

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, DC 20549

**FORM 8-K**

**CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): July 22, 2021

**EYEGATE PHARMACEUTICALS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**001-36672**

(Commission File Number)

**98-0443284**

(IRS Employer Identification No.)

**271 Waverley Oaks Road**

**Suite 108**

**Waltham, MA**

(Address of principal executive offices)

**02452**

(Zip Code)

**(781) 788-9043**

(Registrant's telephone number, including area code)

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

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

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

<b>Title of each class:</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered:</b>
Common Stock, \$0.01 par value	EYEG	The Nasdaq Capital Market

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

Emerging growth company ☐

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

---

---

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

*Appointment of President and Chief Executive Officer*

On July 23, 2021, the Board of Directors (the “Board”) of EyeGate Pharmaceuticals, Inc. (the “Company”) appointed Brian M. Strem, Ph.D. as President and Chief Executive Officer of the Company, effective as of July 26, 2021 (the “Effective Date”).

Dr. Strem, age 42, is a co-founder of Yellowbrick Bio LLC d/b/a Bayon Therapeutics (“Bayon”), an ophthalmological pharmaceutical company based on a novel, light responsive small molecule platform. Dr. Strem is a co-founder of Okogen, Inc., a development stage ophthalmic company focused on a novel therapeutic for the treatment of viral infections of the eye, and served as its CEO from May 2015 through July 2021. Prior to founding Okogen, Dr. Strem worked at Sound Pharmaceuticals, Inc., Allergan, Inc. and Shire, Plc, where he was responsible for business development and corporate strategy in ophthalmology, otology and regenerative medicine. Dr. Strem began his career at Cytos Therapeutics with elevating roles within the commercial and research and development departments. Dr. Strem received a BS in bioengineering from Cornell University and a Ph.D. in biomedical engineering from the University of California, Los Angeles.

In connection with the appointment of Dr. Strem, Franz Obermayr, Ph.D., who has served as the Company’s Acting Chief Executive Officer since February 2021, resumed his prior role with the Company as its EVP Clinical Development, effective as of the Effective Date.

*Appointment of Director*

In connection with Dr. Strem’s appointment as President and Chief Executive Officer and pursuant to the terms of the Employment Agreement, the Board, upon the recommendation of its Nominating and Corporate Governance Committee, increased the size of the Board from seven to eight members, and appointed Dr. Strem as a Class I director to fill the resulting vacancy, in each case effective as of the Effective Date, to serve in office until the 2022 annual meeting of stockholders or until his successor is duly elected and qualified or until his earlier resignation or removal. Dr. Strem will not receive any compensation in connection with his service as a member of the Board.

*Employment Agreement*

In connection with Dr. Strem’s appointment as President and Chief Executive Officer, on July 22, 2021, the Company entered into an Employment Agreement (the “Employment Agreement”) with Dr. Strem. Pursuant to the Agreement, Dr. Strem will receive an annual base salary of \$400,000 and he is entitled to receive a performance bonus with a target of up to 50% of his annual base salary for the applicable fiscal year.

Pursuant to the Employment Agreement, as of the Effective Date, the Company granted Dr. Strem an option to purchase up to 100,000 shares of the Company’s common stock (the “Option”). The Option will vest with respect to one-third of the underlying shares on the one-year anniversary of the grant date, and thereafter will vest in equal monthly installments over a two-year period. Dr. Strem will also be entitled to receive two further options to purchase an aggregate of up to 100,000 shares of the Company’s common stock based on the achievement of market capitalization-based milestones as set forth in the Employment Agreement.

If the Company terminates Dr. Strem's employment without Cause or he resigns for Good Reason (as such terms are defined in the Employment Agreement), then Dr. Strem will be eligible to receive (i) continued payment of base salary for 3 months, which period will be extended to 6 months if the termination date is between 18 and 36 months following the Effective Date and will be extended to 12 months if the termination date is on or after the 36-month anniversary of the Effective Date or if termination occurs following a Change of Control (as such term is defined in the Employment Agreement) of the Company; (ii) a lump-sum cash payment, payable no later than the last installment of his severance, equal to 0.25 multiplied by the maximum performance bonus that he would have been eligible to receive in the year of termination, which multiple will be increased to 0.5 if the termination date is between 18 and 36 months following the Effective Date and will be increased to 1.0 if the termination date is on or after the 36-month anniversary of the Effective Date or if termination occurs following a Change of Control of the Company; and (iii) payment by the Company of monthly premiums under COBRA for up to 3 months following termination, which period will be extended to 6 months if the termination date is between 18 and 36 months following the Effective Date and will be extended to 12 months if the termination date is on or after the 36-month anniversary of the Effective Date or if termination occurs following a Change of Control of the Company.

Additionally, if the Company terminates Dr. Strem's employment without Cause or he resigns for Good Reason, then that portion of his then unvested stock options and restricted stock awards that would have otherwise become vested over the 3 month period following such termination shall become fully vested and immediately exercisable on the date of such termination, which period will be extended to 6 months if the termination date is between 18 and 36 months following the Effective Date and will be extended to 12 months if the termination date is on or after the 36-month anniversary of the Effective Date. In the event that a Change of Control of the Company occurs, all of Dr. Strem's unvested stock options and restricted stock awards shall become fully vested and immediately exercisable.

