

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

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the quarterly period ended March 31, 2022

Or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number: 001-37524

**vTv Therapeutics Inc.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)  
**3980 Premier Dr, Suite 310**  
**High Point, NC**  
(Address of principal executive offices)

**47-3916571**  
(I.R.S. Employer  
Identification No.)

**27265**  
(Zip Code)

**(336) 841-0300**  
(Registrant's telephone number, including area code)

**(Former name, former address and former fiscal year, if changed since last report)**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.01 per share	VTVT	NASDAQ Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  Smaller reporting company   
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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Class of Stock	Shares Outstanding as of May 12, 2022
Class A common stock, par value \$0.01 per share	66,942,777
Class B common stock, par value \$0.01 per share	23,093,860

vTv THERAPEUTICS INC. AND SUBSIDIARIES  
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**PART I – FINANCIAL INFORMATION**

The financial statements and other disclosures contained in this report include those of vTv Therapeutics Inc. (“we”, the “Company” or the “Registrant”), which is the registrant, and those of vTv Therapeutics LLC (“vTv LLC”), which is the principal operating subsidiary of the Registrant. Unless the context suggests otherwise, references in this Quarterly Report on Form 10-Q to the “Company”, “we”, “us” and “our” refer to vTv Therapeutics Inc. and its consolidated subsidiaries.

**vTv Therapeutics Inc.**  
**Condensed Consolidated Balance Sheets**  
(in thousands, except number of shares and per share data)

	March 31, 2022 (Unaudited)	December 31, 2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 12,138	\$ 13,415
Accounts receivable	57	57
Prepaid expenses and other current assets	1,387	2,049
Current deposits	30	100
Total current assets	13,612	15,621
Property and equipment, net	255	278
Operating lease right-of-use assets	379	402
Long-term investments	5,939	9,173
Total assets	\$ 20,185	\$ 25,474
<b>Liabilities, Redeemable Noncontrolling Interest and Stockholders' Deficit</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 12,474	\$ 8,023
Current portion of operating lease liabilities	191	184
Current portion of contract liabilities	35	35
Current portion of notes payable	—	256
Total current liabilities	12,700	8,498
Operating lease liabilities, net of current portion	441	492
Warrant liability, related party	770	1,262
Total liabilities	13,911	10,252
Commitments and contingencies		
Redeemable noncontrolling interest	14,367	24,962
Stockholders' deficit:		
Class A Common Stock, \$0.01 par value; 200,000,000 shares authorized, 66,942,777 shares outstanding as of March 31, 2022, and December 31, 2021	669	669
Class B Common Stock, \$0.01 par value; 100,000,000 shares authorized, and 23,093,860 outstanding as of March 31, 2022, and December 31, 2021	232	232
Additional paid-in capital	238,669	238,193
Accumulated deficit	(247,663)	(248,834)
Total stockholders' deficit attributable to vTv Therapeutics Inc.	(8,093)	(9,740)
Total liabilities, redeemable noncontrolling interest and stockholders' deficit	\$ 20,185	\$ 25,474

*The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.*

**vTv Therapeutics Inc.**  
**Condensed Consolidated Statements of Operations - Unaudited**  
**(in thousands, except number of shares and per share data)**

	Three Months Ended March 31,	
	2022	2021
Revenue	\$ 2,000	\$ 987
Operating expenses:		
Research and development	3,133	3,103
General and administrative	5,348	2,164
Total operating expenses	<u>8,481</u>	<u>5,267</u>
Operating loss	(6,481)	(4,280)
Other expense	(3,234)	—
Other income (expense) – related party	492	(1,648)
Interest income	—	1
Interest expense	(1)	—
Loss before income taxes and noncontrolling interest	(9,224)	(5,927)
Income tax provision	200	15
Net loss before noncontrolling interest	(9,424)	(5,942)
Less: net loss attributable to noncontrolling interest	(2,417)	(1,701)
Net loss attributable to vTv Therapeutics Inc.	<u>\$ (7,007)</u>	<u>\$ (4,241)</u>
Net loss attributable to vTv Therapeutics Inc. common shareholders	<u>\$ (7,007)</u>	<u>\$ (4,241)</u>
Net loss per share of vTv Therapeutics Inc. Class A Common Stock, basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.08)</u>
Weighted-average number of vTv Therapeutics Inc. Class A Common Stock, basic and diluted	<u>66,942,777</u>	<u>56,472,535</u>

*The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.*

**vTv Therapeutics Inc.**  
**Condensed Consolidated Statement of Changes in Redeemable Noncontrolling Interest and Stockholders' Deficit - Unaudited**  
**(in thousands, except number of shares)**

For the three months ended March 31, 2022

	Redeemable Noncontrolling Interest	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
		Shares	Amount	Shares	Amount			
<b>Balances at December 31, 2021</b>	<b>\$ 24,962</b>	<b>66,942,777</b>	<b>\$ 669</b>	<b>23,093,860</b>	<b>\$ 232</b>	<b>\$ 238,193</b>	<b>\$ (248,834)</b>	<b>\$ (9,740)</b>
Net loss	(2,417)	—	—	—	—	—	(7,007)	(7,007)
Share-based compensation	—	—	—	—	—	476	—	476
Change in redemption value of noncontrolling interest	(8,178)	—	—	—	—	—	8,178	8,178
<b>Balances at March 31, 2022</b>	<b>\$ 14,367</b>	<b>66,942,777</b>	<b>\$ 669</b>	<b>23,093,860</b>	<b>\$ 232</b>	<b>\$ 238,669</b>	<b>\$ (247,663)</b>	<b>\$ (8,093)</b>

For the three months ended March 31, 2021

	Redeemable Noncontrolling Interest	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
		Shares	Amount	Shares	Amount			
<b>Balances at December 31, 2020</b>	<b>\$ 83,895</b>	<b>54,050,710</b>	<b>\$ 541</b>	<b>23,094,221</b>	<b>\$ 232</b>	<b>\$ 209,161</b>	<b>\$ (290,036)</b>	<b>\$ (80,102)</b>
Net loss	(1,701)	—	—	—	—	—	(4,241)	(4,241)
Share-based compensation	—	—	—	—	—	436	—	436
Exchange of Class B Common Stock for Class A Common Stock	—	361	—	(361)	—	—	—	—
Exercise of stock options	—	20,833	—	—	—	47	—	47
Issuance of Class A Common Stock under LPC Agreement	—	3,500,000	35	—	—	8,003	—	8,038
Change in redemption value of noncontrolling interest	(19,547)	—	—	—	—	—	19,547	19,547
<b>Balances at March 31, 2021</b>	<b>\$ 62,647</b>	<b>57,571,904</b>	<b>\$ 576</b>	<b>23,093,860</b>	<b>\$ 232</b>	<b>\$ 217,647</b>	<b>\$ (274,730)</b>	<b>\$ (56,275)</b>

*The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.*

**vTv Therapeutics Inc.**  
**Condensed Consolidated Statements of Cash Flows - Unaudited**  
**(in thousands)**

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities:</b>		
Net loss before noncontrolling interest	\$ (9,424)	\$ (5,942)
Adjustments to reconcile net loss before noncontrolling interest to net cash used in operating activities:		
Depreciation expense	23	23
Share-based compensation expense	476	436
Change in fair value of investments	3,234	—
Change in fair value of warrants, related party	(492)	1,648
Changes in assets and liabilities:		
Accounts receivable	—	156
Prepaid expenses and other assets	732	540
Accounts payable and accrued expenses	4,430	(1,173)
Contract liabilities	—	(987)
Net cash used in operating activities	(1,021)	(5,299)
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of Class A Common Stock, net of offering costs	—	8,038
Proceeds from exercise of stock options	—	47
Repayment of notes payable	(256)	(84)
Net cash (used in) provided by financing activities	(256)	8,001
Net (decrease) increase in cash, cash equivalents and restricted cash and cash equivalents	(1,277)	2,702
Total cash, cash equivalents and restricted cash and cash equivalents, beginning of period	13,415	5,747
Total cash, cash equivalents and restricted cash and cash equivalents, end of period	<u>\$ 12,138</u>	<u>\$ 8,449</u>
<b>Non-cash activities:</b>		
Change in redemption value of noncontrolling interest	\$ (8,178)	\$ (19,547)

*The accompanying notes are an integral part of the unaudited condensed consolidated financial statements.*

## Notes to Condensed Consolidated Financial Statements – Unaudited

(dollar amounts are in thousands, unless otherwise noted)

**Note 1: Description of Business, Basis of Presentation and Going Concern****Description of Business**

vTv Therapeutics Inc. (the “Company,” the “Registrant,” “we” or “us”) was incorporated in the state of Delaware in April 2015. The Company is a clinical-stage pharmaceutical company focused on treating metabolic diseases to minimize their long-term complications through end-organ protection.

**Principles of Consolidation**

vTv Therapeutics Inc. is a holding company, and its principal asset is a controlling equity interest in vTv Therapeutics LLC (“vTv LLC”), the Company’s principal operating subsidiary, which is a clinical stage biopharmaceutical company engaged in the discovery and development of orally administered small molecule drug candidates to fill significant unmet medical needs.

The Company has determined that vTv LLC is a variable-interest entity (“VIE”) for accounting purposes and that vTv Therapeutics Inc. is the primary beneficiary of vTv LLC because (through its managing member interest in vTv LLC and the fact that the senior management of vTv Therapeutics Inc. is also the senior management of vTv LLC) it has the power and benefits to direct all of the activities of vTv LLC, which include those that most significantly impact vTv LLC’s economic performance. vTv Therapeutics Inc. has therefore consolidated vTv LLC’s results pursuant to Accounting Standards Codification Topic 810, “Consolidation” in its Condensed Consolidated Financial Statements. As of March 31, 2022, various holders own non-voting interests in vTv LLC, representing a 25.6% economic interest in vTv LLC, effectively restricting vTv Therapeutics Inc.’s interest to 74.4% of vTv LLC’s economic results, subject to increase in the future, should vTv Therapeutics Inc. purchase additional non-voting common units (“vTv Units”) of vTv LLC, or should the holders of vTv Units decide to exchange such units (together with shares of Class B Common Stock) for shares of Class A Common Stock (or cash) pursuant to the Exchange Agreement (as defined in Note 9). vTv Therapeutics Inc. has provided financial and other support to vTv LLC in the form of its purchase of vTv Units with the net proceeds of the Company’s initial public offering (“IPO”) in 2015 and its registered direct offering in March 2019, its agreeing to be a co-borrower under the Venture Loan and Security Agreement (the “Loan Agreement”) with Horizon Technology Finance Corporation and Silicon Valley Bank (together, the “Lenders”) which was entered into in 2016, and its entrance into the letter agreements with MacAndrews and Forbes Group LLC (“M&F Group”), a related party and an affiliate of MacAndrews & Forbes Incorporated (together with its affiliates “MacAndrews”), in December 2017, July 2018, December 2018, March 2019, September 2019 and December 2019 (the “Letter Agreements”), the Controlled Equity Offering<sup>SM</sup> Sales Agreement (the “Sales Agreement”) with Cantor Fitzgerald & Co. (“Cantor Fitzgerald”) (the “ATM Offering”), and the purchase agreement with Lincoln Park Capital Fund, LLC (“Lincoln Park”) (the “LPC Purchase Agreement”). vTv Therapeutics Inc. will not be required to provide financial or other support for vTv LLC. However, vTv Therapeutics Inc. will control its business and other activities through its managing member interest in vTv LLC, and its management is the management of vTv LLC. Nevertheless, because vTv Therapeutics Inc. will have no material assets other than its interests in vTv LLC, any financial difficulties at vTv LLC could result in vTv Therapeutics Inc. recognizing a loss.

**Going Concern and Liquidity**

To date, the Company has not generated any product revenue and has not achieved profitable operations. The continuing development of our drug candidates will require additional financing. From its inception through March 31, 2022, the Company has funded its operations primarily through a combination of private placements of common and preferred equity, research collaboration agreements, upfront and milestone payments for license agreements, debt and equity financings and the completion of its IPO in August 2015. As of March 31, 2022, the Company had an accumulated deficit of \$247.7 million and has generated net losses in each year of its existence.

As of March 31, 2022, the Company’s liquidity sources included cash and cash equivalents of \$12.1 million. To meet our future funding requirements into the fourth quarter of 2022, based on our current operating plans, we are actively seeking to raise capital through licensing *TTP399* in regions outside of North America and Europe and are also actively seeking licensing deals for *HPP737* and other assets. Additionally, we are evaluating several financing strategies to fund the on-going and future clinical trials of *TTP399*, including direct equity investments. The Company may also use its remaining availability of \$37.3 million under our Controlled Equity Offering<sup>SM</sup> Sales Agreement (the “Sales Agreement”) with Cantor Fitzgerald & Co. (“Cantor Fitzgerald”) pursuant to which the Company may offer and sell, from time to time shares of the Company’s Class A Common Stock (the “ATM Offering”) and the ability to sell an additional 9,437,376 shares of Class A Common Stock under the LPC Purchase Agreement based on the remaining



number of registered shares. However, the ability to use these sources of capital is dependent on a number of factors, including the prevailing market price of and the volume of trading in the Company's Class A Common Stock. See Note 9 for further details.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. If we are unable to raise additional capital as and when needed, or upon acceptable terms, such failure would have a significant negative impact on our financial condition.

The Company's financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. The Consolidated Financial Statements do not include adjustments to reflect the possible future effects on the recoverability and classification of recorded assets or the amounts of liabilities that might be necessary should the Company be unable to continue as a going concern.

## **Note 2: Summary of Significant Accounting Policies**

### ***Unaudited Interim Financial Information***

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The accompanying Condensed Consolidated Balance Sheet as of March 31, 2022, Condensed Consolidated Statements of Operations for the three months ended March 31, 2022 and 2021, Condensed Consolidated Statement of Changes in Redeemable Noncontrolling Interest and Stockholders' Deficit for the three months ended March 31, 2022 and 2021 and Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2022 and 2021 are unaudited. These unaudited financial statements have been prepared in accordance with the rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. These financial statements should be read in conjunction with the audited financial statements and the accompanying notes for the year ended December 31, 2021 contained in the Company's Annual Report on Form 10-K. The unaudited interim financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments (consisting of normal recurring adjustments) necessary to state fairly the Company's financial position as of March 31, 2022, the results of operations for the three months ended March 31, 2022 and 2021 and cash flows for the three months ended March 31, 2022 and 2021. The December 31, 2021 Condensed Consolidated Balance Sheet included herein was derived from the audited financial statements but does not include all disclosures or notes required by GAAP for complete financial statements.

The financial data and other information disclosed in these notes to the financial statements related to the three months ended March 31, 2022 and 2021 are unaudited. Interim results are not necessarily indicative of results for an entire year.

The Company does not have any components of other comprehensive income recorded within its Condensed Consolidated Financial Statements, and, therefore, does not separately present a statement of comprehensive income in its Condensed Consolidated Financial Statements.

### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

On an ongoing basis, the Company evaluates its estimates, including those related to the grant date fair value of equity awards, the fair value of warrants to purchase shares of its Class A Common Stock, the fair value of the Class B Common Stock, the useful lives of property and equipment, the fair value of derivative liabilities, and the fair value of the Company's debt, among others. The Company bases its estimates on historical experience and on various other assumptions that it believes to be reasonable, the results of which form the basis for making judgments about the carrying value of assets and liabilities.

### ***Concentration of Credit Risk***

Financial instruments that potentially expose the Company to concentrations of credit risk consist principally of cash on deposit with one financial institution. The balances of these cash accounts frequently exceed insured limits.

One customer represented 100% of the revenue earned during the three months ended March 31, 2022 and 2021, respectively.

### ***Cash and Cash Equivalents***

The Company considers any highly liquid investments with an original maturity of three months or less to be cash and cash equivalents.

## ***Investments***

Investments in entities in which the Company has no control or significant influence, is not the primary beneficiary, and have a readily determinable fair value are classified as equity investments with readily determinable fair value. The investments are measured at fair value based on a quoted market price per unit in active markets multiplied by the number of units held without consideration of transaction costs (Level 1). Gains and losses are recorded in other income (expense), net on the Consolidated Statements of Operations.

Equity investments without readily determinable fair value include ownership rights that do not provide the Company with control or significant influence and these investments do not have readily determinable fair values. The Company has elected to measure its equity investments without readily determinable fair values at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or similar investment.

## ***Revenue Recognition***

The Company uses the revenue recognition guidance established by ASC Topic 606, "Revenue From Contracts With Customers" ("ASC Topic 606").

The majority of the Company's revenue results from its license and collaboration agreements associated with the development of investigational drug products. The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. For each contract meeting these criteria, the Company identifies the performance obligations included within the contract. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. The Company then recognizes revenue under each contract as the related performance obligations are satisfied.

The transaction price under the contract is determined based on the value of the consideration expected to be received in exchange for the transferred assets or services. Development, regulatory and sales milestones included in the Company's collaboration agreements are considered to be variable consideration. The amount of variable consideration expected to be received is included in the transaction price when it becomes probable that the milestone will be met. For contracts with multiple performance obligations, the contract's transaction price is allocated to each performance obligation using the Company's best estimate of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate standalone selling price is the expected cost plus margin approach. Revenue is recognized over the related period over which the Company expects the services to be provided using a proportional performance model or a straight-line method of recognition if there is no discernable pattern over which the services will be provided.

## ***Research and Development***

Major components of research and development costs include cash and share-based compensation, costs of preclinical studies, clinical trials and related clinical manufacturing, costs of drug development, costs of materials and supplies, regulatory and compliance costs, fees paid to consultants and other entities that conduct certain research and development activities on the Company's behalf, facilities costs, and overhead costs. Research and development costs are expensed as incurred.

The Company records accruals based on estimates of the services received, efforts expended, and amounts owed pursuant to contracts with numerous contract research organizations. In the normal course of business, the Company contracts with third parties to perform various clinical study activities in the ongoing development of potential products. The financial terms of these agreements are subject to negotiation and variation from contract to contract and may result in uneven payment flows. Payments under the contracts depend on factors such as the achievement of certain events and the completion of portions of the clinical study or similar conditions. The objective of the Company's accrual policy is to match the recording of expenses in its financial statements to the actual services received and efforts expended. As such, expense accruals related to clinical studies are recognized based on the Company's estimate of the degree of completion of the event or events specified in the specific clinical study.

The Company records nonrefundable advance payments it makes for future research and development activities as prepaid expenses. Prepaid expenses are recognized as expense in the Condensed Consolidated Statements of Operations as the Company receives the related goods or services.

Research and development costs that are reimbursed under a cost-sharing arrangement are reflected as a reduction of research and development expense.

## ***Recently Issued Accounting Pronouncements***

There have been no recently issued accounting pronouncements which are expected to have a material impact on the Company's financial statements.

### **Note 3: Collaboration Agreements**

#### ***Reneo License Agreement***

The Company is party to a license agreement with Reneo Pharmaceuticals, Inc. (“Reneo”) (the “Reneo License Agreement”), under which Reneo obtained an exclusive, worldwide, sublicensable license to develop and commercialize the Company’s peroxisome proliferation activated receptor delta (PPAR- $\delta$ ) agonist program, including the compound HPP593, for therapeutic, prophylactic or diagnostic application in humans.

The Company has fully allocated the transaction price to the license and the technology transfer services, which represents a single combined performance obligation because they were not capable of being distinct on their own. The revenue related to this performance obligation was recognized on a straight-line basis over the technology transfer service period.

The revenue related to this performance obligation has been fully recognized and no revenue related to this performance obligation was recognized for the three months ended March 31, 2022 and 2021. There have been no adjustments to the transaction price for the performance obligations under the Reneo License Agreement during the three months ended March 31, 2022 and 2021.

#### ***Huadong License Agreement***

The Company is party to a License Agreement with Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (“Huadong”) (the “Huadong License Agreement”), under which Huadong obtained an exclusive and sublicensable license to develop and commercialize the Company’s glucagon-like peptide-1 receptor agonist (“GLP-1r”) program, including the compound *TTP273*, for therapeutic uses in humans or animals, in China and certain other pacific rim countries, including Australia and South Korea (collectively, the “Huadong License Territory”). Additionally, under the Huadong License Agreement, the Company obtained a non-exclusive, sublicensable, royalty-free license to develop and commercialize certain Huadong patent rights and know-how related to the Company’s GLP-1r program for therapeutic uses in humans or animals outside of the Huadong License Territory.

On January 14, 2021, the Company entered into the First Huadong Amendment which eliminated the Company’s obligation to sponsor a multi-region clinical trial (the “Phase 2 MRCT”), and corresponding obligation to contribute up to \$3.0 million in support of such trial. The amendment also reduced the total potential development and regulatory milestone payments by \$3.0 million.

