
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Act of 1934**

Date of Report (Date of earliest event reported): December 17, 2018

AVROBIO, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-38537
(Commission
File Number)

81-0710585
(I.R.S. Employer
Identification Number)

**One Kendall Square
Building 300, Suite 201
Cambridge, MA 02139**
(Address of principal executive offices, including zip code)

(617) 914-8420
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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

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

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.

(1) Departure of Katina Dorton as Chief Financial Officer, Principal Financial Officer and Principal Accounting Officer

On December 17, 2018, Katina Dorton departed her positions as Chief Financial Officer of AVROBIO, Inc. (the “Company”) and as principal financial officer and principal accounting officer of the Company, effective immediately.

(2) Departure of Nerissa Kreher as Chief Medical Officer

On December 17, 2018, Nerissa Kreher, M.D., departed her positions as Chief Medical Officer of the Company and as an executive officer of the Company, effective immediately. Dr. Kreher will continue as a senior advisor to the Company until March 31, 2019, at which time her employment with the Company will end.

(3) Appointment of Erik Ostrowski as Chief Financial Officer, Principal Financial Officer and Principal Accounting Officer

On December 18, 2018, the Company announced the appointment of Erik Ostrowski as Chief Financial Officer of the Company, effective on January 2, 2019. Mr. Ostrowski was also appointed as the Company’s principal financial officer and principal accounting officer on December 17, 2018, effective January 2, 2019.

Mr. Ostrowski, age 46, joins the Company from Summit Therapeutics plc, where he was Chief Financial Officer from June 2014 to December 2018. Prior to that, he served as Vice President of Finance at Organogenesis Inc., a biotechnology company, from 2010 to 2014, and previously worked in investment banking, most recently as a Director with Leerink Partners LLC. Mr. Ostrowski began his career as an accountant with Coopers & Lybrand (now PricewaterhouseCoopers) and received a B.S. in Accounting and Economics from Babson College and an M.B.A. from the University of Chicago Booth School of Business.

In connection with Mr. Ostrowski’s election as Chief Financial Officer, the Company entered into an employment agreement (the “Ostrowski Agreement”) which provides for, among other things: (i) base salary of \$412,000; (ii) target annual incentive compensation of 40% of his base salary; and (iii) additional severance and change in control benefits contingent upon Mr. Ostrowski’s agreeing to a general release of claims in favor of the Company following termination of employment as described below. If Mr. Ostrowski is terminated without cause or he resigns his employment for good reason, he will be entitled to severance as follows: nine months of severance based on his then-annual base salary, additional vesting of all time-based awards that would have vested if Mr. Ostrowski remained employed for an additional nine months, and continuation of group health plan benefits for up to nine months to the extent permitted by and consistent with COBRA. “Cause” and “good reason” are each defined in the Ostrowski Agreement. In the event that such termination without cause or resignation for good reason occurs within a three-month period before or an 18-month period following a change in control (as defined in the Ostrowski Agreement), Mr. Ostrowski will be entitled to receive severance in an amount equal to one times his then-annual base salary plus one times his target annual performance bonus then in effect, payable in a lump sum, full vesting of any time-based awards then held by Mr. Ostrowski, and continuation of group health plan benefits for up to 12 months to the extent permitted by and consistent with COBRA.

Mr. Ostrowski was also granted a signing bonus in the form of a cash bonus of \$170,000 and an award of a number of restricted stock units equal to \$36,000 divided by the closing price of the Company’s stock on Mr. Ostrowski’s start date with the Company. In addition, Mr. Ostrowski was granted an option to purchase 186,000 shares of the Company’s common stock, which will vest over four years, with 25% of the shares vesting on the one-year anniversary of Mr. Ostrowski’s start date and the remaining shares vesting in thirty-six equal monthly installments thereafter, subject to continued employment through the applicable vesting date.

The foregoing summary of the Ostrowski Agreement is qualified in its entirety by reference to the full Ostrowski Agreement filed herewith as Exhibit 10.1 and incorporated by reference herein.