#### *Non-Binding Term Sheet*

On July 22, 2021, the Company entered into a non-binding term sheet (the "Term Sheet") with Bayon. Dr. Strem is a founder of Bayon and owns approximately 28% of its equity interests. Pursuant to the Term Sheet, the Company and Bayon intend to negotiate and enter into a definitive agreement pursuant to which the Company would acquire Bayon in connection for closing consideration of 50,000 shares of the Company's common stock, and potential earnout consideration of up to approximately \$7.1 million or, in the Company's discretion, up to approximately 2.2 million shares of the Company's common stock or common stock equivalents, based on the achievement of successive milestones based on clinical trial data and regulatory approval of Bayon products. To the extent the Bayon acquisition is consummated, Dr. Strem will receive a portion of the consideration equal to his percentage ownership in Bayon. There can be no assurance that a definitive agreement will be entered into or that the proposed transaction will be consummated at all or on the terms described in this Current Report on Form 8-K.

Except as disclosed above, there are no arrangements or understandings between Dr. Strem and any other person pursuant to which he was appointed to serve as President and Chief Executive Officer of the Company and a member of the Board. There are also no family relationships between Dr. Strem and any director or executive officer of the Company, and except as disclosed above, Dr. Strem does not have a direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The foregoing description of the Employment Agreement is a summary and does not purport to be complete. Such description is qualified in its entirety by reference to the text of the Employment Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K, and is incorporated herein by reference.

**Item 7.01. Regulation FD Disclosure.**

On April 1, 2021, the Company issued a press release announcing the appointment of Dr. Strem as President and Chief Executive Officer of the Company and the execution of the Term Sheet. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. The information furnished in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Some of the statements in this Current Report on Form 8-K are “forward-looking” within the meaning of the federal securities laws. These “forward-looking” statements include statements relating to, among other things, the proposed terms and conditions of any binding definitive agreement with Bayon, which is subject to the receipt of all necessary approvals and satisfaction of all closing conditions for the completion of any such transaction. These statements involve risks and uncertainties that may cause results to differ materially from the statements set forth in this Current Report on Form 8-K, including, among other things, certain risk factors described under the heading “Risk Factors” contained in the Company’s Annual Report on Form 10-K filed with the SEC on March 25, 2021 or described in the Company’s other public filings. The Company’s results may also be affected by factors of which the Company is not currently aware. The forward-looking statements in this Current Report on Form 8-K speak only as of the date hereof. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to such statements to reflect any change in its expectations with regard thereto or any changes in the events, conditions or circumstances on which any such statement is based.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

The Company hereby files or furnishes, as applicable, the following exhibits:

[10.1# Employment Agreement by and between EyeGate Pharmaceuticals, Inc. and Brian M. Strem, dated as of July 22, 2021.](#)

[99.1 Press Release of EyeGate Pharmaceuticals, Inc. issued on July 26, 2021](#)

# Management contract or compensatory plan or arrangement.

## SIGNATURES

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

### EYEGATE PHARMACEUTICALS, INC.

By: /s/ Brian M. Strem, Ph.D.  
Brian M. Strem, Ph.D.  
President and Chief Executive Officer

Date: July 26, 2021

**EYEGATE PHARMACEUTICALS, INC.**  
**EMPLOYMENT AGREEMENT**

THIS EMPLOYMENT AGREEMENT, entered into as of July 22, 2021 (this “Agreement”), is made by and between EyeGate Pharmaceuticals, Inc., a Delaware corporation (the “Employer”), and Brian M. Strem, Ph.D. (the “Employee”).

WHEREAS, the Employer desires to employ the Employee and the Employee desires to be employed by the Employer, upon and subject to the terms set forth in this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual promises herein contained, the parties hereto hereby agree as follows:

1. **Freedom to Contract.** The Employee represents that he is free to enter into this Agreement, that he has not made and will not make any agreements in conflict with this Agreement, and that he will not disclose to the Employer, or use for the Employer’s benefit, any trade secrets or confidential information which is the property of any other party.
2. **Employment.** The Employer hereby employs the Employee, and the Employee hereby accepts his employment by the Employer, subject to and upon the terms and conditions set forth herein. The Employee shall be an “at-will” employee, subject to the terms and provisions of this Agreement.
3. **Effective Date and Term.** The effective time of this Agreement shall be as of July 26, 2021 (the “Effective Date”) and such employment shall continue thereafter in full force and effect until terminated in accordance with the provisions of this Agreement. The obligations and agreements of the Employee pursuant to Sections 8.7, 10.2, 10.3, 11, 12 and 13 hereof shall survive the termination of this Agreement for any reason.
4. **Title and Duties; Extent of Services.**

4.1 The Employee shall promote the business and affairs of the Employer as President and Chief Executive Officer. As President and Chief Executive Officer of the Employer, the Employee shall have such duties and responsibilities as may be assigned to him by the Employer’s Board of Directors (the “Board of Directors”) from time to time and such other duties and responsibilities as are normal and customary for Chief Executive Officers. The Employee shall report and be responsible to the Board of Directors. The Employee shall devote his best efforts and entire time, attention and energies to the business and affairs of the Employer. Subject to Section 4.2, unless the Employee has received the approval of the Board of Directors, he shall not participate in any other business or render services to any other business, as a principal, consultant, employee, or in any other capacity.

4.2 During his employment, the Employee may serve on the board of directors, board of advisors, or other similar governing or advisory boards of other companies, institutions, or organizations with the prior written consent of the Board of Directors (not to be unreasonably withheld), provided that: (i) the Employee does not use proprietary, confidential and/or trade secret information, property, assets or employees of the Employer in engaging in such activities; (ii) any such activities do not pose a conflict of interest or interfere with the Employee’s duties to the Employer; and (iii) any such activities are not directly or indirectly for or for the benefit of a business engaged in any commercial activity that is competitive with the Employer or otherwise in breach of the Confidentiality Agreement. The Employer agrees that the Employee may continue to serve on the board of directors of Okogen, Inc. subject to the preceding clauses (i) through (iii).