Prior to the First Amendment, the Company had allocated a portion of the transaction price to the obligation to sponsor and conduct a portion of the Phase 2 MRCT. Upon the removal of this performance obligation, the Company evaluated the impact of the modification under the provisions of ASC Topic 606 and performed a reallocation of the transaction price among the remaining performance obligations. This resulted in the recognition of approximately \$1.0 million of revenue on a cumulative catch up basis during the three months ended March 31, 2021. The majority of the transaction price originally allocated to the Phase 2 MRCT performance obligation was reallocated to the license and technology transfer services combined performance obligation discussed below, which had already been completed. The reallocation of the purchase price in connection with the First Huadong Amendment was made based on the relative estimated selling prices of the remaining performance obligations.

The significant performance obligations under this license agreement, as amended, were determined to be (i) the exclusive license to develop and commercialize the Company’s GLP-1r program, (ii) technology transfer services related to the chemistry and manufacturing know-how for a defined period after the effective date, (iii) the Company’s obligation to participate on a joint development committee (the “JDC”), and (iv) other obligations considered to be de minimis in nature.

The Company has determined that the license and technology transfer services related to the chemistry and manufacturing know-how represent a combined performance obligation because they were not capable of being distinct on their own. The Company also determined that there was no discernable pattern in which the technology transfer services would be provided during the transfer service period. As such, the Company recognized the revenue related to this combined performance obligation using the straight-line method over the transfer service period. This combined performance obligation was considered complete as of March 31, 2021. The Company recognized \$1.0 million of revenue related to this combined performance obligation during the three months ended March 31, 2021. In the first quarter of 2022, the transaction price for this performance obligation was increased by \$2.0 million due to the satisfaction of a development milestone under the license agreement. This amount was fully recognized as revenue during the three months ended March 31, 2022, as the related performance obligation was fully satisfied.

A portion of the transaction price allocated to the obligation to participate in the joint development committee (the “JDC”) to oversee the development of products and the Phase 2 MRCT in accordance with the development plan remained deferred as of March 31, 2022 and revenue will be recognized using the proportional performance model over the period of the Company’s participation on the JDC. The unrecognized amount of the transaction price allocated to this performance obligation as of March 31, 2022 was de minimis. No revenue for this performance obligation has been recognized during the three months ended March 31, 2022. An immaterial amount of revenue for this performance obligation has been recognized during the three months ended March 31, 2021.

There have been no adjustments to the transaction price for the performance obligations under the Huadong License Agreement during the three months ended March 31, 2022.

### ***Newsora License Agreement***

The Company is party to a license agreement with Newsora Biopharma Co., Ltd., (“Newsora”) (the “Newsora License Agreement”) under which Newsora obtained an exclusive and sublicensable license to develop and commercialize the Company’s phosphodiesterase type 4 inhibitors (“PDE4”) program, including the compound *HPP737*, in China, Hong Kong, Macau, Taiwan and other pacific rim countries (collectively, the “Newsora License Territory”). Additionally, under the Newsora License Agreement, the Company obtained a non-exclusive, sublicensable, royalty-free license to develop and commercialize certain Newsora patent rights and know-how related to the Company’s PDE4 program for therapeutic uses in humans outside of the Newsora License Territory.

The Company has fully allocated the transaction price to the license and the technology transfer services which represents a single performance obligation because they were not capable of being distinct on their own. The Company recognized revenue for this performance obligation using the straight-line method over the transfer service period. The revenue for this performance obligation has been fully recognized as of March 31, 2022. No revenue related to this performance obligation was recognized and there have been no changes to the transaction price during the three months ended March 31, 2022 and 2021.

### ***Anteris License Agreement***

On December 11, 2020, we entered into a license agreement with Anteris Bio, Inc. (“Anteris”) (the “Anteris License Agreement”), under which Anteris obtained a worldwide, exclusive and sublicensable license to develop and commercialize the Company’s Nrf2 activator, *HPP971*.

Under the terms of the Anteris License Agreement, Anteris paid the Company an initial license fee of \$2.0 million. The Company is eligible to receive additional potential development, regulatory, and sales-based milestone payments totaling up to \$151.0 million. Anteris is also obligated to pay vTv royalty payments at a double-digit rate based on annual net sales of licensed products. Such royalties will be payable on a licensed product-by-licensed product basis until the latest of expiration of the licensed patents covering a licensed product in a country, expiration of data exclusivity rights for a licensed product in a country, or a specified number of years after the first commercial sale of a licensed product in a country. As additional consideration, the Company received preferred stock representing a minority ownership interest in Anteris.

Pursuant to the terms of the Anteris License Agreement, the Company was required to provide technology transfer services for a 30 day period after the effective date. In accordance with ASC Topic 606, the Company identified all of the performance obligations at the inception of the Anteris License Agreement. The significant obligations were determined to be the license and the technology transfer services. The Company has determined that the license and technology transfer services represent a single performance obligation because they were not capable of being distinct on their own. The transaction price has been fully allocated to this combined performance obligation and consisted of the \$2.0 million initial license payments as well as the fair value of the equity interest received in Anteris of \$4.2 million. The revenue related to this performance obligation was fully recognized during the year ended December 31, 2020, as the technology transfer services were considered complete as of that date. No revenue related to this performance obligation was recognized and there have been no changes to the transaction price during the three months ended March 31, 2022, and 2021.

### ***JDRF Agreement***

In August 2017, the Company entered into a research and collaboration agreement with JDRF International (the “JDRF Agreement”) to support the funding of the Simpli-T1 Study, a Phase 2 study to explore the effects of *TTP399* in patients with type 1 diabetes. The JDRF Agreement was amended in June 2021 to provide additional funding for the Company’s mechanistic study exploring the effects of *TTP399* on ketone body formation during a period of insulin withdrawal in people with type 1 diabetes. According to the terms of the JDRF Agreement, JDRF will provide research funding of up to \$3.4 million based on the achievement of research and development milestones, with the total funding provided by JDRF not to exceed approximately one-half of the total cost of the project. Additionally, the Company has the obligation to make certain milestone payments to JDRF upon the commercialization, licensing, sale or transfer of *TTP399* as a treatment for type 1 diabetes.

Payments that the Company receives from JDRF under this agreement will be recorded as restricted cash and current liabilities and recognized as an offset to research and development expense, based on the progress of the project, and only to the extent that the restricted cash is utilized to fund such development activities. As of March 31, 2022, the Company had received funding under this agreement of \$3.4 million. Research and development costs have been offset by a total of \$3.4 million over the course of this agreement.

## Contract Liabilities

Contract liabilities related to the Company's collaboration agreements consisted of the following (in thousands):

	March 31, 2022	December 31, 2021
Current portion of contract liabilities	\$ 35	\$ 35
Total contract liabilities	\$ 35	\$ 35

## Note 4: Share-Based Compensation

The Company has issued non-qualified stock option awards to management, other key employees, consultants and non-employee directors. These option awards vest ratably over a three-year period and the option awards expire after a term of ten years from the date of grant. As of March 31, 2022, the Company had total unrecognized stock-based compensation expense for its outstanding stock option awards of approximately \$1.9 million, which is expected to be recognized over a weighted average period of 2.5 years. The weighted average grant date fair value of options granted during the three months ended March 31, 2022, was \$0.65 per option. There were no options granted during the three months ended March 31, 2021. The aggregate intrinsic value of the in-the-money awards outstanding at March 31, 2022 was de minimis.

On February 27, 2022, Ms. Deepa Prasad notified the Board of Directors (the "Board") of vTv Therapeutics Inc. (the "Company") of her decision to resign from her positions as Chief Executive Officer, President and Board member, effective as of March 29, 2022, and has agreed to continue serving in those roles until the earlier of the completion of a certain Company milestone or March 29, 2022 (the "Effective Date"). Ms. Prasad has agreed to serve as a Strategic Advisor to the Company for six months after the Effective Date. Ms. Prasad will retain 624,659 of the outstanding options previously granted to her, which will vest at the end of the 15-month period following the Effective Date. As a result of the separation agreement, these options were modified to accelerate vesting at the Effective Date. These options will remain exercisable for the original ten-year period and the remaining 1,873,976 of her options were cancelled. The additional stock compensation expense for the modification during the three months ended March 31, 2022, was de minimis.

The following table summarizes the activity related to the stock option awards for the three months ended March 31, 2022:

	Number of Shares	Weighted-Average Exercise Price
Awards outstanding at December 31, 2021	7,056,035	\$ 3.19
Granted	1,200,000	0.76
Forfeited	(2,533,693)	2.39
Awards outstanding at March 31, 2022	5,722,342	\$ 3.03
Options exercisable at March 31, 2022	2,506,916	\$ 5.23
Weighted average remaining contractual term	6.3 Years	
Options vested and expected to vest at March 31, 2022	5,060,013	\$ 3.27
Weighted average remaining contractual term	7.9 Years	

Compensation expense related to the grants of stock options is included in research and development and general and administrative expense as follows (in thousands):

	Three Months Ended March 31,	
	2022	2021
Research and development	\$ 92	\$ 176
General and administrative	384	260
Total share-based compensation expense	\$ 476	\$ 436

## Note 5: Investments

In connection with the Reneo and Anteris License Agreements, the Company has received equity ownership interests of less than 20% of the voting equity of the investee. Further, the Company does not have the ability to exercise significant influence over the investees. The investments are classified as long-term investments in the Company's Consolidated Balance Sheets.

Reneo completed its initial public offering in April 2021. Prior to Reneo becoming a publicly traded company, the Company's investment in Reneo did not have a readily determinable fair value and was measured at cost less impairment, adjusted for any changes in observable prices, under the measurement alternative. Subsequent to Reneo's initial public offering, the Company's

investment in Reneo is considered to have a readily determinable fair value and, as such, is adjusted to its fair value each period with changes in fair value recognized as a component of net loss.

The Company's investment in Anteris does not have a readily determinable fair value and is measured at cost less impairment, adjusted for any changes in observable prices.

The Company's investments consist of the following:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Equity investment with readily determinable fair value:		
Reneo common stock	\$ 1,694	\$ 4,928
Equity investment without readily determinable fair values assessed under the measurement alternative:		
Anteris preferred stock	4,245	4,245
Total	<u>\$ 5,939</u>	<u>\$ 9,173</u>

No adjustments have been made to the value of the Company's investment in Anteris since its initial measurement either due to impairment or based on observable price changes. The Company recognized an unrealized loss on its investment in Reneo of \$3.2 million for the three months ended March 31, 2022. These adjustments were recognized as a component of other expense in the Company's Condensed Consolidated Statements of Operations.

## **Note 6: Commitments and Contingencies**

### **Legal Matters**

From time to time, the Company is involved in various legal proceedings arising in the normal course of business. If a specific contingent liability is determined to be probable and can be reasonably estimated, the Company accrues and discloses the amount. The Company is not currently a party to any material legal proceedings.

### **Novo Nordisk**

In February 2007, the Company entered into an Agreement Concerning Glucokinase Activator Project with Novo Nordisk A/S (the "Novo License Agreement") whereby the Company obtained an exclusive, worldwide, sublicensable license under certain Novo Nordisk intellectual property rights to discover, develop, manufacture, have manufactured, use and commercialize products for the prevention, treatment, control, mitigation or palliation of human or animal diseases or conditions. As part of this license grant, the Company obtained certain worldwide rights to Novo Nordisk's GKA program, including rights to preclinical and clinical compounds such as *TTP399*. This agreement was amended in May 2019 to create milestone payments applicable to certain specific and non-specific areas of therapeutic use. Under the terms of the Novo License Agreement, the Company has additional potential developmental and regulatory milestone payments totaling up to \$9.0 million for approval of a product for the treatment of type 1 diabetes, \$50.5 million for approval of a product for the treatment of type 2 diabetes, or \$115.0 million for approval of a product in any other indication. The Company may also be obligated to pay an additional \$75.0 million in potential sales-based milestones, as well as royalty payments, at mid-single digit royalty rates, based on tiered sales of commercialized licensed products. During the fourth quarter of 2021, the Company made a payment of \$2.0 million related to the satisfaction of the milestone to complete the phase 2 trials for *TTP399* under this agreement.

### **Note 7: Leases**

The Company leases office space for its headquarters location under an operating lease. This lease commenced in November 2019 after the completion of certain tenant improvements made by the lessor. The lease includes an option to renew for a five-year term as well as an option to terminate after three years, neither of which have been recognized as part of its related right of use assets or lease liabilities as their election is not considered reasonably certain. Further, this lease does not include any material residual value guarantee or restrictive covenants.

At each of March 31, 2022 and December 31, 2021, the weighted average incremental borrowing rate for the operating leases held by the Company was 13.1%. At March 31, 2022 and December 31, 2021, the weighted average remaining lease terms for the operating leases held by the Company were 2.8 years and 3.1 years, respectively.

Maturities of lease liabilities for the Company's operating leases as of March 31, 2022 were as follows (in thousands):

2022 (remaining nine months)	\$	196
2023		268
2024		275
2025		23
2026		—
Thereafter		—
Total lease payments		<u>762</u>
Less: imputed interest		<u>(130)</u>
Present value of lease liabilities	\$	<u>632</u>

Operating lease cost and the related operating cash flows for the three months ended March 31, 2022 and 2021 were immaterial amounts.

#### Note 8: Redeemable Noncontrolling Interest

The Company is subject to the Exchange Agreement with respect to the vTv Units representing the 25.6% noncontrolling interest in vTv LLC outstanding as of March 31, 2022 (see Note 9). The Exchange Agreement requires the surrender of an equal number of vTv Units and Class B Common Stock for (i) shares of Class A Common Stock on a one-for-one basis or (ii) cash (based on the fair market value of the Class A Common Stock as determined pursuant to the Exchange Agreement), at the Company's option (as the managing member of vTv LLC), subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications. The exchange value is determined based on a 20-day volume weighted average price of the Class A Common Stock as defined in the Exchange Agreement, subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications.

The redeemable noncontrolling interest is recognized at the higher of (1) its initial fair value plus accumulated earnings/losses associated with the noncontrolling interest or (2) the redemption value as of the balance sheet date. At March 31, 2022 and December 31, 2021, the redeemable noncontrolling interest was recorded based on the redemption value as of the balance sheet date of \$14.4 million and \$25.0 million, respectively.

Changes in the Company's ownership interest in vTv LLC while the Company retains its controlling interest in vTv LLC are accounted for as equity transactions, and the Company is required to adjust noncontrolling interest and equity for such changes. The following is a summary of net income attributable to vTv Therapeutics Inc. and transfers to noncontrolling interest:

	<b>For the Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Net loss attributable to vTv Therapeutics Inc. common shareholders	\$ (7,007)	\$ (4,241)
Decrease/(Increase) in vTv Therapeutics Inc. accumulated deficit for purchase of LLC Units as a result of common stock issuances	2,432	(2,410)
Change from net loss attributable to vTv Therapeutics Inc. common shareholders and transfers to noncontrolling interest	<u>\$ (4,575)</u>	<u>\$ (6,651)</u>

#### Note 9: Stockholders' Equity

##### Amendment to Certificate of Incorporation

On May 4, 2021, the Company filed an amendment to its Amended and Restated Certificate of Incorporation (the "Charter Amendment") to increase the number of shares of Class A Common Stock that the Company is authorized to issue from 100,000,000 shares of Class A Common Stock to 200,000,000 shares of Class A Common Stock, representing an increase of 100,000,000 shares of authorized Class A Common Stock, with a corresponding increase in the total authorized Common Stock, which includes Class A Common Stock and Class B Common Stock, from 200,000,000 to 300,000,000, and a corresponding increase in the total authorized capital stock, which includes Common Stock and preferred stock, from 250,000,000 shares to 350,000,000 shares.

## ***ATM Offering***

In April 2020, the Company entered into the Sales Agreement with Cantor as the sales agent, pursuant to which the Company may offer and sell, from time to time, through Cantor, shares of its Class A Common Stock, par value \$0.01 per share, having an aggregate offering price of up to \$13.0 million by any method deemed to be an “at the market offering” as defined in Rule 415(a)(4) under the Securities Act (the “ATM Offering”). The shares are offered and sold pursuant to the Company’s shelf registration statement on Form S-3. In no event will we sell Class A Common Stock under this registration statement with a value exceeding more than one-third of the “public float” (the market value of our Class A common stock and any other equity securities that we may issue in the future that are held by non-affiliates) in any 12-calendar month period so long as our public float remains below \$75 million.

On January 14, 2021, and June 25, 2021, the Company filed a prospectus supplement in connection with the ATM Offering to increase the size of the at-the-market offering pursuant to which the Company may offer and sell, from time to time, through or to Cantor, as sales agent or principal, shares of the Company’s Class A Common Stock, by an aggregate offering price of \$5.5 million and \$50.0 million, respectively.

During the three months ended March 31, 2022, and 2021, the Company did not sell any shares under the ATM Offering.

## ***Lincoln Park Capital Transaction***

On November 24, 2020, the Company entered into the LPC Purchase Agreement and a registration rights agreement (the “Registration Rights Agreement”), pursuant to which the Company has the right to sell to Lincoln Park shares of the Company’s Class A Common Stock having an aggregate value of up to \$47.0 million, subject to certain limitations and conditions set forth in the LPC Purchase Agreement. The Company will control the timing and amount of any sales of shares to Lincoln Park, pursuant to the LPC Purchase Agreement. During the three months ended March 31, 2021, the Company sold 3,500,000 shares under the LPC Purchase Agreement for total proceeds of \$8.0 million.

During the three months March 31, 2022, the Company did not sell any shares under the LPC Purchase Agreement.

## **Note 10: Related-Party Transactions**

### ***MacAndrews & Forbes Incorporated***

As of March 31, 2022, subsidiaries and affiliates of MacAndrews & Forbes Incorporated (collectively “MacAndrews”) indirectly controlled 23,084,267 shares of the Company’s Class B Common Stock and 36,519,212 shares of the Company’s Class A Common Stock. As a result, MacAndrews’ holdings represent approximately 66.2% of the combined voting power of the Company’s outstanding common stock.

The Company has entered into several agreements with MacAndrews or its affiliates as further detailed below:

### ***Letter Agreements***

The Company has previously entered into the Letter Agreements with MacAndrews. Under the terms of the Letter Agreements, the Company has the right to sell to MacAndrews shares of its Class A Common Stock at a specified price per share, and MacAndrews has the right (exercisable up to three times) to require the Company to sell to it shares of Class A Common Stock at the same price. In addition, in connection with and as a commitment fee for the entrance into certain of these Letter Agreements, the Company also issued MacAndrews warrants (the “Letter Agreement Warrants”) to purchase additional shares of the Company’s Class A Common Stock.

The Letter Agreement Warrants have been recorded as warrant liability, related party within the Company’s Condensed Consolidated Balance Sheets based on their fair value. The issuance of the Letter Agreement Warrants was considered to be a cost of equity recorded as a reduction to additional paid-in capital.

### ***Exchange Agreement***

The Company and MacAndrews are party to an exchange agreement (the “Exchange Agreement”) pursuant to which the vTv Units (along with a corresponding number of shares of the Class B Common Stock) are exchangeable for (i) shares of the Company’s Class A Common Stock on a one-for-one basis or (ii) cash (based on the fair market value of the Class A Common Stock as determined pursuant to the Exchange Agreement), at the Company’s option (as the managing member of vTv LLC), subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications. Any decision to require an exchange for cash rather than shares of Class A Common Stock will ultimately be determined by the entire board of directors of vTv Therapeutics Inc. (the “Board of Directors”). As of March 31, 2022, MacAndrews had not exchanged any shares under the provisions of the Exchange Agreement.



### *Tax Receivable Agreement*

The Company and MacAndrews are party to a tax receivable agreement (the “Tax Receivable Agreement”), which provides for the payment by the Company to M&F TTP Holdings Two LLC (“M&F”), as successor in interest to vTv Therapeutics Holdings, LLC (“vTv Therapeutics Holdings”), and M&F TTP Holdings LLC (or certain of its transferees or other assignees) of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that the Company actually realizes (or, in some circumstances, the Company is deemed to realize) as a result of (a) the exchange of Class B Common Stock, together with the corresponding number of vTv Units, for shares of the Company’s Class A Common Stock (or for cash), (b) tax benefits related to imputed interest deemed to be paid by the Company as a result of the Tax Receivable Agreement and (c) certain tax benefits attributable to payments under the Tax Receivable Agreement.