The Company entered into an indemnification agreement with Mr. Ostrowski in connection with his employment, which is in substantially the same form as that entered into with the other executive officers of the Company and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On December 18, 2018, the Company issued a press release titled “AVROBIO, Inc. Expands and Strengthens Leadership Team with Four Senior Management Hires.” A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 7.01 and Exhibit 99.1 attached hereto are intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|------------------------|---------------------------------------------------------------------------------------------------------------|
| 10.1 | Employment Agreement, dated December 17, 2018, by and between the Company and Erik Ostrowski. |
| 99.1 | Press Release of AVROBIO, Inc. dated December 18, 2018. |

SIGNATURES

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

Date: December 21, 2018

AVROBIO, Inc.

By: /s/ Geoff MacKay
Geoff MacKay
Chief Executive Officer

AVROBIO, INC.

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is made as of the 17th day of December, 2018, between AVROBIO, Inc., a Delaware corporation (the “Company”), and Erik Ostrowski (the “Executive”).

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company commencing on January 2, 2019, unless another date is agreed to by the parties. The Executive’s first day of employment shall be the “Effective Date” of this Agreement.

WHEREAS, to protect the Company’s proprietary information and goodwill, as a condition of Executive’s employment, the Executive and the Company will become parties to Employee Confidentiality, Assignment and Noncompetition Agreement (the “Restrictive Covenants Agreement”) which is being provided to Executive along with this Agreement and at least ten (10) business days before the Effective Date. Executive has a right to consult with counsel prior to signing the Restrictive Covenants Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The term of this Agreement shall commence on the Effective Date and continue until terminated in accordance with the provisions hereof (the “Term”). The Executive’s employment with the Company will be “at will,” meaning that the Executive’s employment may be terminated by the Company or the Executive at any time and for any reason subject to the terms of this Agreement.

(b) Position and Duties. During the Term, the Executive shall serve as the Chief Financial Officer of the Company, and shall have supervision and control over and responsibility for the day-to-day business and affairs of the finance department of the Company and shall have such other powers and duties as may from time to time be prescribed by the Board of Directors of the Company (the “Board”), the Chief Executive Officer of the Company (the “CEO”) or other authorized executive. The Executive shall devote his full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, the Executive may serve on other boards of directors, with the approval of the Board, or engage in religious, charitable or other community activities as long as such services and activities are disclosed to the Board and do not materially interfere with the Executive’s performance of his duties to the Company as provided in this Agreement. For the avoidance of doubt, the Executive may continue to serve in the roles set forth on Schedule 1 hereto without the necessity of further approval from the Board, provided that no conflicts result in the future from the Executive’s service in such role.

2. Compensation and Related Matters.

(a) Base Salary. During the Term, the Executive's annual base salary shall be \$412,000. The Executive's base salary shall be reviewed annually by the Board or the Compensation Committee of the Board (the "Compensation Committee"). The base salary in effect at any given time is referred to herein as "Base Salary." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices for executive officers.

(b) Incentive Compensation. During the Term, the Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. The Executive's initial target annual incentive compensation shall be forty percent (40%) of his Base Salary (as in effect at any time, the "Target Annual Incentive Compensation"). To earn incentive compensation, the Executive must be employed by the Company on the day such incentive compensation is paid.

(c) Expenses. The Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive during the Term in performing services hereunder, in accordance with the policies and procedures then in effect and established by the Company for its senior officers.

(d) Other Benefits. During the Term, the Executive shall be eligible to participate in or receive benefits under the Company's employee benefit plans in effect from time to time, subject to the terms of such plans. Additionally, during the Term, the Executive shall be eligible to receive such benefits and perquisites as those made available to the other employees of the Company generally.

(e) Vacations. During the Term, the Executive shall be entitled to paid vacation in accordance with the Company's policies and procedures, which shall be a minimum of 20 days in addition to the Company's paid holidays. The Executive shall also be entitled to all paid holidays given by the Company to its executive officers.

(f) Signing Bonus. The Company shall pay the Executive a signing bonus in the form of a cash bonus and an award of restricted stock units. With respect to the cash bonus component, the Company shall pay the Executive a lump sum of \$170,000 (the "Cash Signing Bonus") within 30 days after the Effective Date, provided that, if within the one year period immediately following the Effective Date, (i) the Executive terminates his employment other than for Good Reason (as defined below) or (ii) the Company terminates the Executive's employment for Cause (as defined below), then the Executive shall repay the entire Cash Signing Bonus to the Company within 30 days after the Date of Termination (as defined below). The Cash Signing Bonus shall be subject to applicable deductions and tax withholdings. With respect to the equity component, the Company will grant the Executive an award of a number of restricted stock units, with such number to equal \$36,000 divided by the closing price of the Company's stock on the Effective Date (the "Signing Bonus Award"). The Signing Bonus Award shall vest on the same schedule as the New Hire Award (as defined below), subject to the Executive's continued service relationship with the Company, and shall be governed by the terms and conditions set forth in the Equity Documents (as defined below), including without limitation the applicable award agreement.