---

5. **Election to Board.** The Employer shall use its commercially reasonable efforts to, as soon as practicable following the Effective Date, appoint the Employee as a member of the Board of Directors, provided that such appointment shall be made in compliance with all applicable stock exchange requirements. Prior to such appointment, the Employee shall be entitled to attend all meetings of the Board of Directors, except for executive sessions thereof. Following such appointment, as long as the Employee remains the Chief Executive Officer of the Employer, the Employer shall use its best efforts to cause the Employee to continue to be elected to the Board of Directors.

6. **Compliance with Policies.** Employee acknowledges and agrees that compliance with Employer's policies, practices, and procedures is a term and condition of his employment under this Agreement.

7. **Location of Employment.** Employee shall work out of Employee's home office in San Diego County or shall work at any other location mutually agreed upon by the Employer and the Employee, *provided* that Employee will be required to travel regularly (and, in any event, at least once per quarter) to the Employer's Massachusetts office or other locations, and elsewhere for business from time to time, consistent with the Employer's business needs.

8. **Compensation and Benefits.**

8.1 **Salary.** The Employer shall pay the Employee a salary at the rate of Thirty-Three Thousand Three Hundred Thirty-Three and 33/100 Dollars (\$33,333.33) per month (which annualizes to Four Hundred Thousand Dollars (\$400,000.00)), payable bi-weekly in arrears or otherwise in accordance with the Employer's normal and customary payroll practices applicable to all of its employees. The amount of salary payable by Employer pursuant to this Section 8.1 shall be subject to such deductions or amounts to be withheld as shall be required under applicable law or as lawfully requested by the Employee.

8.2 **Performance Bonus.** The Employee shall be eligible to receive a performance bonus in respect of each fiscal year of the Employer. Payment of any such performance bonus and the amount, if any, of any such performance bonus shall be entirely at the discretion of the Board of Directors, with an annual target of up to fifty percent (50%) of the Employee's annual base salary. In determining the amount of any performance bonus to be paid to Employee under this Section 8.2, the Board of Directors shall consider the extent to which the performance criteria established between the Employee and the Board of Directors with respect to such fiscal year has been achieved. In the event that the Board of Directors of the Employer determines, in its discretion, to make payment of a performance bonus to Employee pursuant to this Section 8.2, then Employer shall use best efforts to make payment of such performance bonus within sixty (60) calendar days of the end of the applicable fiscal year of the Employer. Notwithstanding anything express or implied in this Section 8.2 to the contrary, the Employee must remain an employee of the Employer on the date that the Employer makes payment of any performance bonus pursuant to this Section 8.2 in order to receive any performance bonus.

8.3 Medical Benefits. During the term of this Agreement, the Employee shall be entitled to participate in the health insurance plan offered or generally made available to the Employer's employees, under the same terms and conditions as those offered to other, similarly situated employees of the Employer, except as otherwise provided in Section 10.2(d) hereof

8.4 Sick Leave and Vacation. During the term of this Agreement, the Employee shall be entitled to sick leave and vacation consistent with the Employer's policy concerning sick leave and vacation.

8.5 Other Benefits. During the term of the Employee's employment with the Employer pursuant to this Agreement, the Employee shall be entitled to receive such other retirement, welfare and fringe benefits ("employee benefits") as are provided by the Employer to its senior executives and/or key employees, in each case in accordance with the terms and conditions set forth in the plan, agreement or arrangement representing or evidencing such benefits.

8.6 Discretionary Nature of Benefits. The Employee understands that the Employer may amend, change or cancel or terminate any of its employment policies and "employee benefits" at any time as allowed by law or by any applicable plan, agreement or arrangement representing or evidencing such employee benefits.

8.7 Taxes. All compensation and benefits (including, without limitation, any fringe benefits, bonuses, non-cash compensation, subsidies, severance pay or benefits under Article 8 and Section 10.2 hereof) payable or to be provided to the Employee shall be subject to all applicable withholding taxes, to applicable foreign, federal, state and local deductions, and to any other proper deductions

9. **Stock Options; Acceleration Upon Change of Control.**

9.1 The Employee shall be eligible for grants of stock options (the "Options") under the Employer's 2014 Equity Incentive Plan, as may be amended from time to time (the "Plan"), subject to the discretion of the Board of Directors. The Options shall be incentive stock options to purchase shares of the Employer's common stock, \$0.01 par value per share (the "Common Stock"). The Options, if any, shall be subject to, and governed by, the terms and provisions of the Plan and stock option agreement(s) granted thereunder ("Stock Option Agreements").

9.2 Subject to approval by the Compensation Committee of the Board of Directors, the Employee shall be granted Options to purchase 100,000 shares of Common Stock, effective upon the Effective Date of this Agreement (the "Initial Option Grant Date"). Such Options shall vest based on the Employee's continued employment with the Employer as follows: (a) one-third (1/3) of the shares subject such Options shall vest on the first anniversary of the Initial Option Grant Date and (b) thereafter, one twenty-fourth (1/24) of the remaining shares on the last day of each of the twenty-four (24) consecutive months commencing with the month next following the first anniversary of the Initial Option Grant Date. Such Options shall, in all events, be subject to the terms of the Plan.