As no shares have been exchanged by MacAndrews pursuant to the Exchange Agreement (discussed above), the Company has not recognized any liability nor has it made any payments pursuant to the Tax Receivable Agreement as of March 31, 2022.

### *Investor Rights Agreement*

The Company is party to an investor rights agreement with M&F, as successor in interest to vTv Therapeutics Holdings (the “Investor Rights Agreement”). The Investor Rights Agreement provides M&F with certain demand, shelf and piggyback registration rights with respect to its shares of Class A Common Stock and also provides M&F with certain governance rights, depending on the size of its holdings of Class A Common Stock. Under the Investor Rights Agreement, M&F was initially entitled to nominate a majority of the members of the Board of Directors and designate the members of the committees of the Board of Directors.

### **Note 11: Income Taxes**

The Company is subject to U.S. federal income taxes as well as state taxes. The Company’s income tax provision for the three months ended March 31, 2022, was \$0.2 million related to foreign withholding taxes. The Company’s income tax provision for the three months ended March 31, 2021, was a de minimis amount related to foreign withholding taxes.

Management has evaluated the positive and negative evidence surrounding the realization of its deferred tax assets, including the Company’s history of losses, and under the applicable accounting standards determined that it is more-likely-than-not that the deferred tax assets will not be realized. The difference between the effective tax rate of the Company and the U.S. statutory tax rate of 21% at March 31, 2022 is due to the valuation allowance against the Company’s expected net operating losses.

As discussed in Note 9, the Company is party to a tax receivable agreement with a related party which provides for the payment by the Company to M&F (or certain of its transferees or other assignees) of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that the Company actually realizes (or, in some circumstances, the Company is deemed to realize) as a result of certain transactions. As no transactions have occurred which would trigger a liability under this agreement, the Company has not recognized any liability related to this agreement as of March 31, 2022.

### **Note 12: Net Loss per Share**

Basic loss per share is computed by dividing net loss attributable to vTv Therapeutics Inc. by the weighted-average number of shares of Class A Common Stock outstanding during the period. Diluted loss per share is computed giving effect to all potentially dilutive shares. Diluted loss per share for all periods presented is the same as basic loss per share as the inclusion of potentially issuable shares would be antidilutive.

A reconciliation of the numerator and denominator used in the calculation of basic and diluted net loss per share of Class A Common Stock is as follows (in thousands, except share and per share amounts):

	<b>For the Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Numerator:</b>		
Net loss	\$ (9,424)	\$ (5,942)
Less: Net loss attributable to noncontrolling interests	(2,417)	(1,701)
Net loss attributable to common shareholders of vTv Therapeutics Inc., basic and diluted	(7,007)	(4,241)
<b>Denominator:</b>		
Weighted-average vTv Therapeutics Inc. Class A Common Stock, basic and diluted	66,942,777	56,472,535
Net loss per share of vTv Therapeutics Inc. Class A Common Stock, basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.08)</u>

Potentially dilutive securities not included in the calculation of diluted net loss per share are as follows:

	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Class B Common Stock (1)	23,093,860	23,093,860
Common stock options granted under the Plan	5,722,342	4,404,403
Common stock warrants	2,014,503	2,014,503
<b>Total</b>	<b>30,830,705</b>	<b>29,512,766</b>

- (1) Shares of Class B Common Stock do not share in the Company's earnings and are not participating securities. Accordingly, separate presentation of loss per share of Class B Common Stock under the two-class method has not been provided. Each share of Class B Common Stock (together with a corresponding vTv Unit) is exchangeable for one share of Class A Common Stock.

#### **Note 13: Fair Value of Financial Instruments**

The carrying amount of certain of the Company's financial instruments, including cash and cash equivalents, net accounts receivable, accounts payable, and other accrued liabilities, approximate fair value due to their short-term nature.

During the year ended December 31, 2021, Reneo completed its initial public offering. As a result, the fair value of the Company's investment in Reneo's common stock now has a readily determinable market value and is no longer eligible for the practical expedient for investments without readily determinable fair market values.

#### **Assets and Liabilities Measured at Fair Value on a Recurring Basis**

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. This determination requires significant judgments. The following table summarizes the conclusions reached regarding fair value measurements as of March 31, 2022, and December 31, 2021 (in thousands):

	<b>Balance at March 31, 2022</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets:</b>				
Equity securities with readily determinable fair value	\$ 1,694	\$ 1,694	\$ —	\$ —
<b>Total</b>	<b>\$ 1,694</b>	<b>\$ 1,694</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities:</b>				
Warrant liability, related party (1)	\$ 770			\$ 770
<b>Total</b>	<b>\$ 770</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 770</b>
	<b>Balance at December 31, 2021</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets:</b>				
Equity securities with readily determinable fair value	\$ 4,928	\$ 4,928	\$ —	\$ —
<b>Total</b>	<b>\$ 4,928</b>	<b>\$ 4,928</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities:</b>				
Warrant liability, related party (1)	\$ 1,262	\$ —	\$ —	\$ 1,262
<b>Total</b>	<b>\$ 1,262</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,262</b>

- (1) Fair value determined using the Black-Scholes option pricing model. Expected volatility is based on the historical volatility of the Company's common stock over the most recent period. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of valuation.

	Changes in Level 3 instruments for the three months ended March 31,				
	Balance at January 1	Net Change in fair value included in earnings	Purchases / Issuance	Sales / Repurchases	Balance at March 31,
<b>2022</b>					
Warrant liability, related party	\$ 1,262	\$ (492)	\$ —	\$ —	\$ 770
<b>Total</b>	<b>\$ 1,262</b>	<b>\$ (492)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 770</b>
<b>2021</b>					
Warrant liability, related party	\$ 2,871	\$ 1,648	\$ —	\$ —	\$ 4,519
<b>Total</b>	<b>\$ 2,871</b>	<b>\$ 1,648</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 4,519</b>

There were no transfers into or out of level 3 instruments and/or between level 1 and level 2 instruments during the three months ended March 31, 2022, and 2021, respectively. Gains and losses recognized due to the change in fair value of the warrant liability, related party are recognized as a component of other (expense) income, related party in the Condensed Consolidated Statements of Operations.

The fair value of the Letter Agreement Warrants was determined using the Black-Scholes option pricing model or option pricing models based on the Company's current capitalization. Expected volatility is based on the historical volatility of the Company's common stock over the most recent period. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of valuation. Significant inputs utilized in the valuation of the Letter Agreement Warrants as of March 31, 2022, and December 31, 2021, were:

	March 31, 2022		December 31, 2021	
	Range	Weighted Average	Range	Weighted Average
Expected volatility	83.73% - 135.37%	119.98%	82.68% - 142.86%	128.13%
Risk-free interest rate	2.40% - 2.44%	2.43%	0.95% - 1.26%	1.15%

The weighted average expected volatility and risk-free interest rate was based on the relative fair values of the warrants.

Changes in the unobservable inputs noted above would impact the amount of the liability for the Letter Agreement Warrants. Increases (decreases) in the estimates of the Company's annual volatility would increase (decrease) the liability and an increase (decrease) in the annual risk-free rate would increase (decrease) the liability.

#### Note 14: Subsequent Events

The Company evaluated subsequent events through May 12, 2022 and determined that there have been no events that have occurred that would require adjustments to our disclosures or the unaudited condensed consolidated financial statements.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

As used in this Quarterly Report on Form 10-Q, the "Company", the "Registrant", "we" or "us" refer to vTv Therapeutics Inc. and "vTv LLC" refers to vTv Therapeutics LLC. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and related notes that appear elsewhere in this report. In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, assumptions and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this report under "Part II, Other Information—Item 1A, Risk Factors." Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies and operations, financing plans, potential growth opportunities, potential market opportunities, potential results of our drug development efforts or trials, and the effects of competition. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions and the negatives of those terms. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our management's plans, estimates, assumptions and beliefs only as of the date of this report. Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

### Company Overview

We are a clinical-stage pharmaceutical company focused on treating metabolic and inflammatory diseases to minimize their long-term complications and improve the lives of patients. We have an innovative pipeline of first-in-class small molecule clinical and pre-clinical drug candidates. Our lead program is *TTP399*, an orally administered, small molecule, liver-selective glucokinase activator ("GKA") for the treatment of type 1 diabetes.






### Recent Developments


Based upon the positive results of our Simplici-T1 Study, we requested Breakthrough Therapy Designation ("BTD") with the FDA which was granted in April 2021. In October 2021, we began to implement a strategy to focus our efforts on the continued development of *TTP399* as a potential treatment for patients with type 1 diabetes ("T1D").

After several meetings with the FDA BTD-team, the Company is planning two pivotal, placebo-controlled clinical trials of *TTP399* in subjects with T1D. The studies will recruit a total of approximately 1000 patients and at least one of the studies will be one year of treatment. The FDA confirmed that the effect size of *TTP399* on events of hypoglycemia as demonstrated in the Phase 2 Simplici-T-1 Study is clinically meaningful and has agreed on the primary endpoint for the studies as the difference between placebo and *TTP399*-treated group in number of hypoglycemia events.

The results of the mechanistic study provided additional evidence to support the idea that treatment with *TTP399* will not increase the risk of diabetic ketoacidosis ("DKA") in patients with T1D. The data demonstrate that in contrast to agents such as SGLT2 inhibitors and GLP-1RAs, *TTP399* does not increase the risk of ketoacidosis when used as an adjunctive therapy to insulin in individuals with T1D. Moreover, these findings support prior studies that demonstrate that *TTP399* improves glucose control and reduces hypoglycemia and suggests a protective effect of *TTP399* against acidosis in people with T1D. Thus, accumulating data suggest that *TTP399* has robust potential as an adjunctive therapy for T1D. Full study results will be published in the Diabetes Obesity and Metabolism journal in conjunction with the 82nd American Diabetes Association Scientific Sessions on June 6th, 2022.

The following table summarizes our drug candidates, their partnership status and their respective stages of development:

PRODUCT	PRECLINICAL	PHASE I	PHASE II	PHASE III	PARTNERS
TTP399 GK activator	Type 1 Diabetes				
TTP273 Oral GLP-1R agonist	Cystic Fibrosis Related Diabetes				
	Type 2 Diabetes				
HPP737 PDE4 inhibitor	SAD/MAD Completed				
	Psoriasis				
	COPD *				
	Atopic Dermatitis				
HPP593 PPAR-δ activator	Primary Mitochondrial Myopathy				
Azeliragon RAGE antagonist	Pancreatic Cancer				
HPP971 Nrf2/Bach1 modulator	Renal Diseases				
HPP3033 Nrf2/Bach1 modulator	Undisclosed				
TTP-RA RAGE antagonist	T1D Prevention				



\* Chronic obstructive pulmonary disease

### Our Type 1 Diabetes Program – TTP399

The Company is planning two pivotal, placebo-controlled clinical trials of TTP399 in subjects with T1D and has engaged with the Food and Drug Administration (FDA) on the optimal clinical trial designs for these studies. The studies will recruit a total of approximately 1000 patients and at least one of the studies will be one year of treatment. The FDA and the company have agreed on the primary endpoint for the studies as the difference between placebo and TTP399-treated group in number of hypoglycemia events. These pivotal studies are expected to start in 3Q 2022.

In October 2021, we announced positive results of a mechanistic study of TTP399 in patients with T1D. The study demonstrated that patients with T1D taking TTP399 experienced no increase in ketone levels relative to placebo during a period of acute insulin withdrawal, indicating no increased risk of ketoacidosis. Consistent with previous clinical studies, improved fasting plasma glucose levels and fewer hypoglycemic events were observed in the TTP399 treated group during the week of treatment prior to the insulin withdrawal test. The U.S. Food and Drug Administration (“FDA”) has declined to approve SGLT2 inhibitors as an adjunctive therapy in T1D, with concerns over the potential risks of diabetic ketoacidosis (“DKA”) in focus. DKA can lead to hospitalization and, if untreated, death. In order to address these concerns, vTv, following the FDA’s recommendation, conducted this mechanistic study to demonstrate that treatment with TTP399, a liver-selective glucokinase activator, will not result in increased production of ketones, a precursor to ketoacidosis.

In April 2021, we announced that the FDA granted BTM for TTP399 as an adjunctive therapy to insulin for the treatment of T1D. This designation provides a sponsor with added support and the potential to expedite development and review timelines for a promising new investigational medicine.

### Holding Company Structure

vTv Therapeutics Inc. is a holding company, and its principal asset is a controlling equity interest in vTv Therapeutics LLC (“vTv LLC”), the principal operating subsidiary. We have determined that vTv LLC is a variable-interest entity (“VIE”) for accounting purposes and that vTv Therapeutics Inc. is the primary beneficiary of vTv LLC because (through its managing member interest in vTv LLC and the fact that the senior management of vTv Therapeutics Inc. is also the senior management of vTv LLC) it has the power to direct all of the activities of vTv LLC, which include those that most significantly impact vTv LLC’s economic performance. vTv Therapeutics Inc. has therefore consolidated vTv LLC’s results under the VIE accounting model in its consolidated financial statements.

## Financial Overview

### Revenue

To date, we have not generated any revenue from drug sales. Our revenue has been primarily derived from up-front proceeds, milestones and research fees under collaboration and license agreements.

In the future, we may generate revenue from a combination of product sales, license fees, milestone payments and royalties from the sales of products developed under licenses of our intellectual property. We expect that any revenue we generate will fluctuate from quarter to quarter as a result of the timing and amount of license fees, milestone and other payments, and the amount and timing of payments that we receive upon the sale of our products, to the extent any are successfully commercialized. If we fail to complete the development of our drug candidates in a timely manner or obtain regulatory approval for them, our ability to generate future revenue and our results of operations and financial position will be materially adversely affected.

### Research and Development Expenses

Since our inception, we have focused our resources on our research and development activities, including conducting preclinical studies and clinical trials, manufacturing development efforts and activities related to regulatory filings for our drug candidates. We recognize research and development expenses as they are incurred. Our direct research and development expenses consist primarily of external costs such as fees paid to investigators, consultants, central laboratories and clinical research organizations (“CRO(s)”) in connection with our clinical trials, and costs related to acquiring and manufacturing clinical trial materials. Our indirect research and development costs consist primarily of cash and share-based compensation costs, the cost of employee benefits and related overhead expenses for personnel in research and development functions. Since we typically use our employee and infrastructure resources across multiple research and development programs such costs are not allocated to the individual projects.

From our inception, including our predecessor companies, through March 31, 2022, we have incurred approximately \$603.2 million in research and development expenses.

Our research and development expenses by project for the three months ended March 31, 2022 and 2021 were as follows (in thousands):

	Three Months Ended March 31,	
	2022	2021
Direct research and development expense:		
<i>Azeliragon</i>	\$ 40	\$ 712
<i>TTP399</i>	2,496	268
<i>HPP737</i>	53	1,055
Other projects	13	76
Indirect research and development expense	531	992
Total research and development expense	<u>\$ 3,133</u>	<u>\$ 3,103</u>

We plan to continue to incur significant research and development expenses for the foreseeable future as we continue the development of *TTP399* and further advance the development of our other drug candidates, subject to the availability of additional funding.

The successful development of our clinical and preclinical drug candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing or costs of the efforts that will be necessary to complete the remainder of the development of any of our clinical or preclinical drug candidates or the period, if any, in which material net cash inflows from these drug candidates may commence. This is due to the numerous risks and uncertainties associated with the development of our drug candidates, including:

- the uncertainty of the scope, rate of progress and expense of our ongoing, as well as any additional, clinical trials and other research and development activities;
- the potential benefits of our candidates over other therapies;
- our ability to market, commercialize and achieve market acceptance for any of our drug candidates that we are developing or may develop in the future;
- future clinical trial results;
- our ability to enroll patients in our clinical trials;

- the timing and receipt of any regulatory approvals; and
- the filing, prosecuting, defending and enforcing of patent claims and other intellectual property rights, and the expense of doing so.

A change in the outcome of any of these variables with respect to the development of a drug candidate could mean a significant change in the costs and timing associated with the development of that drug candidate. For example, if the FDA or another regulatory authority were to require us to conduct clinical trials beyond those that we currently anticipate will be required for the completion of clinical development of a drug candidate, or if we experience significant delays in enrollment in any of our clinical trials, we could be required to expend significant additional financial resources and time with respect to the development of that drug candidate.

### **General and Administrative Expenses**

General and administrative expenses consist primarily of salaries, benefits and related costs for employees in executive, finance, corporate development, human resources and administrative support functions. Other significant general and administrative expenses include accounting and legal services, expenses associated with obtaining and maintaining patents, cost of various consultants, occupancy costs and information systems.

### **Interest Expense**

The Company's interest expense is immaterial.

### **Other Income (Expense), Net**

Other income/expense primarily consists of unrealized gains or losses attributable to the changes in fair value of the equity investments held in our licensees as well the recognition of changes in fair value of the warrants to purchase shares of our Class A common stock held by a related party.

## **Results of Operations**

### **Comparison of the three months ended March 31, 2022, and 2021**

The following table sets forth certain information concerning our results of operations for the periods shown:

(dollars in thousands)	Three Months Ended March 31,		
Statement of operations data:	2022	2021	Change
Revenue	\$ 2,000	\$ 987	\$ 1,013
Operating expenses:			
Research and development	3,133	3,103	30
General and administrative	5,348	2,164	3,184
Total operating expenses	8,481	5,267	3,214
Operating loss	(6,481)	(4,280)	(2,201)
Interest income	—	1	(1)
Interest expense	(1)	—	(1)
Other expense, net	(2,742)	(1,648)	(1,094)
Loss before income taxes	(9,224)	(5,927)	(3,297)
Income tax provision	200	15	185
Net loss before noncontrolling interest	(9,424)	(5,942)	(3,482)
Less: net loss attributable to noncontrolling interest	(2,417)	(1,701)	(716)
Net loss attributable to vTv Therapeutics Inc.	<u>\$ (7,007)</u>	<u>\$ (4,241)</u>	<u>\$ (2,766)</u>

## **Revenue**

Revenue for the three months ended March 31, 2022 includes a \$2.0 million increase to the transaction price for the license performance obligations under the amended license agreement with Huadong due to the satisfaction of a development milestone. Revenue for the three months ended March 31, 2021 relates to the reallocation of revenue to the license and technology transfer performance obligation made in connection with the First Huadong Amendment.

## **Research and Development Expenses**

Research and development expenses were \$3.1 million for the three months ended March 31, 2022, and 2021. The change in research and development expenses was consistent period over period. Research and development expenses for the three months ended March 31, 2022 compared to the same period in 2021 was primarily driven by i) a decrease in clinical trial costs of \$0.7 million for *azeliragon* which was mainly driven by discontinuance of its development as a potential treatment of Alzheimer's disease in patients with type 2 diabetes, ii) decreased spending of \$1.0 million related to the multiple ascending dose study for *HPP737*, iii) decreases in other projects and indirect costs of \$0.5 million offset by iii) higher spending on *TTP399* of \$2.2 million.

## **General and Administrative Expenses**

General and administrative expenses were \$5.3 million and \$2.2 million for the three months ended March 31, 2022, and 2021, respectively. The increase in general and administrative expenses during this period of \$3.2 million or 147.1%, was primarily driven by i) increases of \$2.3 million in legal expense, ii) increases of \$0.8 million in severance costs, iii) increases of \$0.4 million other general and administrative costs, offset by iv) decreases in payroll costs of \$0.3 million due to the reduction in workforce in connection with the Company's restructuring plan that occurred in December 2021.

## **Interest Expense**

Interest expense for the three months ended March 31, 2022, and 2021, was insignificant.

## **Other Expense**

Other expense was \$2.7 million for the three months ended March 31, 2022, and was driven by an unrealized loss related to our investment in Reneo as well as the gains related to a reduction in the fair value of the outstanding warrants to purchase shares of our own stock issued to a related party ("Related Party Warrants"). Other expense was \$1.6 million for the three months ended March 31, 2021, and is driven by gains related to a reduction in fair value of the Related Party Warrants.

## **Liquidity and Capital Resources**

### **Liquidity and Going Concern**

As of March 31, 2022, we have an accumulated deficit of \$247.7 million as well as a history of negative cash flows from operating activities. We anticipate that we will continue to incur losses for the foreseeable future as we continue our clinical trials. Further, we expect that we will need additional capital to continue to fund our operations. As of March 31, 2022, our liquidity sources included cash and cash equivalents of \$12.1 million. In addition to available cash and cash equivalents discussed above, we are actively seeking to raise capital through licensing *TTP399* in regions outside of North America and Europe and are also actively seeking licensing deals for *HPP737* and other assets. Additionally, we are evaluating several financing strategies to fund the on-going and future clinical trials of *TTP399*, including direct equity investments. The timing and availability of such financing are not yet known. We are currently in active discussions with respect to financing, partnering and licensing transactions for the further development of *TTP399*, but we may not be successful in completing such transactions.