(g) Equity. The Executive shall also be eligible to participate in the Company's equity incentive plan, subject to approval by the Board or Compensation Committee. The Company will grant the Executive an option to purchase 186,000 shares of the Company's common stock ("New Hire Award"). The New Hire Award shall vest over four years, with twenty-five percent of the New Hire Award vesting on the one-year anniversary of the Effective Date and the remaining shares vesting in thirty-six equal monthly installments following the one-year anniversary of the Effective Date, subject to the Executive's continued service relationship with the Company. The New Hire Award, together with any other equity awards held by the Executive (including without limitation the Signing Bonus Award), shall be governed by the terms and conditions of the Company's applicable equity incentive plan(s) and the applicable award agreement(s) governing the terms of such equity awards held by the Executive (collectively, the "Equity Documents"); provided, however, and notwithstanding anything to the contrary in the Equity Documents, Section 4(b)(ii) or Section 5(a)(ii) of this Agreement (as applicable) shall apply in the event of a termination by the Company without Cause or by the Executive for Good Reason (as such terms are defined below).

3. Termination. During the Term, the Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. The Company may terminate the Executive's employment if he is disabled and unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.* and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(c) Termination by Company for Cause. The Company may terminate the Executive's employment hereunder for Cause. For purposes of this Agreement, "Cause" shall mean: (i) conduct by the Executive constituting a material act of misconduct in connection with the performance of his duties, including, without limitation, misappropriation of funds or

property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (ii) the commission by the Executive of any felony or a misdemeanor involving moral turpitude, material deceit or dishonesty, or fraud, or any conduct by the Executive that would reasonably be expected to result in material injury or reputational harm to the Company or any of its subsidiaries or affiliates if he were retained in his position; (iii) continued non-performance by the Executive of his duties hereunder (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice (with a reasonably detailed summary of such alleged non-performance specified) of such non-performance from the Company's CEO; (iv) a breach by the Executive of any of the provisions incorporated into or contained in Section 7 of this Agreement; (v) a material violation by the Executive of the Company's written employment policies; or (vi) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(d) Termination Without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) Termination by the Executive. The Executive may terminate his employment hereunder at any time for any reason, including but not limited to Good Reason. For purposes of this Agreement, "Good Reason" shall mean that the Executive has complied with the "Good Reason Process" (hereinafter defined) following the occurrence of any of the following events: (i) a material diminution in the Executive's responsibilities, authority or duties or reporting relationship, which in the case of a Change in Control (as defined in Section 5) shall include the failure of the acquiring company to appoint Executive as the CFO of the senior most entity in the affiliated group in which the acquiring company is then a member; (ii) a material diminution in the Executive's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company; (iii) a material change in the geographic location at which the Executive provides services to the Company; or (iv) a material breach of this Agreement by the Company. "Good Reason Process" shall mean that (i) the Executive reasonably determines in good faith that a "Good Reason" condition has occurred; (ii) the Executive notifies the Company in writing of the first occurrence of the Good Reason condition within 60 days of the first occurrence of such condition; (iii) the Executive cooperates in good faith with the Company's efforts, for a period not less than 30 days following such notice (the "Cure Period"), to remedy the condition; (iv) notwithstanding such efforts, the Good Reason condition continues to exist; and (v) the Executive terminates his employment within 60 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(f) Notice of Termination. Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(g) Date of Termination. "Date of Termination" shall mean: (i) if the Executive's employment is terminated by his death, the date of his death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive's employment is terminated by the Company under Section 3(d), the date on which a Notice of Termination is given; (iv) if the Executive's employment is terminated by the Executive under Section 3(e) without Good Reason, 30 days after the date on which a Notice of Termination is given, and (v) if the Executive's employment is terminated by the Executive under Section 3(e) with Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

4. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to his authorized representative or estate) (i) any Base Salary earned through the Date of Termination, unpaid expense reimbursements (subject to, and in accordance with, Section 2(c) of this Agreement) and unused vacation that accrued through the Date of Termination on or before the time required by law but in no event more than 30 days after the Executive's Date of Termination; and (ii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Benefit").