9.3 Subject to approval by the Compensation Committee of the Board of Directors, the Employee shall be granted Options to purchase 25,000 shares of Common Stock, effective upon the earlier to occur of (i) the date when the Employer's Market Capitalization first equals or exceeds \$75 million for the preceding fifteen (15) consecutive trading days or (ii) immediately prior to the consummation of a Change of Control (as defined below) with a Transaction Value of greater than or equal to \$75 million (the "First Milestone Grant Date"). Such Options shall vest based on the Employee's continued employment with the Employer as follows: (a) one-third (1/3) of the shares subject such Options shall vest on the first anniversary of the First Milestone Grant Date and (b) thereafter, one twenty-fourth (1/24) of the remaining shares on the last day of each of the twenty-four (24) consecutive months commencing with the month next following the first anniversary of the First Milestone Grant Date. Such Options shall, in all events, be subject to the terms of the Plan. For purposes of this Agreement, "Market Capitalization" shall be determined by multiplying (i) the number of shares reported as outstanding on the cover of the Employer's most recent Form 10-K or 10-Q, as applicable, as filed with the Securities and Exchange Commission, by (ii) the Fair Market Value of the Common Stock (as defined in the Plan) on each day. For purposes of this Agreement, "Transaction Value" means the aggregate value of all pre-tax cash proceeds and non-cash consideration (calculated at fair market value at the date of closing), including any amounts held in escrow, or other current or contingent cash or non-cash consideration, payable as a result of the Change of Control, *provided*, that in the event of a Change of Control in which less than 100% of the equity interests in the Employer are acquired, "Transaction Value" shall mean instead the total value of the Employer implied by the consideration payable in such Change of Control in respect of the proportion of the equity securities to be acquired in such Change of Control.

9.4 Subject to approval by the Compensation Committee of the Board of Directors, the Employee shall be granted Options to purchase 75,000 shares of Common Stock, effective upon the earlier to occur of (i) the date when the Employer's Market Capitalization first equals or exceeds \$150 million for the preceding thirty (30) consecutive trading days or (ii) immediately prior to the consummation of a Change of Control (as defined below) with a Transaction Value of greater than or equal to \$150 million (the "Second Milestone Grant Date"). Such Options shall vest based on the Employee's continued employment with the Employer as follows: (a) one-third (1/3) of the shares subject such Options shall vest on the first anniversary of the Second Milestone Grant Date and (b) thereafter, one twenty-fourth (1/24) of the remaining shares on the last day of each of the twenty-four (24) consecutive months commencing with the month next following the first anniversary of the Second Milestone Grant Date. Such Options shall, in all events, be subject to the terms of the Plan.

9.5 Upon a Change of Control, all of the Employee's then unvested stock options and/or restricted stock awards granted to the Employee prior to such Change of Control under the Plan, including, but not limited to, all stock options granted pursuant to Sections 9.2, 9.3 and 9.4, shall become fully vested and immediately exercisable, notwithstanding any vesting schedule or other provisions to the contrary in the agreements evidencing such options or awards, and the Employer and the Employee hereby agree that such stock option agreements and restricted stock awards are hereby, and will be deemed to be, amended to give effect to this provision. For the purposes hereof, a "Change of Control" occurs upon (a) the closing of any merger or consolidation of the Employer with any other unrelated person or entity, or (b) the sale of all or substantially all of the assets of the Employer to another unrelated person or entity, or (c) the sale of more than fifty percent (50%) of the total fair market value or total voting power of the stock of the Employer to an unrelated party, such that, in each case, the transaction has been approved by the Employer's stockholders, and in which the stockholders of the Employer immediately prior to such merger, consolidation or sale shall, immediately after such merger, consolidation or sale, own less than fifty percent (50%) of the issued and outstanding capital stock of the person or entity that is the surviving company of any such merger or consolidation, or the acquirer in the case of any such sale of all or substantially all of the assets of the Employer. The provisions of this paragraph shall apply only if the Employee is the Chief Executive Officer of the Employer at the time of a Change of Control.

10. **Termination.**

10.1 **Termination Rights of the Parties.** The Employee may terminate his employment at any time by giving the Employer thirty (30) calendar days' prior written notice thereof, whereupon such employment shall terminate on the earlier of: (i) the 30th calendar day following the date on which such notice is given to the Employer; or (ii) any date prior to such 30th day that is specified by the Employer by notice to the Employee. The Employer may terminate the Employee's employment at any time by giving notice of termination to the Employee, whereupon, unless otherwise specified by the Employer, the date of termination of the Employee's employment shall be the date on which notice of termination is given to the Employee. Upon the death of the Employee or the Employee's disability such that he is unable to perform his duties as determined, in good faith, by the Board of Directors of the Employer, his employment shall terminate immediately upon such occurrence. Subject to Section 13, the date on which the Employee's employment terminates hereunder is hereinafter referred to as the "Termination Date".

10.2 **Employee's Right to Compensation Following Termination; Severance Pay.**

(a) If the Employee's employment hereunder terminates for any reason whatsoever, the Employer shall pay his (or, in the case of death, his estate) all accrued but unpaid base salary and vacation pay through and including the Termination Date, which amounts shall be paid to the Employee (or his estate) in a lump sum as of such Termination Date. Subject to the terms and conditions of this Agreement, the Employee shall also be entitled to such other benefits for which he is eligible under the terms and conditions of the Employer's employee benefit plans, stock options arrangements, and any applicable law. The accrued compensation and benefits described in this Section 10.2(a) are collectively referred to as the "Accrued Benefits."

(b) If (i) the Employee voluntarily terminates his employment hereunder without Good Reason (as defined in Section 10.2(e) below) or (ii) the Employee's employment hereunder terminates by reason of his death or disability or (iii) the Employer terminates the employment of the Employee, at any time, for Cause, then, other than the Accrued Benefits, neither the Employee nor his estate, heirs or other successors shall be entitled to severance pay or other benefits under this Agreement after the Termination Date.