Based on our current operating plan, we may use the remaining availability of \$37.3 million under our Controlled Equity Offering<sup>SM</sup> Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. ("Cantor Fitzgerald") pursuant to which we could offer and sell, from time to time shares of our Class A Common Stock (the "ATM Offering") and our ability to sell approximately 9.4 million shares of Class A Common Stock to Lincoln Park Capital Fund, LLC ("Lincoln Park") pursuant and subject to the limitations of the purchase agreement (the "LPC Purchase Agreement"). However, the ability to use these sources of capital is dependent on a number of factors, including the prevailing market price of and the volume of trading in our Class A Common Stock. These factors raise substantial doubt about our ability to continue as a going concern.



## ATM Offering

We have entered into the Sales Agreement with Cantor Fitzgerald pursuant to which we may offer and sell, from time to time, through or to Cantor Fitzgerald, as sales agent or principal, shares of our Class A Common Stock having an aggregate offering price of up to \$68.5 million. We are not obligated to sell any shares under the Sales Agreement. Under the terms of the Sales Agreement, we will pay Cantor Fitzgerald a commission of up to 3% of the aggregate proceeds from the sale of shares and reimburse certain legal fees or other disbursements. As of March 31, 2022, we have sold \$31.2 million worth of Class A Common Stock under the ATM Offering for net proceeds of \$30.3 million, leaving \$37.3 million available to be sold. The shares are offered and sold pursuant to the Company's shelf registration statement on Form S-3. In no event will we sell Class A Common Stock under this registration statement with a value exceeding more than one-third of the "public float" (the market value of our Class A Common Stock and any other equity securities that we may issue in the future that are held by non-affiliates) in any 12-calendar month period so long as our public float remains below \$75 million.

## Lincoln Park Purchase Agreement

We have entered into the LPC Purchase Agreement, pursuant to which we have the right to sell to Lincoln Park shares of the Company's Class A Common Stock having an aggregate value of up to \$47.0 million. As of March 31, 2022, we have issued 5,331,306 of these shares for gross proceeds of approximately \$11.1 million, leaving \$35.9 million available to be sold.

Over the 36-month term of the LPC Purchase Agreement, we have the right, but not the obligation, from time to time, in our sole discretion, to direct Lincoln Park to purchase up to 250,000 shares per day (the "Regular Purchase Share Limit") of the Class A Common Stock (each such purchase, a "Regular Purchase"). The Regular Purchase Share Limit will increase to 275,000 shares per day if the closing price of the Class A Common Stock on the applicable purchase date is not below \$4.00 per share and will further increase to 300,000 shares per day if the closing price of the Class A Common Stock on the applicable purchase date is not below \$5.00 per share. In any case, Lincoln Park's maximum obligation under any single Regular Purchase will not exceed \$2,000,000. The purchase price for shares of Class A Common Stock to be purchased by Lincoln Park under a Regular Purchase will be equal to the lower of (in each case, subject to the adjustments described in the LPC Purchase Agreement): (i) the lowest sale price for the Class A Common Stock on the applicable purchase date and (ii) the arithmetic average of the three lowest closing sales prices for the Class A Common Stock during the 10 consecutive trading days prior to the purchase date.

If we direct Lincoln Park to purchase the maximum number of shares of Class A Common Stock that we may sell in a Regular Purchase, then in addition to such Regular Purchase, and subject to certain conditions and limitations in the LPC Purchase Agreement, we may direct Lincoln Park to make an "accelerated purchase" and an "additional accelerated purchase", each of an additional number of shares of Class A Common Stock which may not exceed the lesser of: (i) 300% of the number of shares purchased pursuant to the corresponding Regular Purchase and (ii) 30% of the total number of shares of the Common Stock traded during a specified period on the applicable purchase date as set forth in the LPC Purchase Agreement. The purchase price for such shares will be the lesser of (i) 97% of the volume weighted average price of the Class A Common Stock over a certain portion of the date of sale as set forth in the LPC Purchase Agreement and (ii) the closing sale price of the Class A Common Stock on the date of sale (an "Accelerated Purchase"). Under certain circumstances and in accordance with the LPC Purchase Agreement, we may direct Lincoln Park to purchase shares in multiple Accelerated Purchases on the same trading day.

The LPC Purchase Agreement also prohibits us from directing Lincoln Park to purchase any shares of its Class A Common Stock if those shares, when aggregated with all other shares of Class A Common Stock then beneficially owned by Lincoln Park and its affiliates, would result in Lincoln Park and its affiliates having beneficial ownership, at any single point in time, of more than 9.99% of the then total outstanding shares of Class A Common Stock as calculated pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended, and Rule 13d-3 thereunder.

## Cash Flows

	Three Months Ended	
	March 31,	
	2022	2021
(dollars in thousands)		
Net cash used in operating activities	\$ (1,021)	\$ (5,299)
Net cash (used in) provided by financing activities	(256)	8,001
Net (decrease) increase in cash and cash equivalents	<u>\$ (1,277)</u>	<u>\$ 2,702</u>

### *Operating Activities*

For the three months ended March 31, 2022, our net cash used in operating activities decreased \$4.3 million from the three months ended March 31, 2021. The significant contributor to the change in cash used during the year was driven by working capital changes.

### *Investing Activities*

There were no cash flows from investing activities for the three months ended March 31, 2022, or 2021.

### *Financing Activities*

For the three months ended March 31, 2022, net cash provided by financing activities decreased by \$7.7 million from the three months ended March 31, 2021, driven by sales of shares of our Class A Common Stock during the three months ended March 31, 2021.

### **Future Funding Requirements**

To date, we have not generated any revenue from drug product sales. We do not know when, or if, we will generate any revenue from drug product sales. We do not expect to generate revenue from drug sales unless and until we obtain regulatory approval of and commercialize any of our drug candidates. At the same time, we expect our expenses to continue or to increase in connection with our ongoing development activities, particularly as we continue the research, development and clinical trials of, and seek regulatory approval for, our drug candidates. In addition, subject to obtaining regulatory approval of any of our drug candidates, we expect to incur significant commercialization expenses for product sales, marketing, manufacturing and distribution. We anticipate that we will need substantial additional funding in connection with our continuing operations.

We plan to finance our operations into the fourth quarter of 2022 through the use of our cash and cash equivalents and based on current operating plans, we are actively seeking to raise additional capital through licensing *TTP399* in regions outside of North America and Europe and are also actively seeking licensing deals for *HPP737* and other assets. Additionally, we are evaluating several financing strategies to fund the on-going and future clinical trials of *TTP399*, including direct equity investments. The timing of any such transactions is not certain, and we may not be able to complete such transactions on acceptable terms, or at all. Even if we are able to complete such transactions, it may contain restrictions on our operations or cause substantial dilution to our stockholders. We have based our estimates on assumptions that may prove to be wrong, and we may use our available capital resources sooner than we currently expect. We have based our estimates on assumptions that may prove to be wrong, and we may use our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with the development and commercialization of our drug candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures necessary to complete the development of our drug candidates. Additionally, we may rely on our ability to sell shares of our Class A Common Stock pursuant to the ATM Offering and LPC Purchase Agreement. However, the ability to use these sources of capital is dependent on a number of factors, including the prevailing market price of and the volume of trading in the Company's Class A Common Stock, and we may use our available capital resources sooner than we currently expect.

Our future capital requirements will depend on many factors, including:

- The progress, costs, results and timing of our planned trials to evaluate *TTP399* as a potential treatment of T1D;
- the willingness of the FDA to rely upon our completed and planned clinical and preclinical studies and other work, as the basis for review and approval of our drug candidates;
- the outcome, costs and timing of seeking and obtaining FDA and any other regulatory approvals;
- the number and characteristics of drug candidates that we pursue, including our drug candidates in preclinical development;
- the ability of our drug candidates to progress through clinical development successfully;
- our need to expand our research and development activities;
- the costs associated with securing, establishing and maintaining commercialization capabilities;
- the costs of acquiring, licensing or investing in businesses, products, drug candidates and technologies;

- our ability to maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the licensing, filing, prosecution, defense and enforcement of any patents or other intellectual property rights;
- our need and ability to hire additional management and scientific and medical personnel;
- the effect of competing technological and market developments;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems;
- the economic and other terms, timing and success of our existing licensing arrangements and any collaboration, licensing or other arrangements into which we may enter in the future;
- the amount of any payments we are required to make to M&F TTP Holdings Two LLC in the future under the Tax Receivable Agreement; and
- the impact and duration of the COVID-19 outbreak / pandemic.

Until such time, if ever, as we can generate substantial revenue from drug sales, we expect to finance our cash needs through a combination of equity offerings, debt financings, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements. We do not currently have any committed external source of funds other than those available through the ATM Offering and LPC Purchase Agreement. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interests of our common stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants that will further limit or restrict our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may be required to relinquish valuable rights to our technologies, future revenue streams or drug candidates or grant licenses on terms that may not be favorable to us. If we are unable to obtain additional funding, we could be forced to delay, reduce or eliminate our research and development programs or commercialization efforts, or pursue one or more alternative strategies, such as restructuring, any of which could adversely affect our business prospects.

#### **Off-Balance Sheet Arrangements**

As of March 31, 2022, we did not have outstanding any off-balance sheet arrangements as defined under SEC rules.

#### **Discussion of Critical Accounting Policies**

For a discussion of our critical accounting policies and estimates, please refer to Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2021. There have been no material changes to our critical accounting policies and estimates in 2022.

#### **Forward-Looking Statements**

This quarterly report includes certain forward-looking statements within the meaning of the federal securities laws regarding, among other things, our management’s intentions, plans, beliefs, expectations or predictions of future events, which are considered forward-looking statements. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as “may,” “will,” “should,” “believe,” “expect,” “outlook”, “anticipate,” “intend,” “plan,” “estimate” or similar expressions. These statements are based upon assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors that we believe are appropriate under the circumstances. As you read this quarterly report, you should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions, including those described under the heading “Risk Factors” under Item 1A of Part I in our Annual Report on Form 10-K and under Item 1A of Part II of this Quarterly Report on Form 10-Q. Although we believe that these forward-looking statements are based upon reasonable assumptions, you should be aware that many factors, including those described under the heading “Risk Factors” under Item 1A of Part I in our Annual Report on Form 10-K and under Item 1A of Part II of this Quarterly Report on Form 10-Q, could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements.

Our forward-looking statements made herein are made only as of the date of this quarterly report. We expressly disclaim any intent, obligation or undertaking to update or revise any forward-looking statements made herein to reflect any change in our

expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in this quarterly report.

### **Effect of Recent Accounting Pronouncements**

See discussion of recent accounting pronouncements in Note 2, "Summary of Significant Accounting Policies", to the Condensed Consolidated Financial Statements in this Form 10-Q.

## **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

### **Interest Rate Risk**

We do not currently have any material interest rate exposure.

### **Market Risk**

Our exposure to market risk is limited to our cash and cash equivalents, all of which have maturities of one year or less. The goals of our investment strategy are preservation of capital, fulfillment of liquidity needs and fiduciary control of cash and investments. We also seek to maximize income from our investments without assuming significant risk. To achieve our goals, we maintain a portfolio of cash equivalents in a financial institution that management believes to be of high credit quality. Because of the short-term maturities of our investments, we do not believe that an increase in market rates would have a material negative impact on the value of our investment portfolio.

### **Foreign Currency Risk**

We do not have any material foreign currency exposure.

## **ITEM 4. CONTROLS AND PROCEDURES**

### **Evaluation of Disclosure Controls and Procedures**

Under the supervision and with the participation of our Interim Chief Executive Officer and Chief Accounting Officer, management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934) as of March 31, 2022. Based upon that evaluation, our Interim Chief Executive Officer and Chief Accounting Officer concluded that, as of March 31, 2022, our disclosure controls and procedures were effective in causing material information relating to us (including our consolidated subsidiaries) to be recorded, processed, summarized and reported by management on a timely basis and to ensure the quality and timeliness of our public disclosures pursuant to SEC disclosure obligations.

Our management, including our Interim Chief Executive Officer and Chief Accounting Officer, does not expect that our disclosure controls and procedures will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, with the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error and mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of controls.

The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, a control may become inadequate because of changes in conditions or because the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

### **Changes to Internal Control over Financial Reporting**

There have been no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **Website Availability of Reports and other Corporate Governance Information**

The Company maintains a comprehensive corporate governance program, including Corporate Governance Guidelines for its Board of Directors, Board Guidelines for Assessing Director Independence and charters for its Audit Committee, Nominating and Corporate Governance Committee and Compensation Committee. The Company maintains a corporate investor relations website, [www.vtvtherapeutics.com](http://www.vtvtherapeutics.com), where stockholders and other interested persons may review, without charge, among other things, corporate governance materials and certain SEC filings, which are generally available on the same business day as the filing date with the SEC on the SEC's website <http://www.sec.gov>. The contents of our website are not made a part of this Quarterly Report on Form 10-Q.

## **PART II – OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

We are not currently a party to any material legal proceedings.

### **ITEM 1A. RISK FACTORS**

Our risk factors are set forth under the heading “Risk Factors” under Item 1A of Part I in our Annual Report on Form 10-K for the year ended December 31, 2021. There have been no material changes to our risk factors from those previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2021.

### **ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

There were no sales of unregistered equity securities during the three months ended March 31, 2022.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

### **ITEM 4. MINE SAFETY DISCLOSURES**

None.

### **ITEM 5. OTHER INFORMATION**

None.

**ITEM 6. EXHIBITS**

<b>Exhibit Number</b>	<b>Description</b>
10.1*	<a href="#">Deepa Prasad Separation Agreement</a>
10.2*	<a href="#">Richard S. Nelson Employment Agreement</a>
31.1*	<a href="#">Certification of Interim President and Chief Executive Officer required by Rule 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2*	<a href="#">Certification of Chief Accounting Officer required by Rule 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1*	<a href="#">Certification of Interim President and Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2*	<a href="#">Certification of Chief Accounting Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

†† Confidential treatment received with respect to portions of this exhibit.

\* Filed herewith

**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.

Date: May 12, 2022

VTV THERAPEUTICS INC.  
(Registrant)

By: /s/ Richard S. Nelson  
Richard S. Nelson  
Interim Chief Executive Officer

By: /s/ Barry Brown  
Barry Brown  
Chief Accounting Officer

**SEPARATION AGREEMENT AND GENERAL RELEASE**

vTv Therapeutics LLC (the "Company") and Deepa Prasad, her heirs, executors, administrators, successors, and assigns (collectively referred to throughout this Agreement as "Executive"), enter into this Separation Agreement and Mutual Release (the "Agreement"), and agree that:

WHEREAS, Executive has notified the Company of her intention to resign from her employment and her positions as President, Chief Executive Officer and Member of the Board of Directors; and

WHEREAS, the parties are entering into this Agreement to confirm the terms applicable to Executive's separation from the Company and Executive's role in the transition of her responsibilities, and for the purposes of resolving or avoiding any potential disputes between them;

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

1. **Resignation.** Executive hereby confirms that she is resigning from her employment with the Company, and from any positions she currently holds, including the positions of President, Chief Executive Officer and Director, effective as of the earlier of the execution of definitive transaction documents for the "G Transaction" or March 29, 2022 (the "Effective Date").

2. **Strategic Advisor Role.** Commencing upon the Effective Date and for a period of up to six (6) months, subject to earlier termination of the role at the discretion of the Board of Directors, Executive shall serve as a Strategic Advisor to the Company's Board of Directors and Chief Executive Officer, or the Acting or Interim Chief Executive Officer (the "CEO"). During the time that she is serving as a Strategic Advisor, Executive shall be a consultant, but not an employee or officer of the Company, and in that capacity, she will continue to assist in the transition of her responsibilities at the written request of the CEO. It is anticipated that such services as a Strategic Advisor shall not exceed 19.9% of Executive's time. Executive agrees that the severance compensation to be paid to her under Paragraph 4(a) below is sufficient and adequate compensation for the consulting services to be provided by her as a Strategic Advisor, and that she will not be entitled to any additional compensation for such services, nor will she be entitled to participate in the Company's employee benefit plans except as stated herein. It is agreed by Executive and the Company that the failure by Executive to perform the services requested in her Strategic Advisor role will constitute a breach of this Agreement, but will not be a basis for the reduction of the compensation payable to her under Paragraph 4(a) below. Early termination of Executive's Strategic Advisor role by the Company will not be a breach of this agreement, nor will it result in the reduction of the compensation payable to Executive under Paragraph 4(a) of this Agreement.



3. **Post-Employment Covenants and Return of Property.**

Except as otherwise set forth in this Paragraph 3, Executive acknowledges that she continues to be bound by the confidentiality, non-competition, non-disparagement, cooperation and non-solicitation provisions of the employment agreement between Executive, the Company and vTv Therapeutics, Inc. dated October 19, 2021 (the "Employment Agreement"), which will remain in effect in accordance with their terms, provided, however, that (i) the non-solicitation provision set forth in the Employment Agreement shall be amended such that the "NS Restricted Period" shall be reduced to one (1) year; and (ii) the non-competition provision set forth in the Employment Agreement shall be amended so that the "NC Restricted Period" shall be reduced to one (1) year, and the term "Competing Business" shall mean and refer solely to any business that engages in the development of drugs to Treat Type 1 or Type 2 diabetes, or that engages in the development of drugs that would compete with HPP 737. Executive agrees that she will continue to take all reasonable steps to assist in protecting the Company's confidential information from improper disclosure. Executive agrees not to disclose any information regarding the underlying facts leading up to or the existence or substance of this Agreement, except to her spouse, tax or other advisors, and/or attorneys.

Executive affirms that she has returned or will return all of the Company's property, documents, and/or any confidential information in Employee's possession or control other than information relating to her compensation and benefits and any written agreements setting forth the terms of her employment or her participation in any benefit or equity plans sponsored or maintained by the Company, provided, however, that Executive shall, for the period in which she serves as a Strategic Advisor, be provided a Company email address and device for her use solely to the extent necessary to communicate with the Company. Executive acknowledges that if she discovers in her possession any property belonging to the Company, documents or materials that relate to the Company or to its business with any of its products, research, experiments, clients or customers, she will notify the Company immediately and immediately deliver such property, documents and materials to Human Resources at vTv Therapeutics LLC, 3980 Premier Drive, Suite 310, High Point, NC 27265.

The confidentiality agreements and obligations contained in this paragraph are in addition to any other confidentiality obligations established by the statutes and common law of Delaware, as well as the provisions set out in any other prior confidentiality agreement between Executive and the Company, including those contained in the Employment Agreement.

4. **Consideration.** The Company agrees to provide to Executive the following severance benefits and consideration in exchange for the release and other obligations undertaken by Executive herein:

- a. As a severance benefit and as compensation for any consulting services to be provided by Executive under Paragraph 2 of this Agreement, the Company will continue to pay Executive her base salary for a period of fifteen (15) months following the Effective Date, at the rate in effect as of the date of this Agreement. These payments will be made in regular payroll installments and will be subject to applicable taxes and withholdings required by law or authorized by Executive.

- b. The Company will reimburse the Executive for the cost of her group health plan benefits premiums under the Company's plan for the 12-month period following the date of termination, provided that Executive elects to receive and qualifies for such benefits under COBRA. To receive reimbursement, Executive must submit to Company on a monthly basis copies of the premium invoice from the COBRA administrator and proof of timely payment of premium and continuation of benefits.
- c. Executive will receive a Cash Bonus in the gross amount of Three Hundred Twenty-Five Thousand Dollars (\$325,000), less applicable taxes and withholdings, to be paid in two equal installments. The first installment in the gross amount of One Hundred Sixty-Two Thousand, Five Hundred Dollars (\$162,500) will be payable within ten (10) days of the execution of this Agreement. The second installment in the gross amount of One Hundred Sixty-Two Thousand, Five Hundred Dollars (\$162,500) will be paid within ten (10) days of the earlier of the execution of definitive transaction documents for the "G Transaction" or September 29, 2022.
- d. The Company and Executive acknowledge and agree that Executive was previously granted **2,498,635** stock options to acquire shares of Class A Common stock of the Company pursuant to a stock option agreement dated as of October 19, 2021 (the "Option Agreement"). Sections 2 and 3 of the Option Agreement (including Exhibit A) are hereby deleted in their entirety, and Executive shall have no rights or entitlements under those deleted Sections. Notwithstanding anything in the Option Agreement to the contrary, as of the date of the execution of this Agreement, 75% of such stock options (**1,873,976**) are cancelled and forfeited in their entirety. The remaining 25% of the stock options (**624,659**) (the "Continuing Options") are currently unvested, but will vest and become exercisable at the end of fifteen months after the Effective Date, subject to and conditioned upon Executive's continued compliance with her obligations under Paragraph 10 of this Agreement. If Executive breaches her obligations under Paragraph 10 of this Agreement, then the Continuing Options shall be cancelled and forfeited in their entirety without payment or right to further vesting. The Continuing Options, to the extent vested and not yet exercised (unless canceled and forfeited as a result of Executive's breach of Paragraph 10 of this Agreement) shall be exercisable until October 19, 2031, or such earlier date upon the occurrence of a Change in Control (as defined in the Company's 2015 Omnibus Equity Plan, as amended).