(b) Termination by the Company Without Cause or by the Executive with Good Reason. During the Term, if the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates his employment for Good Reason as provided in Section 3(e), then the Company shall pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a separation agreement containing, among other provisions, a general release of claims in favor of the Company and related persons and entities, confidentiality, return of property and non-disparagement, a reaffirmation of all of the Executive's Continuing Obligations and, in the Company's sole discretion, a one-year post-employment noncompetition agreement, and that shall provide that if the Executive breaches any of the Executive's Continuing Obligations, all payments of the Severance Amount shall immediately cease, in a form and manner satisfactory to the Company (the "Separation Agreement and Release") and the Separation Agreement and Release becoming irrevocable (after a seven (7) business day revocation period) and fully effective and, if applicable, the

Executive resigning as a member of the Board of Directors, all within 60 days after the Date of Termination (or such shorter time period provided in the Separation Agreement and Release):

(i) the Company shall pay the Executive an amount equal to 0.75 times the sum of the Executive's Base Salary (the "Severance Amount") provided in the event the Executive is entitled to any payments pursuant to the Restrictive Covenants Agreement, the Severance Amount received in any calendar year will be reduced by the amount the Executive is paid in the same such calendar year pursuant to the Restrictive Covenants Agreement (the "Restrictive Covenants Agreement Setoff");

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, all time-based stock options and other time-based stock-based awards held by the Executive in which such stock option or other stock-based award would have vested if the Executive had remained employed for an additional nine months following the Date of Termination shall vest and become exercisable or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination and elects COBRA health continuation, then the Company shall pay to the Executive a monthly cash payment for nine months or the Executive's COBRA health continuation period, whichever ends earlier, in an amount equal to the monthly employer contribution that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company; and

(iv) the amounts payable under Section 4(b)(i) and (iii) shall be paid out in substantially equal installments in accordance with the Company's payroll practice over nine months commencing within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, the Severance Amount shall begin to be paid in the second calendar year by the last day of such 60-day period; provided, further, that the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Date of Termination. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).

5. Change in Control Payment. The provisions of this Section 5 set forth certain terms of an agreement reached between the Executive and the Company regarding the Executive's rights and obligations upon the occurrence of a Change in Control of the Company. In the event of a Change in Control during the Term, all time-based stock options and other time-based stock-based awards held by the Executive as of the Effective Date that were granted to the Executive at least 12 months prior to the Effective Date shall immediately accelerate and become fully exercisable or nonforfeitable as of immediately prior to such Change in Control. These provisions are intended to assure and encourage in advance the Executive's continued attention and dedication to his assigned duties and his objectivity during the pendency and after the occurrence of any such event. These provisions shall apply in lieu of, and expressly supersede, the provisions of Section 4(b) regarding severance pay and benefits upon a termination of

employment, if such termination of employment occurs within three months prior to or 18 months after the occurrence of the first event constituting a Change in Control. These provisions shall terminate and be of no further force or effect beginning 18 months after the occurrence of a Change in Control.

(a) Change in Control. During the Term, if within three months prior to or 18 months after a Change in Control, the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates his employment for Good Reason as provided in Section 3(e), then, subject to the signing of the Separation Agreement and Release by the Executive and the Separation Agreement and Release becoming irrevocable and fully effective and, if applicable, the Executive resigning as a member of the Board of Directors, all within 60 days after the Date of Termination (or such shorter time period provided in the Separation Agreement and Release):

(i) the Company shall pay the Executive a lump sum in cash in an amount equal to one times the sum of (A) the Executive's current Base Salary (or the Executive's Base Salary in effect immediately prior to the Change in Control, if higher) and (B) the Executive's Target Annual Incentive Compensation then in effect (together the "Change in Control Payment"), provided the Change in Control Payment shall be reduced by the amount of the Restrictive Covenants Agreement Setoff, if applicable, paid or to be paid in the same calendar year;

(ii) notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, all time-based stock options and other time-based stock-based awards held by the Executive shall immediately accelerate and become fully exercisable or nonforfeitable as of the Date of Termination;

(iii) if the Executive was participating in the Company's group health plan immediately prior to the Date of Termination and elects COBRA health continuation, then the Company shall pay to the Executive a monthly cash payment for twelve months or the Executive's COBRA health continuation period, whichever ends earlier, in an amount equal to the monthly employer contribution that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company; and

(iv) The amounts payable under Section 5(a)(i) and (iii) shall be paid or commence to be paid within 60 days after the Date of Termination; provided, however, that if the 60-day period begins in one calendar year and ends in a second calendar year, such payment shall be paid or commence to be paid in the second calendar year by the last day of such 60-day period.