(c) If the employment of the Employee is terminated by the Employer for any reason other than for Cause (as defined in Section 10.2(e) below) at any time or if the employment of the Employee is terminated by the Employee for Good Reason then, subject to Sections 10.3 and 13 and subsection (d) hereof, and in addition to the Accrued Benefits, the Employee shall be entitled to: (i) severance pay in the form of a continuation of the periodic payment of his salary for a period of three (3) months from the Termination Date (*provided* that such period shall be extended to (A) a total of six (6) months if the Employee's date of termination occurs between eighteen (18) and thirty-six (36) months following the date of this Agreement, and (B) a total of twelve (12) months if the Employee's date of termination occurs on or after the thirty-six (36) month anniversary of the date of this Agreement or at any time following a Change of Control); and (ii) an amount equal to the product of (A) the maximum performance bonus, pursuant to Section 8.2, that he would have been eligible to receive for the year in which such termination occurs, multiplied by (B) 0.25 (*provided* that such multiple shall be increased to (A) 0.5 if the Employee's date of termination occurs between eighteen (18) and thirty-six (36) months following the date of this Agreement, and (B) 1.0 if the Employee's date of termination occurs on or after the thirty-six (36) month anniversary of the date of this Agreement or at any time following a Change of Control), which shall be payable no later than the last installment of his severance. The continued salary payments referred to in the foregoing clause (i) shall be made in accordance with the Employer's standard payroll practices and timing as in effect from time to time.

(d) If the employment of the Employee is terminated by the Employer for any reason other than for Cause, or if the employment of the Employee is terminated by the Employee for Good Reason at any time, and if the Employee elects under COBRA or an analogous state law, continuation coverage under the Employer's health and dental plans, then the Employer will subsidize the cost of such coverage for a period of three (3) months from the Termination Date (*provided* that such period shall be extended to (A) a total of six (6) months if the Employee's date of termination occurs between eighteen (18) and thirty-six (36) months following the date of this Agreement, and (B) a total of twelve (12) months if the Employee's date of termination occurs on or after the thirty-six (36) month anniversary of the date of this Agreement or at any time following a Change of Control), under the same terms and conditions then applicable to active employees with identical coverage ("COBRA Subsidy"), except that the Employee must pay the employee portion for such coverage by making each monthly co-payment to the Employer, in full, no later than the first five (5) business days of any month during which such COBRA Subsidy applies. If the Employee has elected continuation coverage under COBRA or any analogous state law, then the Employee shall be responsible for all costs for any remainder of the COBRA (or analogous) period. If the Employee has, instead, elected health and dental coverage under a state exchange, then the Employee shall pay the cost of premiums for such coverage directly, subject to reimbursement by the Employer for an amount equal to the COBRA Subsidy, and the Employer shall pay any such reimbursement, in full, no later than thirty (30) days after the eighteen (18) month anniversary of the Employee's Termination Date. Notwithstanding anything herein to the contrary, (A) the amount of the COBRA Subsidy shall not exceed the dollar amount provided to similarly situated active employees of the Employer, and (B) to the extent that the Employer's payment of such COBRA Subsidy to the Employee is treated as a violation of any applicable non-discrimination laws under the Affordable Care Act, then such COBRA Subsidy shall be unavailable to the Employee under this subsection and his severance under subsection (c) hereof shall be increased by an amount equal to the dollar value of the COBRA Subsidy that would have otherwise been available. Notwithstanding any other provision herein to the contrary, any reimbursement of the COBRA Subsidy shall be paid to the Employee no later than December 31 of the year following the year in which the COBRA expense was incurred.

(e) For purposes of this Agreement, "Cause" shall mean (i) the Employee's willful failure to perform his duties (other than any such failure resulting from incapacity due to physical or mental illness), (ii) the Employee's willful failure to comply with any valid directive of the Board of Directors, (iii) the Employee's engagement in dishonesty, illegal conduct, or misconduct, which is, in each case, materially injurious to the Employer or its affiliates, (iv) the Employee's embezzlement, misappropriation, or fraud, whether or not related to the Employee's employment with the Employer, (v) the Employee's conviction or plea of guilty or nolo contendere to a crime that constitutes a felony (or state law equivalent) or a crime that constitutes a misdemeanor involving moral turpitude, (vi) the Employee's material violation of the Employer's written policies or codes of conduct, or (vii) the Employee's material breach of any material obligation under this Agreement, the Confidentiality Agreement or any other written agreement between the Employee and the Employer. For the purposes of this Agreement, "Good Reason" shall mean (i) the failure of the Employer to employ the Employee in his current position such that Employee's duties, authority, or responsibilities are materially diminished without the Employee's consent; (ii) a material reduction in the Employee's aggregate base salary below the amount stipulated in Section 8.1 hereof without the Employee's consent (unless such reduction is in connection with a proportional reduction in compensation to all or substantially all of the Employer's officers); or (iii) a material breach by the Employer of this Agreement. The Employee cannot terminate employment for Good Reason unless the Employee has provided written notice to the Employer of the existence of the circumstances providing grounds for termination for Good Reason and the Employer has had at least thirty (30) calendar days from the date on which such notice is provided to cure such circumstances.

