Upon Termination or Change In Control. In addition, the agreement provides for certain indemnification provisions. For a description of such indemnification provisions, see Indemnification of Executive Officers.

Robert E. Martell, M.D., Ph.D. On June 1, 2018, we entered into an amended employment agreement with Dr. Martell under which he serves as our head of research and development. Dr. Martell's current base salary, which is subject to annual review by the board and/or compensation committee, was set at \$332,500 per annum (which reflects an annual base salary of \$475,000 prorated for a 70% time commitment) and he is also entitled to four weeks paid vacation. Dr. Martell is entitled to participate in our medical and other benefits programs, and may be entitled to receive an annual bonus of up to 50% of his prorated base salary based on the achievement of specific objectives established by the board and/or compensation committee. Dr. Martell is also entitled to receive severance benefits under the agreement in the event of his termination without cause (after 30 days' notice by Curis) or by him for good reason (as defined in the agreement) comprised of (i) nine months' pay at his then-current base salary, (ii) a portion of the same year's target bonus, pro-rated to reflect the portion of the year elapsed, and (iii) COBRA premium benefits for up to nine months. In the event of termination without cause (after 30 days' notice by Curis) or for good reason within 12 months following a change in control of Curis, Dr. Martell will receive (i) an amount equal to the sum of (x) his base salary and (y) his target bonus for the year of termination, and (ii) a portion of the same year's target bonus, pro-rated to reflect the portion of the year elapsed as well as (iii) COBRA premium benefits for up to 12 months. The employment agreement also provides for a limitation on payments under the agreement if limiting the payments would leave Dr. Martell in a better net position than bearing the tax penalties under Section 280G of the Code. For a description and quantification of such severance and change in control benefits, see Potential Payments Upon Termination or Change in Control. In addition, the agreement provides for certain indemnification provisions. For a description of such indemnification provisions, see Indemnification of Executive Officers.

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David Tuck, M.D. On March 21, 2018, we entered into an employment agreement with Dr. Tuck under which he served as our senior vice president and chief medical officer, which further amended his February 29, 2016 employment agreement, as amended on March 7, 2017. Dr. Tuck ceased to serve as an officer of the company on August 3, 2018. In addition to his base salary of \$420,000 per annum, which was subject to annual review by the board and/or compensation committee, Dr. Tuck was entitled to participate in our medical and other benefit programs and was entitled to receive an annual bonus based on the achievement of specific objectives established by the board, subject to the discretion of the board. Dr. Tuck was also entitled to receive severance benefits under the agreement in the event of his termination without cause or for good reason (as defined in the agreement) and he was also entitled to receive certain payments if he was terminated within one year after a change in control.

Ali Fattaey, Ph.D. On March 21, 2018, we entered into an amended employment agreement with Dr. Fattaey under which he served as our president and chief executive officer, which further amended his June 2, 2014 employment agreement, as amended on March 7, 2017. Dr. Fattaey ceased to serve as an officer of the company on September 24, 2018. In addition to his base salary of \$590,000, which was subject to annual review by the board and/or compensation committee, Dr. Fattaey was entitled to participate in our medical and other benefit programs and was entitled to receive an annual bonus based on the achievement of specific objectives established by the board, subject to the discretion of the board. Dr. Fattaey was also entitled to receive severance benefits under the agreement in the event of his termination without cause or for good reason (as defined in the agreement) and he was also entitled to receive certain payments if he was terminated within one year after a change in control.

Indemnification of Executive Officers

Our certificate of incorporation provides indemnification of our executive officers for any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action or claim by or in the right of the company) by reason of the fact that such person serves as an executive officer, to the maximum extent permitted by the General Corporation Law of Delaware. The certificate of incorporation further provides that executive officers may be entitled to additional indemnification, under any agreement or vote of the directors.

Each of our executive officer employment agreements also provides that we will indemnify each such executive officer for claims arising in his or her capacity as our executive officer, provided that he or she acted in good faith and in a manner that he or she reasonably believed to be in, or not opposed to, our best interests. With respect to any criminal proceeding, the executive officer must have had no reasonable cause to believe that the conduct was unlawful. If the claim is brought by us or on our behalf, we will not be obligated to indemnify the executive officer if the executive officer is found liable to us, unless the court determines that, despite the adjudication of liability, in view of all the circumstances of the case the executive officer is fairly and reasonably entitled to be indemnified. In the event that we do not assume the defense of a claim against the executive officer, we are required to advance his or her expenses in connection with his or her defense, provided that he or she undertakes to repay all amounts advanced if it is ultimately determined that he or she is not entitled to be indemnified by us. We will require that any successor to our business assumes and agrees to perform our obligations under the indemnification provisions, which remain in effect until the later of (i) six years after the executive has ceased to be an employee or officer of the company or (ii) the date any legal proceeding begun during that period have concluded.