(b) Additional Limitation.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent

with Section 280G of the Internal Revenue Code of 1986, as amended (the “Code”) and the applicable regulations thereunder (the “Aggregate Payments”), would be subject to the excise tax imposed by Section 4999 of the Code, then the Aggregate Payments shall be reduced (but not below zero) so that the sum of all of the Aggregate Payments shall be \$1.00 less than the amount at which the Executive becomes subject to the excise tax imposed by Section 4999 of the Code; provided that such reduction shall only occur if it would result in the Executive receiving a higher After Tax Amount (as defined below) than the Executive would receive if the Aggregate Payments were not subject to such reduction. In such event, the Aggregate Payments shall be reduced in the following order, in each case, in reverse chronological order beginning with the Aggregate Payments that are to be paid the furthest in time from consummation of the transaction that is subject to Section 280G of the Code: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits; provided that in the case of all the foregoing Aggregate Payments all amounts or payments that are not subject to calculation under Treas. Reg. § 1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. § 1.280G-1, Q&A-24(b) or (c).

(ii) For purposes of this Section 5(b), the “After Tax Amount” means the amount of the Aggregate Payments less all federal, state, and local income, excise and employment taxes imposed on the Executive as a result of the Executive’s receipt of the Aggregate Payments. For purposes of determining the After Tax Amount, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes.

(iii) The determination as to whether a reduction in the Aggregate Payments shall be made pursuant to Section 5(b)(i) shall be made by a nationally recognized accounting firm selected by the Company (the “Accounting Firm”), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(c) Definitions. For purposes of this Section 5, the following terms shall have the following meanings:

“Change in Control” shall mean any of the following:

(i) any “person,” as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the “Act”) (other than the Company, any of its subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all “affiliates” and “associates” (as such terms are defined in Rule 12b-2

under the Act) of such person, shall become the “beneficial owner” (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing 50 percent or more of the combined voting power of the Company’s then outstanding securities having the right to vote in an election of the Board (“Voting Securities”) (in such case other than as a result of an acquisition of securities directly from the Company); or

(ii) the date a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or

(iii) the consummation of (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate more than 50 percent of the voting shares of the Company issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), or (B) any sale or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company.

Notwithstanding the foregoing, a “Change in Control” shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by any person to 50 percent or more of the combined voting power of all of the then outstanding Voting Securities; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns 50 percent or more of the combined voting power of all of the then outstanding Voting Securities, then a “Change in Control” shall be deemed to have occurred for purposes of the foregoing clause (i).

6. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive’s separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive’s separation from service would be considered deferred compensation otherwise subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive’s separation from service, or (B) the Executive’s death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes “non-qualified deferred compensation” under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive’s termination of employment, then such payments or benefits shall be payable only upon the Executive’s “separation from service.” The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). 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 cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

7. Confidential Information, Noncompetition and Cooperation.

(a) Restrictive Covenants Agreement. The Executive acknowledges and agrees that in consideration and as a condition of the Executive’s employment by the Company and in exchange for, among other things, the benefits contained in this Agreement, the Executive will enter into the Restrictive Covenants Agreement, the terms of which are incorporated by reference as material terms of this Agreement. For purposes of this Agreement, the obligations in this Section 7 and those that arise in the Restrictive Covenants Agreement and any other agreement relating to confidentiality, assignment of inventions, or other restrictive covenants shall collectively be referred to as the “Continuing Obligations.”

(b) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(c) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times, taking into consideration Executive's then current business and personal commitments. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 7(c).

(d) Relief. The Executive agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Executive of the promises incorporated into or set forth in this Section 7, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, subject to Section 8 of this Agreement, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to seek an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company. In addition, in the event the Executive breaches this Section 7 or the provisions incorporated herein during a period when he is receiving severance payments pursuant to Section 4 or Section 5 hereof, the Company shall have the right to suspend or terminate such severance payments. Such suspension or termination shall not limit the Company's other options with respect to relief for such breach and shall not relieve the Executive of his duties under this Agreement.