(f) In the event that the employment of the Employee is terminated by the Employer for any reason other than for Cause or in the event that the Employee voluntarily terminates his employment hereunder for Good Reason, then that portion of the Employee's then unvested stock options and/or restricted stock awards granted to the Employee under any Employer stock option plan which would have become vested over the three (3) month period following such termination (*provided* that such period shall be extended to (A) a total of six (6) months if the Employee's date of termination occurs between eighteen (18) and thirty-six (36) months following the date of this Agreement, and (B) a total of twelve (12) months if the Employee's date of termination occurs on or after the thirty-six (36) month anniversary of the date of this Agreement or at any time following a Change of Control) had the Employee continued as an employee of Employer throughout such applicable period, shall, instead, become fully vested and immediately exercisable on the Termination Date, notwithstanding any vesting schedule or other provisions to the contrary in the agreements evidencing such options or awards, and the Employer and the Employee hereby agree that such stock option agreements and restricted stock awards are hereby, and will be deemed to be, amended to give effect to this provision.

(g) The Employee hereby acknowledges and agrees that he shall not be entitled to receive any compensation or benefits from the Employer with respect to any period of time after the Termination Date except to the extent otherwise expressly provided in this Section 10.2.

10.3 Employee Release. Any obligation of the Employer to provide the Employee severance payments or other benefits under this Agreement is expressly conditioned upon the Employee reviewing and signing (and not revoking during any applicable revocation period) a general release of claims in a form reasonably satisfactory to the Employer and to the Employee (the "Release"). The Employer shall provide the Employee with the Release promptly after the date on which the Employee gives or receives, as the case may be, notice of termination of the Employee's employment. Payment of all severance payment or other benefits to which the Employee may be entitled after the Termination Date, other than the Accrued Benefits, shall commence after the effective date of the Release, as set forth in the Release. To the extent that the Release's effective date occurs after severance payments or other benefits may become due under Section 10.2 hereof, the payments that have accumulated between the Termination Date and before the Release's effective date will be paid in a lump sum in the first payment made after the Release's effective date.

11. **Proprietary Information, Inventions and Non-Solicitation Agreement.** The Employee hereby acknowledges that he has entered into the Employer's standard form of Proprietary Information, Inventions and Non-Solicitation Agreement (the "Confidentiality Agreement"), which is incorporated herein as if reproduced in its entirety. By accepting this Agreement, the Employee hereby ratifies and accepts the terms of the Employee Proprietary Information, Inventions and Non-Solicitation Agreement.

12. **Unique Nature of Agreement; Specific Enforcement.** The Employer and the Employee agree and acknowledge that the rights and obligations set forth with this Agreement are of a unique and special nature and that the Employer is, therefore, without an adequate legal remedy in the event of the Employee's violation of any of the covenants set forth in this Agreement. The Employer and the Employee agree, therefore, that each of the covenants made by the Employee under this Agreement shall be specifically enforceable in equity, without the need to post a bond or provide other security, in addition to all other rights and remedies, at law or in equity or otherwise (including termination of employment), that may be available to the Employer.

13. **Section 409A of the Code.**

13.1 Anything in this Agreement to the contrary notwithstanding, if at the time of the Employee's separation from service within the meaning of Section 409A of the United States Internal Revenue Code of 1986, as amended (the "Code"), the Employer determines that the Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then the payment of any deferred compensation hereunder shall not commence until the date that is the earlier of: (A) six (6) months and one (1) calendar day after the Employee's separation from service; and (B) his death.

13.2 Any installment payments of severance or other deferred compensation under this Agreement shall be deemed a series of separate payments for purposes of section 409A of the Code.

13.3 To the extent necessary to comply with Section 409A of the Code, if the period for considering and executing the Release under this Agreement spans two (2) calendar years, then the severance or payment will not be made or commence until the later calendar year.

13.4 Notwithstanding anything herein to the contrary, no event shall constitute a "termination of employment" in this Agreement, unless such event is also a "separation from service," as that term is defined for purposes of Section 409A of the Code and Treasury Regulations §1.409A-3(a)(1) and 1.409A-1(h), and any references hereunder to "termination of employment" shall have the same meaning as "separation from service," as so defined.

13.5 The parties intend that this Agreement will be administered in accordance with Section 409A of the Code such that no tax is triggered thereunder. To the extent that any provision of this Agreement is ambiguous as to such compliance with Section 409A of the Code, the provision shall be read in such a manner that all payments hereunder so comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional tax cost to either party.

13.6 The Employer makes no representation or warranty as to the compliance of this Agreement with Code Section 409A, and, other than its tax withholding obligation, the Employer shall have no liability to the Employee or any other person if any provisions of this Agreement is determined to constitute deferred compensation taxable under Section 409A of the Code. However, the parties agree to reasonably cooperate and work together to adopt amendments to this Agreement to the extent necessary to comply with Section 409A of the Code with the intent to avoid liability under Code Section 409A.

#### **14. Treatment of Parachute Payments.**

14.1 Notwithstanding any other provision of this Agreement to the contrary, if any of the payments or benefits provided or to be provided by the Employer or its affiliates to the Employee or for the Employee's benefit pursuant to the terms of this Agreement or otherwise ("Covered Payments") constitute parachute payments ("Parachute Payments") within the meaning of Section 280G of the Code and would, but for this Section 14, be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then, subject to Section 14.3, the Covered Payments shall be either:

(a) reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax (that amount, the "Reduced Amount"); or

(b) payable in full if the Employee's receipt on an after-tax basis of the full amount of payments and benefits (after taking into account the applicable federal, state, local and foreign income, employment and excise taxes (including the Excise Tax)) would result in the Employee receiving an amount at least five percent (5%) greater than the Reduced Amount.