5. **Benefits.** Employee's participation in each and all of the Company's employee benefit plans and programs shall cease as of the Effective Date (or such earlier date if required under the terms of the plan), and she shall not be entitled to any further benefits or coverages under any such employee benefit plans, except that Executive's medical, dental and vision insurances under the Company's plan will continue through the 12-month period following the Effective Date, contingent upon Executive making timely premium payments and maintaining eligibility for continuation of benefits as set forth in Paragraph 4(b) above.

Executive will receive from the health benefits plan administrator a notice of her opportunities to continue to participate in each of the Company's medical, dental, and vision insurance, and any other benefits through the provisions of COBRA. Executive may elect to continue her health

insurance or other applicable coverages in accordance with the provisions of that notice. If Executive elects to continue to participate in any such benefits through the COBRA continuation rights afforded under any of the applicable benefit plans, she must timely complete any election forms and timely make any required premium payments and otherwise comply with the terms of such benefit plans. Executive shall have no continuation rights to participate in the Company's medical benefit plans except as set forth in the applicable COBRA notices.

6. **Compensation.** Executive will be paid all compensation, wages, bonuses, commissions, vacation, earned unused PTO, and/or benefits which she earned through the Effective Date, to be paid on the normal payroll date at her regular prorated salary rate, subject to applicable taxes and withholdings. Executive acknowledges and agrees that, except as stated herein, she is not entitled to any bonuses, whether in cash or equity, or any additional equity awards or options to acquire the stock of vTv.

7. **Indemnification.** Executive will be entitled to Indemnification for her actions and service as an Officer and Director of the Company in accordance with the Indemnification Agreement attached as Exhibit A, which the parties will sign contemporaneously with the execution of this Agreement, and which is incorporated by reference herein. Executive will also be entitled to indemnification on the same terms and under the same conditions as set forth in Exhibit A in connection with any services that she provides as a Strategic Advisor in response to written requests from the CEO.

8. **General Release of All Claims.** The parties incorporate by reference herein the Mutual Release that is attached hereto as Exhibit B, which they will sign contemporaneously with the execution of this Agreement. The parties acknowledge and agree that the Mutual Release does not apply to any claims which by law cannot be waived in a private agreement between an employer and employee. Moreover, the Mutual Release does not prohibit Executive from filing a charge of discrimination with the Equal Employment Opportunity Commission (the "EEOC") or equivalent state agency in Executive's state or participating in an EEOC or state agency investigation, nor does it restrict the Company from defending against any such claims, charges or proceedings, including by presenting evidence as to matters that are otherwise subject to the release. Executive agrees to waive her right to monetary or other recovery should any claim be pursued with the EEOC, state agency, or any other federal, state or local administrative agency on Executive's behalf arising out of or related to Executive's employment with and/or separation from the Company.

9. **Acknowledgments and Affirmations.** Executive affirms that she has not filed, caused to be filed, or presently is a party to any claim or administrative proceeding against the Company. Executive also affirms that she has not divulged any proprietary or confidential information of the Company in violation of her Employment Agreement.

10. **Non-Disparagement.** Executive agrees that she will not make any derogatory or disparaging remarks about the Company or its majority shareholder, MacAndrews & Forbes Incorporated, or any of its or their management, employees, consultants, officers, directors or affiliates, nor will she make derogatory or disparaging remarks about the Company's products or business. Executive further agrees that she will not make any announcements, press

releases, or demonstrations regarding the Company. Similarly, the Company's CEO and Board of Directors agree that they will not make any derogatory or disparaging remarks about Executive. The parties agree that the Company will issue a press release in the form attached hereto as Exhibit C announcing Executive's resignation. Nothing herein shall prevent the parties from testifying or providing information to the government in connection with any legal proceeding or governmental investigation, or from responding to a subpoena or governmental request for information.

11. **Protected Rights.** Notwithstanding any other provision in this Agreement or any other agreement that Executive may have entered with the Company (collectively, the "Agreements"), nothing contained in any of the Agreements (i) prohibit Executive or the Company from reporting to the staff of the Securities and Exchange Commission (the "SEC") possible violations of any law or regulation of the SEC, (ii) prohibit Executive from making other disclosures to the staff of the SEC that are protected under the whistleblower provisions of any federal securities laws or regulations or (iii) limit Executive's right to receive an award for information provided to the SEC staff in accordance with the foregoing. Executive does not need the prior authorizations of the Company to make such reports, communications or disclosures, and is not required to notify the Company if she makes any such reports, communications or disclosures.

12. **Governing Law; Dispute Resolution; Remedies.**

- a. It is the intent of the parties hereto that all questions with respect to the construction of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof that would call for the application of the substantive law of any jurisdiction other than the State of Delaware.
- b. Each party irrevocably agrees for the exclusive benefit of the other that any and all suits, actions or proceedings relating to this Agreement (a "Proceeding") shall be maintained in either the courts of the State of Delaware or the federal District Courts sitting in Wilmington, Delaware (collectively, the "Chosen Courts") and that the Chosen Courts shall have exclusive jurisdiction to hear and determine or settle any such Proceeding and that any such Proceedings shall only be brought in the Chosen Courts. Each party irrevocably waives any objection that it may have now or hereafter to the laying of the venue of any Proceedings in the Chosen Courts and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceeding brought in the Chosen Courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.
- c. Each of the parties hereto agrees that this Agreement involves at least \$100,000 and that this Agreement has been entered into in express reliance on Section 2708 of Title 6 of the Delaware Code. Each of the

parties hereto irrevocably and unconditionally agrees that (i) to the extent such party is not otherwise subject to service of process in the State of Delaware, it will appoint (and maintain an agreement with respect to) an agent in the State of Delaware as such party's agent for acceptance of legal process and notify the other parties hereto of the name and address of said agent, (ii) service of process may also be made on such party by pre-paid certified mail with a validated proof of mailing receipt constituting evidence of valid service sent to such party at the address set forth in Section 15 of the Employment Agreement, as such address may be changed from time to time pursuant hereto, and (iii) service made pursuant to clause (i) or (ii) above shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

- d. **JURY TRIAL WAIVER.** TO THE EXTENT PERMISSIBLE BY LAW AND APPLICABLE PUBLIC POLICY, THE PARTIES EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL IN THE EVENT ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT WITH THE COMPANY IS LITIGATED OR HEARD IN ANY COURT.

13. **Non-admission of Wrongdoing.** The parties agree that neither this Agreement nor the furnishing of the consideration for this Agreement shall be deemed or construed at any time for any purpose as an admission of wrongdoing or evidence of any liability or unlawful conduct of any kind.

14. **Amendment.** This Agreement may not be modified, altered or changed except in writing and signed by both parties wherein specific reference is made to this Agreement.

15. **Representation by Counsel.** Prior to her execution of this Agreement, Executive was advised by the Company of her right to seek independent advice from an attorney of her own selection regarding this Agreement. Executive acknowledges that she has entered into this Agreement knowingly and voluntarily and with full knowledge and understanding of the provisions of this Agreement after being given the opportunity to consult with counsel and has in fact consulted with counsel. Executive further represents that in entering into this Agreement, she is not relying on any statements or representations made by any of the Company's directors, officers, employees or agents which are not expressly set forth herein, and that Executive is relying only upon her own judgment and any advice provided by Executive's attorney. Executive acknowledge and agrees that she was represented by counsel and expressly agrees to all the provisions in this Agreement, including, without limitation, the governing law, venue and forum provisions.

16. **Entire Agreement.** This Agreement, together with the attachments hereto, sets forth the entire agreement between the parties hereto, and fully supersedes any prior agreements or understandings between the parties, except the provisions of the Employment

Agreement previously executed by Executive and incorporated herein by reference on the terms set forth herein. Executive acknowledges that she has not relied on any representations, promises, or agreements of any kind made to her in connection with her decision to accept this Agreement, except for those set forth in this Agreement. Executive agrees that she may not assign her rights under this Agreement to any other individual or entity, but acknowledges it is binding upon her heirs, successors and assigns. The Company also agrees that this Agreement is binding on and shall inure to the benefit of its successors and assigns.

The Parties knowingly and voluntarily sign this Agreement as of the date(s) set forth below:

vTv Therapeutics LLC

By: /s/ Deepa Prasad  
Deepa Prasad

By: /s/ Richard Nelson  
Richard Nelson  
Acting Chief Executive Officer

Date: March 4, 2022

Date: March 4, 2022

## EXHIBIT A

US2000 12014257.1

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## INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT, dated effective as of March 3, 2022 (the "Agreement"), is by and between vTv Therapeutics Inc., a Delaware corporation (the "Company"), and Deepa Prasad ("Indemnatee"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in Article 1.

WHEREAS, the Company desires to attract and retain the services of highly qualified individuals, such as Indemnatee, to serve the Company;

WHEREAS, in order to induce Indemnatee to provide or continue to provide services to the Company, the Company wishes to provide for the indemnification of, and advancement of expenses to, Indemnatee to the fullest extent permitted by law;

WHEREAS, the Company and Indemnatee further recognize the substantial increase in corporate litigation in general, subjecting directors, officers, employees, agents and fiduciaries to expensive litigation risks at the same time as the availability and scope of coverage of liability insurance provide increasing challenges for the Company;

WHEREAS, the Company's Amended and Restated Certificate of Incorporation (as the same may be amended and/or restated from time to time, the "Certificate of Incorporation") requires indemnification of the officers and directors of the Company, and Indemnatee may also be entitled to indemnification pursuant to applicable provisions of the Delaware General Corporation Law ("DGCL");

WHEREAS, the Certificate of Incorporation and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts providing for indemnification may be entered into between the Company and members of the board of directors of the Company (the "Board"), executive officers and other key employees of the Company;

WHEREAS, this Agreement is a supplement to and in furtherance of the Certificate of Incorporation and any resolutions adopted pursuant thereto and shall not be deemed a substitute therefor nor to diminish or abrogate any rights of Indemnatee thereunder (regardless of, among other things, any amendment to or revocation of governing documents or any change in the composition of the Board or any Corporate Transaction); and

WHEREAS, Indemnatee will serve or continue to serve as a director, officer or key employee of the Company for so long as Indemnatee is duly elected or appointed or until Indemnatee tenders his resignation or is otherwise terminated by the Company.

NOW, THEREFORE, in consideration of the promises and the covenants contained herein, the Company and Indemnatee do hereby covenant and agree as follows:



**ARTICLE 1**  
**DEFINITIONS**

As used in this Agreement:

- 1.1. "Affiliate" shall have the meaning set forth in Rule 405 under the Securities Act of 1933, as amended (as in effect on the date hereof).
- 1.2. "Agreement" shall have the meaning set forth in the preamble.
- 1.3. "Beneficial Owner" and "Beneficial Ownership" shall have the meaning set forth in Rule 13d-3 under the Exchange Act (as in effect on the date hereof).
- 1.4. "Board" shall have the meaning set forth in the recitals.
- 1.5. "By-Laws" shall mean the Company's Amended and Restated By-Laws (as the same may be amended and/or restated from time to time).
- 1.6. "Certificate of Incorporation" shall have the meaning set forth in the recitals.
- 1.7. "Change in Control" shall mean, and shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:
- (a) Acquisition of Stock by Third Party. Any Person other than a Permitted Holder is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding Voting Securities, unless (i) the change in the relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors, or (ii) such acquisition was approved in advance by the Continuing Directors and such acquisition would not constitute a Change in Control under part (c) of this definition;
- (b) Change in Board of Directors. Individuals who, as of the date hereof, constitute the Board, and any new director whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least a majority of the directors then still in office who were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended by the directors referred to in this clause (b) (collectively, the "Continuing Directors"), cease for any reason to constitute at least a majority of the members of the Board;
- (c) Corporate Transactions. The effective date of a reorganization, merger or consolidation of the Company (a "Corporate Transaction"), in each case,
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unless, following such Corporate Transaction: (i) all or substantially all of the individuals and entities who were the Beneficial Owners of Voting Securities of the Company immediately prior to such Corporate Transaction beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding Voting Securities of the Company or other Person resulting from such Corporate Transaction (including, without limitation, a corporation or other Person that as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more Subsidiaries) in substantially the same proportions as their ownership of Voting Securities immediately prior to such Corporate Transaction; (ii) no Person (excluding any corporation resulting from such Corporate Transaction or the Permitted Holders) is the Beneficial Owner, directly or indirectly, of 50% or more of the combined voting power of the then outstanding Voting Securities of the Company or other Person resulting from such Corporate Transaction, except to the extent that such ownership existed prior to such Corporate Transaction; and (iii) at least a majority of the board of directors of the Company or other Person resulting from such Corporate Transaction were Continuing Directors at the time of the execution of the initial agreement, or of the action of the Board, providing for such Corporate Transaction; or

(d) Other Events. The approval by the stockholders of the Company of a plan of complete liquidation or dissolution of the Company or the consummation of an agreement or series of related agreements for the sale or other disposition, directly or indirectly, by the Company of all or substantially all of the Company's assets, other than such sale or other disposition by the Company of all or substantially all of the Company's assets to a Person, at least 50% of the combined voting power of the Voting Securities of which are Beneficially Owned by (i) the stockholders of the Company immediately prior to such sale or (ii) the Permitted Holders.

1.8. "Company" shall have the meaning set forth in the preamble and shall also include, in addition to the resulting corporation or other entity, any constituent corporation (including, without limitation, any constituent of a constituent) absorbed in a consolidation or merger that, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that if Indemnitee is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, Indemnitee shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation or other entity as Indemnitee would have with respect to such constituent corporation if its separate existence had continued.

1.9. "Continuing Directors" shall have the meaning set forth in Section 1.7(b).

1.10. "Corporate Status" shall describe the status as such of a person who is or was a director, officer, trustee, general partner, managing member, fiduciary, employee or agent of the Company or of any other Enterprise which such person is or was serving at the request of the Company.

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- 1.11. "Corporate Transaction" shall have the meaning set forth in Section 1.7(c).
- 1.12. "Delaware Court" shall mean the Court of Chancery of the State of Delaware.
- 1.13. "DGCL" shall have the meaning set forth in the recitals.
- 1.14. "Disinterested Director" shall mean a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.
- 1.15. "Enterprise" shall mean the Company and any other corporation, constituent corporation (including, without limitation, any constituent of a constituent) absorbed in a consolidation or merger to which the Company (or any of its wholly owned Subsidiaries) is a party, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, trustee, general partner, managing member, fiduciary, employee or agent.
- 1.16. "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.
- 1.17. "Expenses" shall include all reasonable and documented attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settling or negotiating for the settlement of, responding to or objecting to a request to provide discovery in, or otherwise participating in, any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding, including, without limitation, the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent and any federal, state, local or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments, fines or penalties against Indemnitee.
- 1.18. "Indemnification Arrangements" shall have the meaning set forth in Section 15.2.
- 1.19. "Indemnitee" shall have the meaning set forth in the preamble.
- 1.20. "Indemnitee-Related Entities" shall mean any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Company, any other Enterprise controlled by the Company or the insurer under and pursuant to an insurance policy of the Company or any such controlled Enterprise) from whom an Indemnitee may be entitled to indemnification or advancement of expenses with respect to which, in whole or in part, the Company or any other Enterprise controlled by the Company may
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also have an indemnification or advancement obligation.

1.21. "Independent Counsel" shall mean a law firm, or a member of a law firm, that is of outstanding reputation, experienced in matters of corporation law and neither is as of the date of selection of such firm, retained to represent: (a) the Company or Indemnatee in any material matter (other than with respect to matters concerning Indemnatee under this Agreement, or of other indemnitees under similar indemnification agreements); or (b) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnatee in an action to determine Indemnatee's rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto. For purposes of this definition, a "material matter" shall mean any matter for which billings exceeded or are expected to exceed \$100,000.

1.22. "Permitted Holder" shall mean vTv Therapeutics Holdings LLC, vTvx Holdings I LLC, vTvx Holdings II LLC, M&F TTP Holdings LLC, MacAndrews & Forbes Incorporated, Ronald O. Perelman or any of his immediate family members, and their respective Affiliates and Related Parties.

1.23. "Person" shall have the meaning set forth in Sections 13(d) and 14(d) of the Exchange Act (as in effect on the date hereof); provided, however, that the term "Person" shall exclude: (a) the Company; (b) any Subsidiaries of the Company; and (c) any employee benefit plan of the Company or a Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or of a Subsidiary of the Company or of a corporation or other entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

1.24. "Proceeding" shall include any threatened, pending or completed action, suit, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, including, without limitation, any and all appeals, whether brought by or in the right of the Company or otherwise and whether of a civil (including, without limitation, intentional or unintentional tort claims), criminal, administrative or investigative nature, whether formal or informal, in which Indemnatee was, is, will or might be involved as a party or otherwise by reason of the fact that Indemnatee is or was a director or officer of the Company, by reason of any action taken by or omission by Indemnatee, or of any action or omission on Indemnatee's part while acting as a director or officer of the Company, or by reason of the fact that Indemnatee is or was serving at the request of the Company as a director, officer, trustee, general partner, managing member, fiduciary, employee or agent of any other Enterprise; in each case whether or not acting or serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement, or advancement of expenses can be provided under this

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Agreement or Section 145 of the DGCL; including one pending on or before the date of this Agreement but excluding one initiated by Indemnitee to enforce Indemnitee's rights under this Agreement or Section 145 of the DGCL.

1.25. "Related Party" shall mean, with respect to any Person, (a) any controlling stockholder, controlling member, general partner, Subsidiary, spouse or immediate family member (in the case of an individual) of such Person, (b) any estate, trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners or owners of which consist solely of one or more Permitted Holders and/or such other Persons referred to in the immediately preceding clause (a), or (c) any executor, administrator, trustee, manager, director or other similar fiduciary of any Person referred to in the immediately preceding clause (b), acting solely in such capacity.

1.26. "Section 409A" shall have the meaning set forth in Section 17.2.

1.27. "Subsidiary" with respect to any Person, shall mean any corporation or other entity of which a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by that Person.

1.28. "Voting Securities" shall mean any securities of the Company (or a surviving entity as described in the definition of a "Change in Control") that vote generally in the election of directors (or similar body).

1.29. References to "fins" shall include any excise tax or penalty assessed on Indemnitee with respect to any employee benefit plan; references to "other enterprise" shall include employee benefit plans; references to "serving at the request of the Company" shall include any service as a director, officer, employee, agent or fiduciary of the Company which imposes duties on, or involves services by, such director, officer, employee, agent or fiduciary with respect to an employee benefit plan, its participants or beneficiaries; and if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan, Indemnitee shall be deemed to have acted in a manner "not opposed to the best interests of the Company." as referred to in this Agreement.

1.30. The phrase "to the fullest extent not prohibited by (and not merely to the extent affirmatively permitted by) applicable law" shall include, but not be limited to: (a) to the fullest extent authorized or permitted by the provision of the DGCL that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the DGCL, and (b) to the fullest extent authorized or permitted by any amendments to or replacements of the DGCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.

## ARTICLE 2

### INDEMNITY IN THIRD-PARTY PROCEEDINGS

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Subject to Article 8, the Company shall indemnify, hold harmless and exonerate Indemnitee in accordance with the provisions of this Article 2 if Indemnitee is, was or is threatened to be made a party to or a participant (as a witness or otherwise) in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Subject to Article 8, to the fullest extent not prohibited by (and not merely to the extent affirmatively permitted by) applicable law, Indemnitee shall be indemnified against all Expenses, judgments, fines, penalties and, subject to Section 10.3, amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal Proceeding, had no reasonable cause to believe that such conduct was unlawful.