(e) Protected Disclosures and Other Protected Action. Nothing contained in this Agreement limits the Executive's ability to communicate with any federal, state or local governmental agency or commission, including to provide documents or other information, without notice to the Company.

8. Consent to Jurisdiction. The parties hereby consent to the jurisdiction of the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

9. Integration. This Agreement and the Restrictive Covenants Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements between the parties concerning such subject matter.

10. Withholding. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law.

11. Successor to the Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal representatives, executors, administrators, heirs, distributees, devisees and legatees. In the event of the Executive's death after his termination of employment but prior to the completion by the Company of all payments due to him under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to his death (or to his estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

17. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles thereof.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

19. Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

20. Gender Neutral. Wherever used herein, a pronoun in the masculine or feminine gender shall be considered as including the opposite gender as well unless the context clearly indicates otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

AVROBIO, INC.

By: /s/ Geoff MacKay
Name: Geoff MacKay
Title: Chief Executive Officer

EXECUTIVE

/s/ Erik Ostrowski
Erik Ostrowski

Schedule 1

Approved Activities

None.

Exhibit A

Restrictive Covenants Agreement



Press Releases

AVROBIO, Inc. Expands and Strengthens Leadership Team with Four Senior Management Hires

Birgitte Volck, M.D., Ph.D., is appointed President of Research and Development and will oversee clinical, regulatory, research and manufacturing

CAMBRIDGE, Mass., Dec. 18, 2018 (GLOBE NEWSWIRE) — AVROBIO, Inc. (NASDAQ: AVRO), (“The Company”) a Phase 2 clinical-stage gene therapy company, today announced the appointment of four key senior management hires to expand and strengthen its leadership team as it prepares for the next stage of growth.

All four leaders will be in place in January 2019 and sit on AVROBIO’s executive leadership team. Three of them, Birgitte Volck, M.D., Ph.D., President of Research and Development, Erik Ostrowski, Chief Financial Officer, and Steven Avruch, General Counsel, will report to AVROBIO’s President and CEO, Geoff MacKay. The fourth, Josie Yang, Ph.D., Vice President and Head of Regulatory Affairs, will report to Dr. Volck. With these changes, Katina Dorton and Nerissa Kreher, M.D., are leaving their roles as Chief Financial Officer and Chief Medical Officer of the company, respectively. Dr. Kreher will continue in a transitional role as a clinical advisor to AVROBIO during the first quarter of 2019.

“I’m delighted that these four world class leaders in their fields of R&D, finance, legal and regulatory affairs have chosen to bring their leadership skills and expertise to AVROBIO at this important time, as we bring more programs into the clinic and scale our operations around the world,” said Geoff MacKay, President and CEO of AVROBIO. “We searched worldwide and locally to find the very best talents. Birgitte, Erik, Steven and Josie are all excited to play a

major part in the next chapters of AVROBIO's growth as we work to advance potentially curative gene therapies to treat rare diseases. I would also like to thank both Katina and Nerissa for their significant contributions to AVROBIO, helping to build us into the company we are today; well capitalized via a strong investor base, with our Phase 2 Fabry clinical trial FAB-201 initiated, and a broad pipeline of first-in-class assets."

Dr. Birgitte Volck, AVROBIO's President of Research and Development, is the former Senior Vice President and Head of R&D, Rare Disease at GSK in the UK, where among other responsibilities, she oversaw ex-vivo gene therapy programs for orphan disease indications. A seasoned biotech executive and R&D leader, she is currently a non-executive board member at Ascendis Pharma, a rare disease focused technology platform biopharmaceutical company, as well as at TFS International, a contract research organization. Prior to GSK, Birgitte was Chief Medical Officer and SVP, Head of Development at Swedish Orphan Biovitrum (SOBI), a biopharmaceutical company, leading the development of their portfolio of products and product candidates in rare diseases across hemophilia, inflammation, metabolism, neonatology and genetics. In addition, Birgitte has held senior R&D and medical affairs positions with Genzyme, Pharmexa and Amgen where she led early and late stage programs and worked with product commercialization from pre-approval to launch and lifecycle management. She received her M.D. and Ph.D. degrees from Copenhagen University, Denmark, where she is now an external lecturer.