14.2 Any such reduction pursuant to Section 14.1 shall be made in accordance with Section 409A of the Code and the following:

(i) the Covered Payments which do not constitute nonqualified deferred compensation subject to Section 409A of the Code shall be reduced first; and

(ii) all other Covered Payments shall then be reduced as follows: (i) cash payments shall be reduced before non-cash payments; and (ii) payments to be made on a later payment date shall be reduced before payments to be made on an earlier payment date.

14.3 Any determination required under this Section 14, including whether any payments or benefits are Parachute Payments, shall be made by the Employer in its reasonable discretion. The Employee shall provide the Employer with such information and documents as the Employer may reasonably request in order to make a determination under this Section 14. The Employer's determination shall be final and binding on the Employee.

15. **Miscellaneous.**

15.1 **Entire Agreement.** This Agreement, the Confidentiality Agreement, and the Stock Option Agreements shall represent the entire agreement of the parties with respect to the arrangements contemplated hereby. No prior agreement, whether written or oral, shall be construed to change, amend, alter, repeal or invalidate this Agreement. This Agreement may be amended only by a written instrument executed in one or more counterparts by the parties.

15.2 **Waiver.** No consent to or waiver of any breach or default in the performance of any obligations hereunder shall be deemed or construed to be a consent to or waiver of any other breach or default in the performance of any of the same or any other obligations hereunder. Failure on the part of either party to complain of any act or failure to act of the other party or to declare the other party in default, irrespective of the duration of such failure, shall not constitute a waiver of rights hereunder and no waiver hereunder shall be effective unless it is in writing, executed by the party waiving the breach or default hereunder.

15.3 **Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns and, in the case of the Employee, his heirs. This Agreement may be assigned by the Employer to any Affiliate of the Employer and to a successor of its business (whether by purchase or otherwise). "Affiliate of the Employer" means any person which, directly or indirectly, controls or is controlled by, or is under common control with, the Employer and, for the purposes of this definition, "control" (including the terms "controlled by" and "under common control with") shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of another, whether through the ownership of voting securities, the holding of office in another, by contract, or otherwise. The Employee may not assign or transfer any or all of her rights or obligations under this Agreement.

15.4 **Disputes.** In case of any dispute hereunder, the parties will submit to the exclusive jurisdiction and venue of any court of competent jurisdiction sitting in Suffolk County, Massachusetts, and will comply with all requirements necessary to give such court jurisdiction over the parties and the controversy. Each party waives any right to a jury trial. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts; *provided, however*, that so long as Employee primarily resides and works in the State of California, this Agreement shall instead be governed by and construed in accordance with the laws of the State of California.

15.5 Severability. All headings and subdivisions of this Agreement are for reference only and shall not affect its interpretation. In the event that any provision of this Agreement should be held unenforceable by a court of competent jurisdiction, such court is hereby authorized to amend such provision so as to be enforceable to the fullest extent permitted by law, and all remaining provisions shall continue in full force without being impaired or invalidated in any way.

*Remainder of page left intentionally blank*



IN WITNESS WHEREOF, the Employer and the Employee have executed this Agreement as of the date first set forth above.

**Employer:**

**EYEGATE PHARMACEUTICALS, INC.**

By: /s/ Stephen From  
Name: Stephen From  
Title: Executive Chairman

**Employee:**

/s/ Brian M. Strem, Ph.D  
Brian M. Strem, Ph.D.

**EyeGate Pharmaceuticals Announces Appointment of Brian M. Strem, Ph.D., as President and Chief Executive Officer**

*-EyeGate signs non-binding letter of intent to acquire Bayon Therapeutics, a private ophthalmic pharmaceutical company developing a novel, vision restoring small molecule platform-*

**WALTHAM, MA**, July 26, 2021 – EyeGate Pharmaceuticals, Inc. (NASDAQ: EYEG), (“EyeGate” or the “Company”), a clinical-stage company developing and commercializing products for treating inflammatory and immune diseases with a focus on the eye and nervous system, today announced that Brian M Strem, Ph.D., Co-Founder, Director and former Chief Executive Officer of Okogen, Inc as well as Co-Founder and Managing Director of Bayon Therapeutics, was appointed as permanent President, Chief Executive Officer and board member, effective immediately. He brings strategic expertise, scientific acumen and drug development experience in ophthalmology, otology and regenerative medicine to his new role.

Additionally, EyeGate has entered a non-binding letter of intent (the “LOI”) to acquire Bayon Therapeutics, a private ophthalmic specialty pharmaceutical company focused on using light sensitive ‘photoswitch’ small molecules, specifically designed to restore vision in patients with inherited and age-related degenerative retinal diseases.

“Brian’s dynamic entrepreneurship, business development achievements and ability to drive his vision forward makes him exceptionally well qualified for this significant inflection point in EyeGate’s evolution,” said Stephen From, Executive Chairman of EyeGate. “We are pleased by the recent advancements across our clinical development program for PP-001 and OBG: two unique platforms with broad therapeutic potential among a diverse range of ocular surface and systemic diseases. We look forward to building on this momentum, and we have the greatest confidence in Brian and the executive team’s ability to marshal the necessary resources to maximize the value of our platform, explore additional pipeline expansion opportunities and successfully lead EyeGate through this next phase of continued growth.”

From added, “We would like to thank Franz Obermayr, PhD., for his leadership as Acting Chief Executive Officer, and we look forward to continued collaboration as he transitions and reassumes his position as EVP Clinical Development.”