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In connection with our indemnification obligations we have and intend to maintain director and officer liability insurance, if available.

Separation Agreement with Dr. Fattaey

Dr. Fattaey ceased to serve as our president and chief executive officer and resigned as a director in September 2018. We were party to an employment agreement with Dr. Fattaey pursuant to which he was entitled to receive severance benefits. In accordance with the separation agreement and general release that we entered into with Dr. Fattaey and that became binding and effective on October 5, 2018, Dr. Fattaey is entitled to receive severance benefits consisting of: (i) \$590,000 (an amount equivalent to Dr. Fattaey's 2018 base salary), with payment to be made ratably over 12 months in the normal payroll process beginning with the first payroll period commencing after his separation agreement became nonrevocable, (ii) \$258,953 (the pro rata target bonus for 2018), and (iii) COBRA premium benefits for up to 12 months if Dr. Fattaey is eligible for and elects to be covered by COBRA. In addition, Dr. Fattaey has nine months from his termination date of September 24, 2018 to exercise his stock options that had vested as of his termination date.

Potential Payments Upon Termination or Change in Control

Each of the above-described employment agreements with our executive officers provides that in the event we terminate the executive officer's employment without cause or if the executive officer resigns for good reason (each as defined in the agreements), the executive officer will receive: (1) continuation of his or her then base salary or a portion thereof for the periods and amounts described in the table below, (2) a payment equal in amount to his or her target bonus payment pro-rated for the portion of the year completed, and (3) payment of a portion of the executive officer's COBRA premiums, which is calculated as the difference between the COBRA premium and the amount paid by the employee for medical/dental insurance, for the periods and amounts described in the table below. If the executive officer is terminated without cause or resigns for good reason within 12 months after a change in control of the company, the executive officer will receive:

in the case of Mr. Dentzer, (1) an amount equal to twice the sum of (x) his base salary and (y) his target bonus for the year of termination, for the periods and amounts described in the table below, (2) a portion of the same year's target bonus, and (3) payment of a portion of Mr. Dentzer's COBRA premiums, for the periods and amounts described in the table below, and

in the case of Dr. Martell, (1) an amount equal to the sum of (x) his base salary and (y) his target bonus for the year of termination, for the periods and amounts described in the table below, (2) a portion of the same year's target bonus, and (3) payment of a portion of his COBRA premiums, for the periods and amounts described in the table below.

Each of the above-described employment agreements also provides for a limitation on payments under the agreement if limiting the payments would leave the executive in a better net position than bearing the tax penalties under Section 280G of the Code. In order for our executive officers to receive these severance payments, the executive officer must execute a general release of all claims against the company, its employees, officers, directors and agents in a form acceptable to us.

Pursuant to the terms of our Amended and Restated 2010 Plan, as amended, our Second Amended and Restated 2010 Plan and our Third Amended and Restated 2010 Plan, unless otherwise provided in the applicable award agreement, at the time of a change in control, 50% of the then-unvested options to purchase our common

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stock held by each plan participant, including executive officers, would become immediately exercisable and the forfeiture restriction on all outstanding restricted stock awards would lapse with respect to 50% of the number of shares that otherwise would have first become free from such forfeiture restrictions after the date of the change in control. In addition, in the event an executive officer terminates his or her employment for good reason (as defined in the applicable plan) or we terminate the executive officer without cause (as defined in the applicable plan) within one year after such change in control, then all remaining unvested options and restricted stock held by the executive officer would become fully vested and/or free of all forfeiture restrictions, as applicable. Pursuant to the terms of Mr. Dentzer's Inducement Stock Option Agreement, in the event of a change in control, 50% of the then unvested options held by Mr. Dentzer would become immediately exercisable, and in the event Mr. Dentzer terminates his employment for good reason or we terminate Mr. Dentzer without cause within one year after a change in control, then all options held by Mr. Dentzer would become fully vested upon such termination.

The table below sets forth the estimated benefits provided to each of our named executive officers, except for Dr. Tuck, who departed the company in August 2018, and Dr. Fattaey, who departed the company in September 2018, upon a termination event described above, assuming such termination event occurred on December 31, 2018, the last day of our most recently completed fiscal year.

Severance Benefits Table

Name	Benefit	Triggering Event		
		Severance Upon Termination Without Cause or Resignation for Good Reason (Without Change-in-Control)	Change in Control (Without Termination of Employment)	Resignation For Good Reason or Termination Without Cause Upon or Within 12 Months Following a Change-in-Control
		(\$)	(\$)	(\$)
James Dentzer President and Chief Executive Officer	Severance Payments	495,000(1)		1,584,000(2)