### **ARTICLE 3**

#### **INDEMNITY IN PROCEEDINGS BY OR IN THE RIGHT OF THE COMPANY**

Subject to Article 8, the Company shall indemnify, hold harmless and exonerate Indemnitee in accordance with the provisions of this Article 3 if Indemnitee is, was or is threatened to be made a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Subject to Article 8, to the fullest extent not prohibited by (and not merely to the extent affirmatively permitted by) applicable law, Indemnitee shall be indemnified, held harmless and exonerated against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Article 3 in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged (and not subject to further appeal) by a court of competent jurisdiction to be liable to the Company, except to the extent that the Delaware Court or any court in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

### **ARTICLE 4**

#### **INDEMNIFICATION FOR EXPENSES OF A PARTY WHO IS WHOLLY OR PARTLY SUCCESSFUL**

Notwithstanding any other provisions of this Agreement, to the extent that Indemnitee is a party to (or a participant in) and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify, hold harmless and exonerate Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. For the avoidance of doubt, if Indemnitee is not wholly successful in such Proceeding but is successful,

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on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, then the Company shall indemnify, hold harmless and exonerate Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each resolved claim, issue or matter, whether or not Indemnitee was wholly or partly successful; provided that Indemnitee shall only be entitled to indemnification for Expenses with respect to unsuccessful claims under this Article 4 to the extent Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal Proceeding, had no reasonable cause to believe that such conduct was unlawful. For purposes of this Article 4 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, or by settlement, shall be deemed to be a successful result as to such claim, issue or matter.

## **ARTICLE 5**

### **INDEMNIFICATION FOR EXPENSES OF A WITNESS**

Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a witness in any Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified, held harmless and exonerated against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

## **ARTICLE 6**

### **ADDITIONAL INDEMNIFICATION, HOLD HARMLESS AND EXONERATION RIGHTS**

In addition to and notwithstanding any limitations in Articles 2, 3 or 4, but subject to Article 8, the Company shall indemnify, hold harmless and exonerate Indemnitee to the fullest extent not prohibited by (and not merely to the extent affirmatively permitted by) law if Indemnitee is, was or is threatened to be made a party to or a participant in, any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor) against all Expenses, judgments, fines, penalties and, subject to Section 10.3, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, penalties and amounts paid in settlement) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with the Proceeding. No indemnity shall be available under this Article 6 on account of Indemnitee's conduct that constitutes a breach of Indemnitee's duty of loyalty to the Company or its stockholders or is an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law.

## **ARTICLE 7**

### **CONTRIBUTION IN THE EVENT OF JOINT LIABILITY**

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7.1. To the fullest extent not prohibited by (and not merely to the extent affirmatively permitted by) law, if the indemnification rights provided for in this Agreement are unavailable to Indemnatee in whole or in part for any reason whatsoever, the Company, in lieu of indemnifying Indemnatee, shall pay, in the first instance, the entire amount incurred by Indemnatee, whether for judgments, liabilities, fines, penalties, amounts paid or to be paid in settlement and/or for Expenses, in connection with any Proceeding without requiring Indemnatee to contribute to such payment, and the Company hereby waives and relinquishes any right of contribution it may have at any time against Indemnatee.

7.2. The Company shall not enter into any settlement of any Proceeding in which the Company is jointly liable with Indemnatee (or would be if joined in such Proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnatee.

7.3. The Company hereby agrees to fully indemnify, hold harmless and exonerate Indemnatee from any claims for contribution which may be brought by officers, directors or employees of the Company (other than Indemnatee) who may be jointly liable with Indemnatee.

## ARTICLE 8

### EXCLUSIONS

8.1. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity, contribution or advancement of Expenses in connection with any claim made against Indemnatee:

(a) except as provided in Section 15.4, for which payment has actually been made to or on behalf of Indemnatee under any insurance policy of the Company or its Subsidiaries or other indemnity provision of the Company or its Subsidiaries, except with respect to any excess beyond the amount paid under any insurance policy, contract, agreement, other indemnity provision or otherwise; or

(b) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnatee of securities of the Company within the meaning of Section 16(b) of the Exchange Act (or any similar successor statute) or similar provisions of state statutory law or common law; or

(c) in connection with any Proceeding (or any part of any Proceeding) initiated or brought voluntarily by Indemnatee, including, without limitation, any Proceeding (or any part of any Proceeding) initiated by Indemnatee against the Company or its directors, officers, employees or other indemnitees, other than a Proceeding initiated by Indemnatee to enforce its rights under this Agreement, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) or (ii) the Company provides the indemnification payment, in its sole discretion, pursuant to the powers vested in the Company under applicable

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law; or

(d) for the payment of amounts required to be reimbursed to the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002, as amended, or any similar successor statute; or

(e) for any payment to Indemnitee that is determined to be unlawful by a final judgment or other adjudication of a court or arbitration, arbitral or administrative body of competent jurisdiction as to which there is no further right or option of appeal or the time within which an appeal must be filed has expired without such filing and under the procedures and subject to the presumptions of this Agreement; or

(f) in connection with any Proceeding initiated by Indemnitee to enforce its rights under this Agreement if a court of competent jurisdiction determines by final judicial decision that each of the material assertions made by Indemnitee in such Proceeding was not made in good faith or was frivolous.

The exclusion in Section 8.1(c) shall not apply to counterclaims or affirmative defenses asserted by Indemnitee in an action brought against Indemnitee.

## ARTICLE 9

### ADVANCES OF EXPENSES; SELECTION OF LAW FIRM

9.1. Subject to Article 8, the Company shall, unless prohibited by applicable law, advance the Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding within ten business days after the receipt by the Company of a statement or statements requesting such advances, together with a reasonably detailed written explanation of the basis therefor and an itemization of legal fees and disbursements in reasonable detail, from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Indemnitee shall qualify for advances, to the fullest extent permitted by this Agreement, solely upon the execution and delivery to the Company of an undertaking providing that Indemnitee undertakes to repay the advance to the extent that it is ultimately determined, by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal, that Indemnitee is not entitled to be indemnified by the Company under the provisions of this Agreement or pursuant to applicable law. This Section 9.1 shall not apply to any claim made by Indemnitee for which an indemnification payment is excluded pursuant to Article 8.

9.2. If the Company shall be obligated under Section 9.1 hereof to pay the Expenses of any Proceeding against Indemnitee, then the Company shall be entitled to assume the defense of such Proceeding upon the delivery to Indemnitee of written notice of its election to do so. If the Company elects to assume the defense of such Proceeding, then unless the plaintiff or plaintiffs in such Proceeding include one or more Persons holding, together with his, her or its Affiliates, in the aggregate, a majority of the combined voting power of the Company's

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then outstanding Voting Securities, the Company shall assume such defense using a single law firm (in addition to local counsel) selected by the Company representing Indemnitee and other present and former directors or officers of the Company. The retention of such law firm by the Company shall be subject to prior written approval by Indemnitee, which approval shall not be unreasonably withheld, delayed or conditioned. If the Company elects to assume the defense of such Proceeding and the plaintiff or plaintiffs in such Proceeding include one or more Persons holding, together with his, her or its Affiliates, in the aggregate, a majority of the combined voting power of the Company's then outstanding Voting Securities, then the Company shall assume such defense using a single law firm (in addition to local counsel) selected by Indemnitee and any other present or former directors or officers of the Company who are parties to such Proceeding. After (x) in the case of retention of any such law firm selected by the Company, delivery of the required notice to Indemnitee, approval of such law firm by Indemnitee and the retention of such law firm by the Company, or (y) in the case of retention of any such law firm selected by Indemnitee, the completion of such retention, the Company will not be liable to Indemnitee under this Agreement for any Expenses of any other law firm incurred by Indemnitee after the date that such first law firm is retained by the Company with respect to the same Proceeding; provided, that in the case of retention of any such law firm selected by the Company (a) Indemnitee shall have the right to retain a separate law firm in any such Proceeding at Indemnitee's sole expense; and (b) if (i) the retention of a law firm by Indemnitee has been previously authorized by the Company in writing, (ii) Indemnitee shall have reasonably concluded that (1) there may be a conflict of interest between either (x) the Company and Indemnitee or (y) Indemnitee and another present or former director or officer of the Company also represented by such law firm in the conduct of any such defense or (2) there may be defenses available to Indemnitee that are incompatible or inconsistent with those available to the Company or another present or former director represented by such law firm in the conduct of such defense, or (iii) the Company shall not, in fact, have retained a law firm to prosecute the defense of such Proceeding within thirty days, then the reasonable Expenses of a single law firm retained by Indemnitee shall be at the expense of the Company. Notwithstanding anything else to the contrary in this Section 9.2, the Company will not be entitled without the written consent of the Indemnitee to assume the defense of any Proceeding brought by or in the right of the Company.

## ARTICLE 10

### PROCEDURE FOR NOTIFICATION; DEFENSE OF CLAIM; SETTLEMENT

10.1. Indemnitee shall, as a condition precedent to Indemnitee's right to be indemnified under this Agreement, give the Company notice in writing promptly of any claim made against Indemnitee for which indemnification will or could be sought under this Agreement; provided, however, that a delay in giving such notice shall not deprive Indemnitee of any right to be indemnified under this Agreement unless, and then only to the extent that, such delay is materially prejudicial to the defense of such claim. The omission or delay to notify the Company will not relieve the Company from any liability for indemnification which it may have to Indemnitee otherwise than under this Agreement. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that

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Indemnitee has requested indemnification.

10.2. The Company will be entitled to participate in the Proceeding at its own expense.

10.3. The Company shall have no obligation to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any claim effected without the Company's prior written consent, provided the Company has not breached its obligations hereunder. The Company shall not settle any claim, including, without limitation, any claim in which it takes the position that Indemnitee is not entitled to indemnification in connection with such settlement, nor shall the Company settle any claim which would impose any fine or obligation on Indemnitee or attribute to Indemnitee any admission of liability, without Indemnitee's prior written consent. Neither the Company nor Indemnitee shall unreasonably withhold, delay or condition their consent to any proposed settlement.

## ARTICLE 11

### PROCEDURE UPON APPLICATION FOR INDEMNIFICATION

11.1. Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 10.1, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case: (a) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (b) if a Change in Control shall not have occurred, (i) by a majority vote of the Disinterested Directors (provided there is a minimum of three Disinterested Directors), even though less than a quorum of the Board, (ii) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors (provided there is a minimum of three Disinterested Directors), even though less than a quorum of the Board, or (iii) if there are less than three Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee, and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten business days after such determination and any future amounts due to Indemnitee shall be paid in accordance with this Agreement. Indemnitee shall cooperate with the Person making such determination with respect to Indemnitee's entitlement to indemnification, including, without limitation, providing to such Person upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination, provided, that nothing contained in this Agreement shall require Indemnitee to waive any privilege Indemnitee may have. Any costs or expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the Person making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

11.2. If the determination of entitlement to indemnification is to be made by

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Independent Counsel pursuant to Section 11.1 hereof, the Independent Counsel shall be selected as provided in this Section 11.2. If a Change in Control shall not have occurred, the Independent Counsel shall be selected by the Board, and the Company shall give written notice to Indemnitee advising Indemnitee of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred, the Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board, in which event the preceding sentence shall apply), and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within ten business days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Article 1 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court or arbitrator has determined that such objection is without merit. If, within twenty days after submission by Indemnitee of a written request for indemnification pursuant to Section 10.1 hereof, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may seek arbitration for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the arbitrator or by such other person as the arbitrator shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 11.1 hereof. Such arbitration referred to in the previous sentence shall be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, and Article 13 hereof shall apply in respect of such arbitration and the Company and Indemnitee. Upon the due commencement of any judicial proceeding pursuant to Section 13.1 of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

## ARTICLE 12

### PRESUMPTIONS AND EFFECT OF CERTAIN PROCEEDINGS

12.1. In making a determination with respect to entitlement to indemnification hereunder, the Person making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10.1 of this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the Company (including by its Board, its Independent Counsel and its stockholders) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification or advancement of expenses is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual

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determination by the Company (including by its Board, its Independent Counsel and its stockholders) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

12.2. If the Person empowered or selected under Article 11 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within thirty days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (a) an intentional misstatement by Indemnitee of a material fact, or an intentional omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (b) a final judicial determination that any or all such indemnification is expressly prohibited under applicable law; provided, however, that such thirty-day period may be extended for a reasonable time, not to exceed an additional fifteen days, if the Person making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto.

12.3. The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement (with or without court approval), conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

12.4. For purposes of any determination of good faith pursuant to this Agreement, Indemnitee shall be deemed to have acted in good faith if, among other things, Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the directors or officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise, its board of directors, any committee of the board of directors or any director, or on information or records given or reports made to the Enterprise, its board of directors, any committee of the board of directors or any director, by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise, its board of directors, any committee of the board of directors or any director. The provisions of this Section 12.4 shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed or found to have met the applicable standard of conduct set forth in this Agreement. In any event, it shall be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

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12.5. The knowledge and/or actions, or failure to act, of any other director, officer, trustee, partner, managing member, fiduciary, agent or employee of the Enterprise shall not be imputed to Indemnatee for purposes of determining the right to indemnification under this Agreement.

12.6. The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any action, claim or proceeding to which Indemnatee is a party is resolved in any manner other than by adverse judgment against Indemnatee (including, without limitation, settlement of such action, claim or proceeding with or without payment of money or other consideration) it shall be presumed that Indemnatee has been successful on the merits or otherwise in such action, suit or proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

## ARTICLE 13

### REMEDIES OF INDEMNITEE

13.1. In the event that (a) a determination is made pursuant to Article 11 of this Agreement that Indemnatee is not entitled to indemnification under this Agreement, (b) advancement of Expenses, to the fullest extent permitted by applicable law, is not timely made pursuant to Article 9 of this Agreement, (c) no determination of entitlement to indemnification shall have been made pursuant to Section 11.1 of this Agreement within thirty days after receipt by the Company of the request for indemnification and of reasonable documentation and information which Indemnatee may be called upon to provide pursuant to Section 11.1, (d) payment of indemnification is not made pursuant to Articles 4, 5, 6, or the last sentence of Section 11.1 of this Agreement within ten business days after receipt by the Company of a written request therefor, (e) a contribution payment is not made in a timely manner pursuant to Article 7 of this Agreement, (f) payment of indemnification pursuant to Article 3 or 6 of this Agreement is not made within ten business days after a determination has been made that Indemnatee is entitled to indemnification or (g) the Company or any representative thereof takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any Proceeding designed to deny, or to recover from, Indemnatee the benefits provided or intended to be provided to Indemnatee hereunder, Indemnatee shall be entitled to an adjudication by a court of competent jurisdiction of Indemnatee's entitlement to such indemnification, contribution or advancement of Expenses. Alternatively, Indemnatee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Except as set forth herein, the provisions of Delaware law (without regard to its conflict of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnatee's right to seek any such adjudication or award in arbitration. The award rendered by such arbitration will be final and binding upon the parties hereto, and final judgment on the arbitration award may be entered in any court of competent jurisdiction.

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13.2. In the event that a determination shall have been made pursuant to Section 11.1 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Article 13 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Article 13, Indemnitee shall be presumed to be entitled to receive advances of Expenses under this Agreement and the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be, and the Company may not refer to or introduce into evidence any determination pursuant to Section 11.1 of this Agreement adverse to Indemnitee for any purpose. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Article 13, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Article 9 until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal shall have been exhausted or lapsed).

13.3. If a determination shall have been made pursuant to Section 11.1 of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Article 13, absent (a) an intentional misstatement by Indemnitee of a material fact, or an intentional omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (b) a prohibition of such indemnification under applicable law.

13.4. The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Article 13 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

13.5. The Company shall indemnify and hold harmless Indemnitee to the fullest extent permitted by law against all Expenses and, if requested by Indemnitee, shall (within ten days after the Company's receipt of such written request) pay to Indemnitee, to the fullest extent permitted by applicable law, such Expenses which are incurred by Indemnitee in connection with any judicial proceeding or arbitration brought by Indemnitee (a) to enforce his rights under, or to recover damages for breach of, this Agreement or any other indemnification, advancement or contribution agreement or provision of the Certificate of Incorporation, or the By-Laws now or hereafter in effect; or (b) for recovery or advances under any insurance policy maintained by any person for the benefit of Indemnitee, regardless of the outcome and whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement, contribution or insurance recovery, as the case may be (unless such judicial proceeding or arbitration was not brought by Indemnitee in good faith).

13.6. Interest shall be paid by the Company to Indemnitee at the legal rate under Delaware law for amounts which the Company indemnifies, or is obliged to indemnify, for the period commencing with the date on which Indemnitee requests indemnification, contribution, reimbursement or advancement of any Expenses and ending with the date on which such

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payment is made to Indemnitee by the Company.

## ARTICLE 14

### SECURITY

Notwithstanding anything herein to the contrary, to the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of Indemnitee.

## ARTICLE 15

### NON-EXCLUSIVITY; SURVIVAL OF RIGHTS; INSURANCE; PRIMACY OF INDEMNIFICATION; SUBROGATION

15.1. The rights of Indemnitee as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, the By-Laws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. To the extent that a change in applicable law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Certificate of Incorporation, the By-Laws or this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

15.2. The DGCL and the Certificate of Incorporation permit the Company to purchase and maintain insurance or furnish similar protection or make other arrangements, including, but not limited to, providing a trust fund, letter of credit, or surety bond ("Indemnification Arrangements") on behalf of Indemnitee against any liability asserted against Indemnitee or incurred by or on behalf of Indemnitee or in such capacity as a director, officer, employee or agent of the Company, or arising out of his or her status as such, whether or not the Company would have the power to indemnify Indemnitee against such liability under the provisions of this Agreement or under the DGCL, as it may then be in effect. The purchase, establishment, and maintenance of any such Indemnification Arrangement shall not in any way limit or affect the rights and obligations of the Company or of Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and Indemnitee shall not in any way limit or affect the rights and obligations of the Company or the other party or parties thereto under any such Indemnification Arrangement.

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15.3. To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, trustees, partners, managing members, fiduciaries, employees, or agents of the Company or of any other Enterprise which such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, trustee, partner, managing member, fiduciary, employee or agent under such policy or policies. If, at the time the Company receives notice from any source of a Proceeding as to which Indemnitee is a party or a participant (as a witness or otherwise), the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

15.4. The Company hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of Expenses and/or insurance provided by the Indemnitee-Related Entities. The Company hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to Indemnitee are primary and any obligation of the Indemnitee-Related Entities to advance Expenses or to provide indemnification for the same Expenses or liabilities incurred by Indemnitee are secondary), (ii) that it shall be required to advance the full amount of Expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent not prohibited by (and not merely to the extent affirmatively permitted by) applicable law and as required by the terms of this Agreement and the Certificate of Incorporation or the By-Laws (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Indemnitee-Related Entities, and (iii) that it irrevocably waives, relinquishes and releases the Indemnitee-Related Entities from any and all claims against the Indemnitee-Related Entities for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Indemnitee-Related Entities on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall reduce or otherwise alter the rights of Indemnitee or the obligations of the Company hereunder. Under no circumstance shall the Company be entitled to any right of subrogation or contribution by the Indemnitee-Related Entities. In the event that any of the Indemnitee-Related Entities shall make any advancement or payment on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company, the Indemnitee-Related Entity making such payment shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company, and Indemnitee shall execute all papers reasonably required and take all action reasonably necessary to secure such rights, including, without limitation, execution of such documents as are necessary to enable the Indemnitee-Related Entities to bring suit to enforce such rights. The Company and Indemnitee agree that the Indemnitee-Related Entities are express third party beneficiaries of the terms of this Section 15.4, entitled to enforce this Section 15.4 as though each of the Indemnitee-Related Entities were a party to this Agreement.

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15.5. Except as provided in Section 15.4, in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee (other than against the Indemnitee-Related Entities), who shall execute all papers reasonably required and take all action reasonably necessary to secure such rights, including, without limitation, execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

15.6. Except as provided in Section 15.4, the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

15.7. Except as provided in Section 15.4, the Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, fiduciary, employee or agent of any other Enterprise shall be reduced by any amount Indemnitee has actually received as indemnification payments or advancement of Expenses from such Enterprise. Notwithstanding any other provision of this Agreement to the contrary, (a) Indemnitee shall have no obligation to reduce, offset, allocate, pursue or apportion any indemnification advancement, contribution or insurance coverage among multiple parties possessing such duties to Indemnitee prior to the Company's satisfaction and performance of all its obligations under this Agreement, and (b) the Company shall perform fully its obligations under this Agreement without regard to whether Indemnitee holds, may pursue or has pursued any indemnification, advancement, contribution or insurance coverage rights against any person or entity other than the Company.

## ARTICLE 16

### ENFORCEMENT AND BINDING EFFECT

16.1. The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve or continue to serve as a director, officer or key employee of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving or continuing to serve as a director, officer or key employee of the Company.