**Brian M Strem**, Ph.D., is a biotech executive and entrepreneur with a strong ophthalmology background. Dr. Strem co-founded Bayon Therapeutics where he in-licensed global, exclusive rights to the Intellectual Property covering multiple generations of photoswitches. The lead small molecule, termed “BENAQ”, is being prepared for a Phase 1b clinical trial in patients with late-stage retinitis pigmentosa. Dr. Strem also co-founded Okogen Inc., an ophthalmic company focused on a novel therapeutic for the treatment of viral infections of the eye, where he was most recently, Director and Chief Executive Officer. Dr. Strem led a successful Series A financing and was responsible for all aspects of corporate strategy, intellectual property, fundraising, drug development, market access and positioning. Before founding Bayon and Okogen, Dr. Strem held leadership positions at Sound Pharmaceuticals as VP of Business Development, as well as Allergan, where he was Director of Global Business Development and instrumental in M&A and licensing for ophthalmology and drug development. Prior to joining Allergan, Dr. Strem was Director of Global Business Development at Shire Pharmaceuticals, where he was responsible for scientific licensing of new therapeutics in regenerative medicine, rare disease, and ophthalmology. Dr. Strem began his career at Cytos Therapeutics with elevating roles within the commercial and R&D departments. Dr. Strem received his B.S. in bioengineering from Cornell University and his Ph.D., in biomedical engineering from UCLA.

---

Pursuant to the Term Sheet, the Company and Bayon intend to negotiate and enter into a definitive agreement pursuant to which the Company would acquire Bayon in connection for closing consideration of 50,000 shares of the Company's common stock, and potential earnout consideration of up to approximately \$7.1 million or, in the Company's discretion, up to approximately 2.2 million shares of the Company's common stock or common stock equivalents, based on the achievement of successive milestones based on clinical trial data and regulatory approval of Bayon products. Further terms of the proposed transaction will be provided by upon EyeGate and Bayon entering into a definitive agreement for the transaction. There can be no assurance that a definitive agreement will be entered into or that the proposed transaction will be consummated at all or on the terms described in this press release.

### **About Bayon Therapeutics**

Bayon Therapeutics is an ophthalmic specialty pharmaceutical company focused on developing light sensitive small molecules. These photoswitches are specifically designed to restore the eyes' ability to perceive and interpret vision in visually-impaired patients. Bayon's lead candidate, a small molecule known as "BENAQ", selectively enters viable downstream retinal ganglion cells (no longer receiving input from degenerated rods and cones) and turns them into light sensing cells, capable of signaling the brain as to the presence or absence of light. BENAQ, the company's lead photoswitch, is entering the clinic with an initial focus in patients with later stages of disease progression due to Retinitis Pigmentosa (all sub-forms). Bayon plans to further develop the platform for use in patients with Geographic Atrophy, the later stages of Age-Related Macular Degeneration (dry AMD). For more information, please visit [www.bayontx.com](http://www.bayontx.com).

### **About EyeGate**

EyeGate is a clinical-stage pharmaceutical company developing and commercializing products for treating inflammatory and immune diseases with a focus on the eye and nervous system. PP-001, EyeGate's lead clinical-stage drug product, is a next-generation, non-steroidal, immuno-modulatory and small-molecule inhibitor of Dihydroorotate Dehydrogenase ("DHODH") with best-in-class picomolar potency and a validated immune modulating mechanism designed to overcome the off-target side effects and safety issues associated with DHODH inhibitors. PP-001 has been developed in two clinical-stage ophthalmic formulations; PaniJect, an intravitreal injection for inflammatory diseases of the eye including posterior uveitis, and PaniDrop, a novel nano carrier technology eye drop for ocular surface diseases such as viral conjunctivitis and dry eye disease. Intravenous and oral formulations are also in development for conditions outside the ocular space. In addition, EyeGate is developing Ocular Bandage Gel ("OBG"), a modified form of the natural polymer hyaluronic acid, designed to protect the ocular surface to permit re-epithelialization of the cornea and improve ocular surface integrity. OBG, with unique properties that help hydrate and protect the ocular surface, is in clinical evaluation for patients undergoing photorefractive keratectomy ("PRK") surgery for corneal wound repair after refractive surgery and patients with punctate epitheliopathies ("PE") as a result of dry eye. For more information, please visit [www.EyeGatePharma.com](http://www.EyeGatePharma.com).

---

## **Forward-Looking Statements**

Some of the statements in this press release are “forward-looking” and are made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. These “forward-looking” statements include statements relating to, among other things, the commercialization efforts and other regulatory or marketing approval efforts pertaining to EyeGate’s products, including EyeGate’s PP-001 and OBG products, as well as the success thereof, with such approvals or success may not be obtained or achieved on a timely basis or at all; the results and potential benefits of the acquisition of Bayon; and the proposed terms and conditions of any binding definitive agreement with Bayon, which is subject to the receipt of all necessary approvals and satisfaction of all closing conditions for the completion of the transaction. These statements involve risks and uncertainties that may cause results to differ materially from the statements set forth in this press release, including, among other things, certain risk factors described under the heading “Risk Factors” contained in EyeGate’s Annual Report on Form 10-K filed with the SEC on March 25, 2021 or described in EyeGate’s other public filings. EyeGate’s results may also be affected by factors of which EyeGate is not currently aware. The forward-looking statements in this press release speak only as of the date of this press release. EyeGate expressly disclaims any obligation or undertaking to release publicly any updates or revisions to such statements to reflect any change in its expectations with regard thereto or any changes in the events, conditions or circumstances on which any such statement is based.

## **Contact**

Corey Davis, Ph.D.  
LifeSci Advisors  
(212) 915-2577  
[cdavis@lifesciadvisors.com](mailto:cdavis@lifesciadvisors.com)

---