Erik Ostrowski, AVROBIO's Chief Financial Officer, brings over 20 years of finance and biotech operating experience, including with a focus on rare diseases and cell-based therapies. He was previously CFO at Summit Therapeutics where he led the finance and investor relations functions and was instrumental in the build-out of the company's U.S. and global operations. In addition, he led several financings and played a key role in multiple strategic transactions. Prior to joining Summit, Erik was Vice President of Finance at Organogenesis Inc., and previously worked in investment banking including as a Director of Healthcare Investment Banking with Leerink Partners. Erik began his career as an accountant with PricewaterhouseCoopers and received a BS in accounting and economics from Babson College and an MBA from the University of Chicago Booth School of Business.

Steven Avruch, AVROBIO's General Counsel, was Chief Corporation Counsel and Assistant Secretary (VP) at Biogen Inc., and prior to that worked at Biogen as an Associate General Counsel. A corporate attorney, Steven has more than 25 years of experience in a broad range of industries including life sciences and technology companies. He graduated with an AB in Russian Studies from Dartmouth College, and later earned his Juris Doctor from Boston College Law School. He serves on the Board of Directors of the Boston Center for the Arts.

Dr. Josie Yang, AVROBIO's Head of Regulatory Affairs, has over 25 years of experience in biomedical research in the U.S. Food and Drug Administration, and in bio-pharmaceutical industries including in regulatory affairs across all stages of drug development with biologics and small molecules in oncology, anti-inflammatory, gastroenterology and neurology therapeutic areas. Josie held leadership positions as VP and Head of Global Regulatory Strategy at PTC Therapeutics, a global biopharma company, and an Associate VP, Global Regulatory Affairs at ImClone Systems/Eli Lilly and Company. She has a DVM from National Taiwan University and a Ph.D. in Immunology from Auburn University.

About AVROBIO, Inc.

AVROBIO, Inc., is a Phase 2 clinical-stage gene therapy company developing gene therapies to potentially cure rare diseases with a single dose. AVROBIO's lentiviral-based gene therapies employ hematopoietic stem cells that are collected from the patient and then modified with a lentiviral vector to insert a functional copy of the gene that is defective in the target disease. AVROBIO is focused on the development of its gene therapy, AVR-RD-01, in Fabry disease, as well as additional gene therapy programs in other lysosomal storage disorders including Gaucher disease, cystinosis and Pompe disease. AVROBIO is headquartered in Cambridge, MA and has offices in Toronto, ON. For additional information, visit www.avrobio.com.

Forward-Looking Statements

Various express or implied statements in this release concerning AVROBIO's future expectations, plans and prospects, including without limitation, its expectations regarding the development and the continued progress of AVROBIO's programs, including the therapeutic potential of its product candidates and the development thereof, the advancement of AVROBIO's product candidates into the clinic and scaling of AVROBIO's operations, and AVROBIO's pipeline of assets and financial position and investor base, constitute forward-looking statements for the purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Any such statements in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Any forward-looking statements in this press release are based on management's current expectations of future events only as of today and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those set forth in or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the risk that any one or more of AVROBIO's product candidates will not be successfully developed or commercialized, the risk of cessation or delay of any of AVROBIO's ongoing or planned clinical trials, the risk that AVROBIO may not realize the intended benefits of efforts to optimize its platform, and the risk that prior results, such as signals of safety, activity or durability of effect, observed from preclinical or clinical trials will not be replicated or will not continue in ongoing or future studies or trials involving AVROBIO's product candidates. For a discussion of these and other risks and uncertainties, and other important factors, any of which could cause

AVROBIO's actual results to differ from those contained in the forward-looking statements, see the section entitled "Risk Factors" in AVROBIO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, as well as discussions of potential risks, uncertainties and other important factors in AVROBIO's subsequent filings with the Securities and Exchange Commission. AVROBIO explicitly disclaims any obligation to update any forward-looking statements except to the extent required by law.

Investor Contact:

Christopher F. Brinzey
Westwicke Partners 339-970-2843
chris.brinzey@westwicke.com

Media Contact:

Kathryn Morris
The Yates Network
Tel: 914-204-6412
kathryn@theyatesnetwork.com



Source: AVROBIO, Inc.