16.2. This Agreement shall be effective as of the date set forth on the first page and may apply to acts or omissions of Indemnitee which occurred prior to such date if Indemnitee was an officer, director, employee or other agent of the Company, or was serving at the request of the Company as a director, officer, trustee, general partner, managing member, fiduciary, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, at the time such act or omission occurred.

16.3. The Company and Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult to prove, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly,

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the parties hereto agree that Indemnitee may enforce this Agreement by seeking, among other things, injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which he may be entitled. The Company and Indemnitee further agree that Indemnitee shall be entitled to such specific performance and injunctive relief, including, without limitation, temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnitee by the Court, and the Company hereby waives any such requirement of such a bond or undertaking.

## ARTICLE 17

### MISCELLANEOUS

17.1. Successors and Assigns. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and Indemnitee's assigns, heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect successor by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

17.2. Section 409A. It is intended that any indemnification payment or advancement of Expenses made hereunder shall be exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and the guidance issued thereunder ("Section 409A") pursuant to Treasury Regulation Section 1.409A-1(b)(10). Notwithstanding the foregoing, if any indemnification payment or advancement of Expenses made hereunder shall be determined to be "nonqualified deferred compensation" within the meaning of Section 409A, then (i) the amount of the indemnification payment or advancement of Expenses during one taxable year shall not affect the amount of the indemnification payments or advancement of Expenses during any other taxable year, (ii) the indemnification payments or advancement of Expenses must be made on or before the last day of the Indemnitee's taxable year following the year in which the expense was incurred, and (iii) the right to indemnification payments or advancement of Expenses hereunder is not subject to liquidation or exchange for another benefit.

17.3. Severability. In the event that any provision of this Agreement is determined by a court to require the Company to do or to fail to do an act which is in violation of applicable law, such provision (including, without limitation, any provision within a single Article, Section, paragraph or sentence) shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, such provision and the balance of this Agreement shall be enforceable in accordance with their terms to the fullest extent permitted by law.

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17.4. Entire Agreement. Without limiting any of the rights of Indemnitee under the Certificate of Incorporation or By-Laws, this Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

17.5. Modification, Waiver and Termination. No supplement, modification, termination, cancellation or amendment of this Agreement shall be binding unless executed in writing by the parties hereto. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver.

17.6. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (a) if delivered by hand and received for by the party to whom said notice or other communication shall have been directed, or (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(i) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee shall provide in writing to the Company.

(ii) If to the Company, to:

vTv Therapeutics Inc.  
4170 Mendenhall Oaks Pkwy  
High Point, NC 27265  
Attn: Chief Financial Officer  
Telephone:

(336)-841-0300

or to any other address as may have been furnished to Indemnitee in writing by the Company.

17.7. Applicable Law. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. If, notwithstanding the foregoing sentence, a court of competent jurisdiction shall make a final determination that the provisions of the law of any state other than Delaware govern indemnification by the Company of Indemnitee, then the indemnification provided under this Agreement shall in all instances be enforceable to the fullest extent permitted under such law, notwithstanding any provision of this Agreement to the contrary.

17.8. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which

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together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

17.9. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

17.10. Representation by Counsel. Each of the parties has been represented by and has had an opportunity to consult legal counsel in connection with the negotiation and execution of this Agreement. No provision of this Agreement shall be construed against or interpreted to the disadvantage of any party by any court or arbitrator or any governmental authority by reason of such party having drafted or being deemed to have drafted such provision.

17.11. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against Indemnitee, Indemnitee's spouse, heirs, executors or personal or legal representatives after the expiration of two years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two-year period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action such shorter period shall govern.

17.12. Additional Acts. If for the validation of any of the provisions in this Agreement any act, resolution, approval or other procedure is required, the Company undertakes to cause such act, resolution, approval or other procedure to be affected or adopted in a manner that will enable the Company to fulfill its obligations under this Agreement.

*[Signature page follows]*

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IN WITNESS WHEREOF, the parties hereto have caused this Indemnification Agreement to be signed as of the day and year first above written.

**COMPANY:**

VTV THERAPEUTICS INC.

By: /s/ Richard Nelson

\_\_\_\_\_  
Name: Richard Nelson

Title: Acting Chief Executive Officer

**INDEMNITEE:**

By: /s/ Deepa Prasad

\_\_\_\_\_  
Deepa Prasad

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## EXHIBIT B

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MUTUAL RELEASE

THIS MUTUAL RELEASE (the “Release”) is made and entered into as of March 4, 2022 (the “Effective Date”) by and between vTv Therapeutics Inc., a Delaware corporation, and vTv Therapeutics LLC, a Delaware limited liability company, for themselves and their respective officers, directors, partners, agents, employees, affiliates (including for the avoidance of doubt, MacAndrews & Forbes Incorporated, and its direct and indirect shareholders, and its officers, directors, partners, agents, employees and affiliates), successors and assigns (collectively, the “Company”), and Deepa Prasad (the “Executive”), for good and valuable consideration, the receipt of which is hereby acknowledged.

1. Release by the Company. Upon execution of this Release, the Company does hereby relinquish, waive, release, acquit and forever discharge the Executive, from and against any and all claims, disputes, actions, charges, contractual obligations, controversies, complaints, causes of action, rights, demands, suits, debts, damages, judgments or accountings of whatever nature, at law or in equity, known or unknown, asserted or not asserted, which the Company ever had, now has, or hereafter can, shall or may have against the Executive, arising from or related to or in connection with the Executive’s employment by the Company or services rendered in her capacity as President and Chief Executive Officer or ceasing to serve as President, Chief Executive Officer or employee or as a Director of the Company or otherwise prior to and including the Effective Date. Notwithstanding the above, this provision shall not apply to (a) any claims arising after the Effective Date, including any claim for breach of this Release, or (b) any claims that cannot be legally waived or released as a matter of law.

2. Release by the Executive. Upon execution of this Release, the Executive does hereby relinquish, waive, release, acquit and forever discharge the Company, from and against



any and all claims, disputes, actions, charges, contractual obligations, controversies, complaints, causes of action, rights, demands, suits, debts, damages, judgments or accountings of whatever nature, at law or in equity, known or unknown, asserted or not asserted, which the Executive ever had, now has, or hereafter can, shall or may have against the Company, arising from or related to or in connection with the Executive's employment by the Company or services rendered in her capacity as President and Chief Executive Officer or ceasing to serve as President, Chief Executive Officer or employee or as a Director of the Company or otherwise prior to and including the Effective Date. Notwithstanding the above, this provision shall not apply to (a) any claims arising after the Effective Date, including any claim for breach of this Release; (b) any claims that cannot be legally waived or released as a matter of law; or (c) any claims for indemnification arising under any indemnification agreement between the parties, or based on the Company's certificate of incorporation, by-laws, or the law of the State of Delaware as it pertains to indemnification of corporate officers and directors from the beginning of the Executive's employment with the Company on October 19, 2021 through and including the Effective Date, including but not limited to any claims for indemnification, costs or attorneys' fees relating to the Executive's employment by the Company or her service as President and Chief Executive Officer or as a Director of the Company.

3. General Release. This Release is intended to be effective as a general release of and bar to all claims as stated in this Section. Accordingly, each party specifically waives all rights under California Civil Code Section 1542, which states, "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING

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THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY," or under any provision of Delaware law with similar effect. Each party acknowledges that it may later discover claims or facts in addition to or different from those which it now knows or believes to exist with regards to the subject matter of this Release, and which, if known or suspected at the time of executing this Release, may have materially affected its terms. Nevertheless, each party waives any and all claims that might arise as a result of such different or additional claims or facts.

4. Protected Rights. Notwithstanding any other provision in this Release or any other agreement that the Executive may have entered into with the Company (collectively, the "Agreements"), nothing contained in any of the Agreements (i) prohibit the Executive from reporting to the staff of the Securities and Exchange Commission (the "SEC") possible violations of any law or regulation of the SEC, (ii) prohibit the Executive from making other disclosures to the staff of the SEC that are protected under the whistleblower provisions of any federal securities laws or regulations, or (iii) limit the Executive's right to receive an award for information provided to the SEC staff in accordance with the foregoing. Please note that the Executive does not need the prior authorizations of the Company to engage in such reports, communications or disclosures and the Executive is not required to notify the Company if the Executive engages in any such reports, communications or disclosures. For the avoidance of doubt, nothing in the Agreements prohibits the Company from reporting any matters to the SEC or other applicable governmental or regulatory authority or complying with any applicable law, rule or regulation.

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5. Governing Law. This Release shall be construed in accordance with and governed by the substantive laws of the State of Delaware, without reference to conflict of laws principles. Each party irrevocably agrees for the exclusive benefit of the other that any and all suits, actions or proceedings relating to this Release (a "Proceeding") shall be maintained in either the courts of the State of Delaware or the federal District Courts sitting in Wilmington, Delaware (collectively, the "Chosen Courts") and that the Chosen Courts shall have exclusive jurisdiction to hear and determine or settle any such Proceeding and that any such Proceedings shall only be brought in the Chosen Courts. Each party irrevocably waives any objection that it may have now or hereafter to the laying of the venue of any Proceedings in the Chosen Courts and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceeding brought in the Chosen Courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

6. Acknowledgements. The Executive acknowledges and agrees that the Executive was represented by counsel and agrees to all the provisions in this Release. Neither this Release nor the furnishing of the consideration for this Release shall be deemed or construed at any time for any purpose as an admission by any party of wrongdoing or evidence of any liability or unlawful conduct of any kind.

7. Counterparts. This Release may be executed in counterparts, and when each party has signed and delivered at least one such counterpart to the other party, each counterpart shall be deemed an original, and all counterparts taken together shall constitute one and the same agreement, which shall be binding and effective as to all parties. This Release may be executed via facsimile or e-mail signatures, which shall have the same force and effect as if they were

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original signatures.

8. Gender and Number. Whenever the text hereof requires, the use of gender or singular number shall include the appropriate gender or plural number as the text of the within instrument may require.

9. Modifications. This Release may not be altered, modified or changed in any manner, nor may any of the conditions herein be waived, except by a writing duly executed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Release as of the date first written above.

VTV THERAPEUTICS INC.

By: /s/ Richard Nelson

Name: Richard Nelson

Title: Acting Chief Executive Officer

VTV THERAPEUTICS LLC

By: /s/ Richard Nelson

Name: Richard Nelson

Title: Acting Chief Executive Officer

/s/ Deepa Prasad

Deepa Prasad

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## EXHIBIT C

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## vTv Therapeutics Announces CEO Transition

HIGH POINT, N.C., March 03, 2022 -- [vTv Therapeutics Inc.](#) (Nasdaq: VTVT) a clinical-stage biopharmaceutical company focused on the development of orally administered treatments for type 1 diabetes, today announced that the Company has appointed Rich Nelson as Acting Chief Executive Officer. Mr. Nelson joined the vTv Board of Directors in 2020, and currently serves as Executive Vice President Corporate & Business Development of Vericast, and Executive Vice President Corporate Development for MacAndrews & Forbes. He brings more than 25 years of business and legal experience in mergers & acquisitions and corporate development.

Deepa Prasad, who has been serving as the Company's Chief Executive Officer and a member of the Board of Directors, has informed the Company that she will be resigning. Ms. Prasad helped to streamline company operations to focus on TTP399, its promising, lead drug in development, and will serve as a Strategic Advisor to the Company for the next six-months. The Company values Ms. Prasad's experience and appreciates her willingness to advise Rich Nelson on the transition.

Mr. Nelson will work closely with the Company's Board of Directors as vTv continues to progress in the development of its pipeline of novel therapeutics, particularly TTP399, an orally administered treatments for diabetes.

"I am dedicated to the long-term growth and development of the Company and look forward to working with vTv's talented employees, scientists, and partners during this exciting time," Mr. Nelson said. The positive Phase 2 study results and FDA Breakthrough Therapy Designation for TTP399 are very promising milestones in the development of a novel treatment for such a serious issue impacting the lives of millions of patients and their families worldwide."

TTP399 is a novel, oral, liver-selective glucokinase activator that showed ~40% reduction in hypoglycemic episodes compared to placebo in its Phase 2 study and was granted Breakthrough Therapy Designation by the FDA. In October, the Company announced positive results of its mechanistic study showing no increased risk of ketoacidosis. Additionally, zero hypoglycemic episodes occurred in the TTP399 arm while four occurred on placebo. The Company looks forward to launching pivotal trials in 2022.

### **About vTv Therapeutics**

vTv Therapeutics Inc. is a clinical-stage biopharmaceutical company focused on developing oral, small molecule drug candidates. vTv has a pipeline of clinical drug candidates led by programs for the treatment of type 1 diabetes and psoriasis. vTv's development partners are pursuing additional indications in type 2 diabetes, chronic obstructive pulmonary disease, renal disease, primary mitochondrial myopathy, and pancreatic cancer. For more information, please visit [www.vtvtherapeutics.com](http://www.vtvtherapeutics.com) or follow us on Twitter: [@vTvTherapeutics](https://twitter.com/vTvTherapeutics).

### **Forward-Looking Statements**

This release contains forward-looking statements, which involve risks and uncertainties. These forward-looking statements can be identified by the use of forward-looking terminology,

including the terms "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," "would" and, in each case, their negative or other various or comparable terminology. All statements other than statements of historical facts contained in this release, including statements regarding the timing of our clinical trials, our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important factors that could cause our results to vary from expectations include those described under the heading "Risk Factors" in our Annual Report on Form 10-K and our other filings with the SEC. These forward-looking statements reflect our views with respect to future events as of the date of this release and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of the date of this release and, except as required by law, we undertake no obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this release. We anticipate that subsequent events and developments will cause our views to change. Our forward-looking statements do not reflect the potential impact of any future acquisitions, merger, dispositions, joint ventures or investments we may undertake. We qualify all of our forward-looking statements by these cautionary statements.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT, dated as of March 1, 2022, by and between vTv Therapeutics LLC, a Delaware limited liability company (the “Company”), and Richard S. Nelson (the “Executive”), and for certain purposes specified herein, only, vTv Therapeutics Inc., a Delaware corporation (“vTv”).

WHEREAS, the Company desires to employ the Executive on an interim basis, and the Executive is willing to serve the Company for the period and upon such other terms and conditions of this Agreement.

NOW, THEREFORE, the Company and the Executive hereby agree as follows:

1. Employment, Duties and Acceptance.

- 1.1. Employment, Duties. The Company hereby employs the Executive for the Term (as defined in Section 2.1), to render services to the Company as the Interim Chief Executive Officer of the Company and vTv, on an interim basis, and to perform such other duties consistent with such position as may be assigned to the Executive by the Board of Directors of the Company (the “Board”). Notwithstanding the preceding sentence during the period commencing March 1, 2022, until March 29, 2022, Executive shall serve as the Acting Chief Executive Officer. Executive shall be identified as the “Interim Chief Executive Officer” in all statements, required disclosures, and/or any other communications regarding Executive and/or Executive’s employment with the Company. During the Term, the Executive shall report solely to the Board.
- 1.2. Acceptance. The Executive hereby accepts such employment and agrees to render the services described above. During the Term, the Executive agrees to serve the Company faithfully and to the best of the Executive’s ability, to devote the necessary business time, energy, and skill to such employment, and to use the Executive’s commercially reasonable efforts, skill, and ability to promote the Company’s interests. The Executive further agrees to accept election, and to serve during all or any part of the Term, as an officer or director of the Company and of any Subsidiary or Affiliate of the Company, without any compensation therefor other than that specified in this Agreement, if elected to any such position by the shareholders or by the Board of any Subsidiary or Affiliate, as the case may be. The Executive shall not engage in any other conflicting business activity, or serve in any industry, trade, professional, governmental, or academic position during the Term, except as may be expressly approved in advance by the Board in writing or has been set forth on Annex A hereto. The Executive shall be permitted to serve on the board of an entity that does not compete with the Company, subject to the advance written approval by the Board and the Executive shall also be permitted to engage in charitable, community or personal investment activities; provided, that, such activities and investments do not conflict with or interfere with the Executive’s obligations under this Agreement and that such investments are in compliance with the Company’s policies and procedures.



- 1.3. Location. It is anticipated that the Executive shall be permitted to work remotely, subject to travel as required by the Company in order to full his responsibilities under this Agreement on behalf of the Company (including but not limited to travel to the Company's headquarters).
2. Term of Employment; Certain Post-Term Benefits.
  - 2.1. The Term. This Agreement and the term of the Executive's employment under this Agreement (the "Term") shall become effective as of March 1, 2022 (the "Effective Date") and will continue until terminated pursuant to Section 4 (the "Termination Date").
3. Compensation; Benefits; Equity.
  - 3.1. Salary. As compensation for all services to be rendered pursuant to this Agreement, during the Term, the Company agrees to pay the Executive a base salary, payable in accordance with the Company's normal payroll practices, at the annual rate of not less than \$200,000 less such deductions or amounts to be withheld as required by applicable law and regulations (the "Base Salary"). In the event that the Board, from time to time, increases the Base Salary, such increased amount shall, from and after the effective date of the increase, constitute "Base Salary" for purposes of this Agreement.
  - 3.2. Incentive Compensation.
    - 3.2.1. Annual Cash Bonus. Commencing with the 2022 fiscal year, the Executive shall be eligible to receive, to the extent earned based on individual and corporate performance as determined by the compensation committee of vTv (the "Compensation Committee"), an annual cash performance bonus (a "Cash Bonus") in respect of each fiscal year that ends during the Term. Executive's Cash Bonus for each such fiscal year shall equal up to 100% of his Base Salary in effect at the time such performance is evaluated (the "Target Cash Bonus"), with greater or lesser amounts (including zero) paid based upon individual and corporate performance as determined by the Compensation Committee. Subject to the Executive's continued employment at the end of each applicable fiscal year, the amount earned in respect of any Target Cash Bonus shall be determined by the Compensation Committee after the end of the fiscal year for which such Target Cash Bonus is granted and shall be paid to the Executive on or prior to March 15<sup>th</sup> of the following calendar year; provided that the Executive shall be required to be employed on the payment date. Notwithstanding anything in this Agreement to the contrary, it is acknowledged and agreed that no Cash Bonus shall be required to be paid to Executive, if the Compensation Committee determines that the Company does not have sufficient cash liquidity to pay cash bonuses (after taking into account the Company's current and projected future liabilities).
    - 3.2.2. Equity Bonus. On or within ten days after the Effective Date the Executive shall receive an equity performance bonus (an "Equity Bonus") equal to an option to purchase 500,000 shares of Class A common stock, par value \$0.01 per share of

vTv (such stock, the “Common Stock”) under the vTv 2015 Omnibus Incentive Plan , as the same shall be in effect from time to time (the “vTv Plan”), 125,000 of which shall be vested on the date of grant. Subject to the Executive’s continued services hereunder, the remaining 375,000 options of such grant will vest and, if applicable, become exercisable with respect to 8.33% of the shares of Common Stock subject thereto on each of the three month anniversary following the Effective Date (such that the Equity Bonus shall be fully vested on the third anniversary of the Effective Date), and the award will have other customary terms and conditions as are consistent with the vTv Plan and vTv’s form of agreement and with applicable law, including providing that the options issued as part of the Equity Bonus will continue to vest so long as Executive is associated with the Company or vTv, whether as Interim Chief Executive Officer or any other officer or director position and that such options will be exercisable for the original ten (10) year period.

3.2.3. Business Expenses. The Company shall pay or reimburse the Executive for all reasonable expenses actually incurred or paid by the Executive during the Term (including expenses related to business travel on behalf of the Company) in the performance of the Executive’s services under this Agreement, upon presentation of expense statements or vouchers or such other supporting information as the Company customarily may require of its officers; provided, however, that the maximum amount available for such expenses during any period may be fixed in advance by the Board.

3.2.4. Vacation. During the Term, the Executive shall be entitled to a vacation period or periods of four (4) weeks during any calendar year, pro-rated for partial years of employment taken in accordance with the vacation policy of the Company during each year of the Term.

3.2.5. Fringe Benefits. During the Term, the Executive shall be entitled to all benefits for which the Executive shall be eligible under any qualified pension plan, 401(k) plan, group insurance or other so-called “fringe” benefit plan which the Company provides to its executive employees generally, which benefits may be amended, modified, or terminated in the Company’s sole discretion.

#### 4. Termination.

4.1. Death. If the Executive dies during the Term, the Term shall terminate forthwith upon the Executive’s death. The Company shall pay to the Executive’s estate: (i) any Base Salary earned but not paid; (ii) a Pro Rata Cash Bonus (defined below), payable at the time and in the manner that Cash Bonuses are paid to other executives receiving such bonus payment; and (iii) Cash Bonus for the year prior to the year in which the Executive dies if at the time of death, the Executive has earned a Cash Bonus payment for such prior year and has not yet been paid such Cash Bonus, which prior year Cash Bonus will be paid at the time and in the manner such prior year Cash Bonus is paid to other executives receiving such prior year Cash Bonus. The Executive shall have no further rights to any compensation or any other benefits under this Agreement, except to

the extent already earned and vested as of the day immediately prior to his death, or as is earned, vested, or accrued by virtue of his death. “Pro Rata Cash Bonus” shall mean a pro-rata portion of the Cash Bonus granted to the Executive for the year in which the date of termination occurs equal to a fraction, the numerator of which is the number of calendar days during such year through (and including) the date of termination and the denominator of which is 365, with such pro-rata portion earned in an amount based on the degree to which the applicable performance goals are achieved for the entire year in which the date of termination occurs.

- 4.2. Disability. If, during the Term the Executive is unable to perform his duties hereunder due to a physical or mental incapacity for a period of 60 days within any 12-month period (hereinafter a “Disability”), the Company shall have the right at any time thereafter to terminate the Term upon sending written notice of termination to the Executive. If the Company elects to terminate the Term by reason of Disability, the Company shall pay to the Executive promptly after the notice of termination: (i) any Base Salary earned but not paid; (ii) a Pro Rata Cash Bonus paid at the time and in the manner such Cash Bonus is paid to other executives receiving such bonus payment; and (iii) a Cash Bonus for the year prior to the year in which the Executive is terminated if at the time of termination the Executive has earned a Cash Bonus payment for such prior year and has not yet been paid such Cash Bonus, which prior year Cash Bonus will be paid at the time and in the manner such prior year Cash Bonus is paid to other executives receiving such prior year Annual Cash Bonus, in each case less any other benefits payable to the Executive under any disability plan provided for hereunder or otherwise furnished to the Executive by the Company. The Executive shall have no further rights to any compensation or any other benefits under this Agreement except to the extent already earned and vested as of the day immediately prior to his termination by reason of Disability, or as earned, vested, or accrued by virtue of his Disability.
- 4.3. Cause. The Company may at any time by written notice to the Executive terminate the Term for “Cause” (as defined below) and, upon such termination, this Agreement shall terminate, and the Executive shall be entitled to receive no further amounts or benefits hereunder, except for any Base Salary earned but not paid prior to such termination. For the purposes of this Agreement, “Cause” means: (i) Executive’s failure or refusal to perform Executive’s duties under this Agreement (other than as a result of total or partial incapacity due to physical or mental illness); (ii) any act by or omission of Executive constituting gross negligence or willful misconduct in connection with the performance of Executive’s duties that could reasonably be expected to materially injure the reputation, business or business relationships of the Company or any of its affiliates; (iii) perpetration of an intentional and knowing fraud against or affecting the Company or any of its affiliates or any customer, client, agent, or employee thereof; (iv) the commission by or indictment of Executive for (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud (“indictment,” for these purposes, meaning a United States-based indictment, probable cause hearing or any other procedure pursuant to which an initial determination of probable or reasonable cause with respect to such offense is made); (v) a material breach of the Company’s policies that results in financial or reputational harm to the Company; or (v) the breach of a

covenant set forth in this Agreement. A termination for Cause by the Company of any of the events described in this Section 4.3 shall only be effective on 15 days advance written notification to the Executive, providing the Executive the opportunity to cure, if reasonably capable of cure within said 15-day period; provided, however, that no such notification is required if the Cause event is not reasonably capable of cure or the Board determines that its fiduciary obligation requires it to effect a termination of the Executive for Cause immediately.

- 4.4. Termination by Company without Cause or by the Executive for Good Reason. If the Executive's employment is terminated by the Company without Cause (other than by reason of death or Disability) or by the Executive for Good Reason (as defined below), the Term shall terminate, and the Executive shall receive: (i) as severance pay, an amount equal to six months of the Base Salary payable in installments in accordance with the Company's normal payroll practices, (ii) a Pro Rata Cash Bonus, and (iii) the Equity Bonus shall be treated as set forth in the underlying equity award and per the terms of Section 3.2.2 hereof as relates to Executives continued service to the Company or vTv. The Executive shall have no further rights to any compensation or any other benefits under this Agreement. For purposes of this Agreement, "Good Reason" means, without the advance written consent of the Executive: (i) a reduction in Base Salary provided, that, a termination by the Executive for Good Reason under clauses shall be effective only if the Executive provides the Company with written notice specifying the event which constitutes Good Reason within thirty (30) days following the occurrence of such event or date the Executive became aware or should have become aware of such event and the Company fails to cure the circumstances giving rise to Good Reason within 30 days after such notice. If Executive's employment is terminated for Cause, then Executive shall be deemed to, and shall, resign (i) from any board or other governing body to which he has been appointed or nominated by or on behalf of Company, vTv and any of their Affiliates and (ii) from any position with Company vTv and any of their Affiliates and Executive will execute any documents reasonably required to effectuate the foregoing and failure to do so shall result in a termination for Cause.
- 4.5. Termination by the Executive other than for Good Reason. Unless otherwise agreed to by the Company or vTv and the Executive, the Executive is required to provide the Company with 30 days' prior written notice of termination to the Company. Subject to Section 4.4, upon termination of employment by the Executive, the Term shall terminate, and the Executive shall receive any Base Salary earned but not paid prior to such termination and shall have no further rights to any compensation (including any Base Salary or Cash Bonus) or any other benefits under this Agreement, except to the extent already earned and vested as of the day immediately prior to such termination and except, as relates to the options issued under the Equity Bonus, for continued vesting pursuant to Section 3.2.2 hereof and the equity award.
- 4.6. Release. Notwithstanding any other provision of this Agreement to the contrary, the Executive acknowledges and agrees that any and all payments, other than continued vesting of options and payment of any accrued and unpaid Base Salary to which the

Executive is entitled under this Section 4 are conditioned upon and subject to the Executive's execution of a general waiver and release (for the avoidance of doubt, Sections 5 through 13 of this Agreement (the "Restrictive Covenants") shall survive the termination of this Agreement), in such form as may be prepared by the Company of all claims, except for such matters covered by provisions of this Agreement which expressly survive the termination of this Agreement. Notwithstanding anything to the contrary, the severance payments and benefits are conditioned on the Executive's execution, delivery and nonrevocation of the general waiver and release of claims within fifty-five (55) days following the Executive's termination of employment (the "Release Condition"). Payments and benefits of amounts which do not constitute nonqualified deferred compensation and are not subject to Section 409A (as defined below) shall commence five (5) days after the Release Condition is satisfied and payments and benefits which are subject to Section 409A shall commence on the 60th day after termination of employment (subject to further delay, if required pursuant to Section 4.7.2 below) provided that the Release Condition is satisfied.

#### 4.7. Section 409A.

- 4.7.1. This Agreement is intended to satisfy the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code," and such section, "Section 409A") with respect to amounts, if any, subject thereto and shall be interpreted and construed and shall be performed by the parties consistent with such intent. If either party notifies the other in writing that one or more provisions of this Agreement contravenes any Treasury Regulations or guidance promulgated under Section 409A or causes any amounts to be subject to interest, additional tax or penalties under Section 409A, the parties shall agree to negotiate in good faith to make amendments to this Agreement as the parties mutually agree, reasonably and in good faith are necessary or desirable, to (i) maintain to the maximum extent reasonably practicable the original intent of the applicable provisions without violating the provisions of Section 409A or increasing the costs to the Company of providing the applicable benefit or payment and (ii) to the extent possible, to avoid the imposition of any interest, additional tax or other penalties under Section 409A upon the parties.
- 4.7.2. To the extent the Executive would otherwise be entitled to any payment or benefit under this Agreement, or any plan or arrangement of the Company or its Affiliates, that constitutes a "deferral of compensation" subject to Section 409A and that, if paid during the six (6) months beginning on the date of termination of the Executive's employment, would be subject to the Section 409A additional tax because the Executive is a "specified employee" (within the meaning of Section 409A and as determined by the Company), the payment or benefit will be paid or provided to the Executive on the earlier of the first day following the six (6) month anniversary of the Executive's termination of employment or death.
- 4.7.3. Any payment or benefit due upon a termination of the Executive's employment that represents a "deferral of compensation" within the meaning of Section 409A

shall be paid or provided to the Executive only upon a “separation from service” as defined in Treas. Reg. § 1.409A-1(h). Each payment made under this Agreement shall be deemed to be a separate payment for purposes of Section 409A. Amounts payable under this Agreement shall be deemed not to be a “deferral of compensation” subject to Section 409A to the extent provided in the exceptions in Treasury Regulation §§ 1.409A-1(b)(4) (“short-term deferrals”) and (b)(9) (“separation pay plans,” including the exception under subparagraph (iii)) and other applicable provisions of Treasury Regulation § 1.409A-1 through A-6.

4.7.4. Notwithstanding anything to the contrary in this Agreement, any payment or benefit under this Agreement or otherwise that is exempt from Section 409A pursuant to Treasury Regulation § 1.409A-1(b)(9)(v)(A) or (C) (relating to certain reimbursements and in-kind benefits) shall be paid or provided to the Executive only to the extent that the expenses are not incurred, or the benefits are not provided, beyond the last day of the second calendar year following the calendar year in which the Executive’s “separation from service” occurs; and provided further that such expenses are reimbursed no later than the last day of the third calendar year following the calendar year in which the Executive’s “separation from service” occurs. To the extent any expense reimbursement or the provision of any in-kind benefit is determined to be subject to Section 409A (and not exempt pursuant to the prior sentence or otherwise), the amount of any such expenses eligible for reimbursement, or the provision of any in-kind benefit, in one calendar year shall not affect provision of in-kind benefits or expenses eligible for reimbursement in any other calendar year (except for any life-time or other aggregate limitation applicable to medical expenses), and in no event shall any expenses be reimbursed after the last day of the calendar year following the calendar year in which the Executive incurred such expenses, and in no event shall any right to reimbursement or the provision of any in-kind benefit be subject to liquidation or exchange for another benefit.

5. Restrictive Covenant Acknowledgments; Reasonableness.

The Executive acknowledges that (i) his employment and job duties for the Company, including under this Agreement, have resulted and will continue to result in the Executive’s access and exposure to, and familiarity with, Confidential Information (as such term is defined in Section 9 of this Agreement) and that the disclosure or unauthorized use of such Confidential Information by the Executive will injure the Company’s business; (ii) the Company’s business would suffer great competitive harm if its Confidential Information should be disclosed to its competitors or to the general public, and the Company would also suffer great harm if the Executive were to exploit the relationships which have been established with the Company’s customers for the benefit of a competitor; (iii) the Company is entering into this Agreement in order to prevent the disclosure of trade secrets and other competitively sensitive information relating to the Company’s business, and in order to facilitate and induce the disclosure of Confidential Information among employees of the Company with the assurance that such information will not be used in unfair competition against the Company; (iv) he has had the opportunity to be represented by counsel in the

negotiation and execution of this Agreement; and (v) that the covenants set forth in Sections 6 through 13 of this Agreement are reasonable in terms of duration, scope and area restrictions and are necessary for the protection of the legitimate business interests of the Company and its Affiliates. If, at the time of enforcement of such covenants, a court shall hold that the duration, scope, or area restrictions stated therein are unreasonable under circumstances then existing, the Executive and the Company agree that the maximum duration, scope, or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed and directed to revise the covenants to cover the maximum period, scope and area permitted by applicable law. For purposes of Sections 5 through 10, 12, and 13 of this Agreement, the term "Company" shall include the Company, its Subsidiaries and its Affiliates.

6. Covenants Relating to Ownership of Notes, Records and Documents.

All memoranda, notes, records and other documents (and copies thereof), whether in hard copy or electronic format, made or compiled by the Executive or made available to the Executive during his employment concerning the business of the Company, including, without limitation, all technical or scientific data, ideas, intellectual property, records, notes, experiment books, bidding data and other technical material of the Company shall be the Company's property; provided, that, the Executive shall be entitled to keep a copy of this Agreement and compensation and benefit plans to which the Executive is entitled to receive benefits thereunder. All such property shall be delivered to Company on the date of termination of the Executive's employment or upon request at any time by the Company, regardless of whether such property contains Confidential Information.

7. Non-Solicitation Covenants.

- 7.1. During (i) the Executive's employment with the Company and (ii) for a period of one (1) year following termination of the Executive's employment for any reason (the "NS Restricted Period"), the Executive shall not, directly or indirectly, solicit, divert, or take away (or attempt to solicit, divert, or take away) the business of any client, customer or supplier of the Company (each such party, a "Restricted Party") or encourage any Restricted Party to cease doing business with the Company or to reduce the amount of business such Restricted Party does with the Company.
- 7.2. Executive shall not, for the duration of the NS Restricted Period, directly or indirectly, solicit or encourage (or cause to be solicited or encouraged) any person who (i) is an employee of, or consultant then under contract with, the Company or (ii) who was an employee of, or consultant with, the Company within the six-month period preceding such solicitation, to cease employment with, or the provision of services to, the Company.

8. Noncompetition Covenant.

In support of the Executive's commitment to maintain the confidentiality of the Company's Confidential Information, (i) during the Executive's employment with the

Company and (ii) for a period of one (1) year following termination of the Executive's employment for any reason (the "NC Restricted Period"), the Executive shall not, directly or indirectly, (a) enter the employ of or render services to (including as a salesperson, consultant or in strategic planning role), any "Competing Business" within the "Territory" (as such terms are defined below), (b) engage in any Competing Business within the Territory for his own account, or (c) become interested in a Competing Business within the Territory as a partner, shareholder (whether or not a controlling shareholder), director, officer, principal, agent, trustee, or in any other relationship or capacity. For purposes of this Agreement, "Competing Business" shall be defined as any business that engages in clinical research in drug development primarily for diabetes; provided, however, that this definition shall only apply to clinical research and development activities which involve products and services similar to those provided by the Company during the Term or which during the Term, the Company anticipates providing; provided, that, as applied to conduct by the Executive following the Term, a Competing Business shall only include such activities that the Company was engaged in, or that the Company anticipated engaging in, as of the last day of the Term. For purposes of this Agreement, "Territory" shall be defined as each and all of the geographic areas and locations where (x) the Company carries on or transacts its business, (y) the Company sells or markets its products or services, or (z) the Company's customers are located.

9. Covenant Not to Disclose Confidential Information.

The Executive agrees that he has not and shall not, at any time during or after the Term, use, reveal or divulge (i) any trade secrets (as defined under applicable state law), (ii) any other confidential information, including business plans, customer information, formulae, financial information, pricing information, technical scientific data, technical processes, clinical or pre-clinical data, protocols, research projects, results, information technology programs or processes, database, or other information which the Company deems to be confidential or commercially sensitive, or (iii) any material confidential information whatsoever concerning any director, officer, employee, shareholder, partner, customer or agent of the Company or their respective family members learned by the Executive heretofore or hereafter (clauses (i) through (iii), collectively, "Confidential Information").

10. Non-disparagement Covenant.

Executive agrees that, during the Executive's employment with the Company and at all times thereafter, the Executive shall not issue, circulate, publish or utter any false or disparaging statements, remarks or rumors about the Company or the customers, employees, directors, managers, officers, products, partners, shareholders or services of the Company; provided, that, nothing herein shall prohibit the Executive from providing truthful testimony if such testimony is required by law.

11. Inventions Covenant.

11.1. During the course of employment, the Executive agrees to promptly disclose in confidence to the Company all inventions, improvements, designs, original works of



authorship, formulae, processes, algorithms, compositions of matter, computer software programs, databases, mask works, and trade secrets (“Inventions”) that the Executive makes or conceives or first reduces to practice or creates, either alone or jointly with others, whether or not in the course of his employment, and whether or not such Inventions are patentable, copyrightable, or protectable as trade secrets.

- 11.2. The Executive understands that, under copyright laws, any copyrightable works prepared by the Executive within the course and scope of his employment is “works for hire.” Consequently, the Company will be considered the author and owner of such works.
- 11.3. The Executive agrees that all Inventions that (a) are developed using equipment, supplies, facilities, or trade secrets of the Company, (b) result from work performed by the Executive for the Company, or (c) relate to the Company’s business or current or anticipated research and development, will be the sole and exclusive property of the Company. The Executive hereby assigns and agrees to transfer to the Company any and all intellectual property, including all intellectual property rights, registrations, trade secrets rights as well as worldwide rights in any intellectual property or other forms of protection.
- 11.4. The Executive also waives and agrees never to assert any “Moral Rights” the Executive might have in or with respect to any Invention even after the Executive leaves the Company. “Moral Rights” means any right (or similar right existing under the judicial or statutory law of any country or treaty) to claim authorship of any Invention, to object or prevent modification of any Invention, or to withdraw from circulation or to control the publication distribution of any Invention.
- 11.5. The Executive agrees to execute, acknowledge, make and deliver to Company or its attorneys, without additional compensation, but without expense to the Executive, any and all instruments, including, without limitation, United States and foreign patent applications, trademark and copyright applications, applications for securing, protecting or registering any property rights embraced within this Agreement, powers of attorney, assignments, oaths or affirmations, supplemental oaths and sworn statements, and to do any and all lawful acts that, in the judgment of the Company or its attorneys, may be necessary or desirable to vest in or secure for, or maintain for the benefit of, the Company, adequate patent and other property rights in the United States and all foreign countries with respect to any and all such Inventions.
- 11.6. The Executive has attached hereto a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were made by the Executive prior to employment with the Company (collectively referred to as “Prior Inventions”), which belong to the Executive, which relate to the Company’s proposed business, products or research and development, and which are not assigned to the Company hereunder; or, if no such list is attached, the Executive represents that there are no such Prior Inventions. The Executive agrees that he will not incorporate, or permit to be incorporated, any Prior Invention owned by the Executive or in which he has an

interest into a Company product or process without the Company's prior written consent. Notwithstanding the foregoing sentence, if, in the course of the Executive's employment, the Executive incorporates into a Company product or process a Prior Invention owned by the Executive or in which he has an interest, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product or process.

12. Property of the Company.

The Executive acknowledges that from time to time in the course of providing services pursuant to this Agreement he shall have the opportunity to inspect and use certain property, both tangible and intangible, of the Company, and the Executive hereby agrees that said property shall remain the exclusive property of the Company, and the Executive shall have no right or proprietary interest in such property, whether tangible or intangible, including, without limitation, the Company's customer and supplier lists, contract forms, books of account, computer programs and similar property. The Executive acknowledges and agrees that he has no expectation of privacy with respect to the Company's telecommunications, networking, or information processing systems (including, without limitation, files, e-mail messages and voice messages) and that the Executive's activity and any files or messages on or using any of those systems may be monitored at any time without notice. The Executive further agrees that any property situated on the Company's premises and owned by the Company, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by Company personnel without notice.

13. Cooperation. The Executive agrees that during and after his employment with the Company, the Executive will assist the Company in the defense of any claims or potential claims that may be made or threatened to be made against the Company in any action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (each, an "Action"), and will assist the Company in the prosecution of any claims that may be made by the Company in any Action, to the extent that such claims may relate to the Executive's employment or the period of the Executive's employment by the Company. The Executive agrees, unless precluded by law, to promptly inform the Company if the Executive is asked to participate (or otherwise become involved) in any such Action. The Executive also agrees, unless precluded by law, to promptly inform the Company if the Executive is asked to assist in any investigation (whether governmental or otherwise) of the Company or any of its Affiliates (or their actions) to the extent that such investigation may relate to the Executive's employment or the period of the Executive's employment by the Company, regardless of whether a lawsuit has then been filed against the Company with respect to such investigation. The Company shall reimburse the Executive for the Executive's reasonable out-of-pocket expenses associated with such cooperation following his termination of employment.

14. Remedies.

- 14.1. The Executive and the Company agree and acknowledge that any breach or threatened breach of this Agreement by the Executive would result in continuing

material and irreparable harm and injury to the Company and/or its Affiliates, and because either (i) money damages will not provide an adequate remedy to the Company or (ii) it would be difficult or impossible to establish the full monetary value of such damages, the Company shall be entitled to equitable relief (including, without limitation, specific performance, account for profits, or injunctive relief) in the event of the Executive's breach or threatened breach of this Agreement. Any equitable relief is in addition to any other available remedy, including, damages. In connection with the bringing of any legal or equitable action for the enforcement of this Agreement, the Company shall be entitled to recover, regardless of whether the Company seeks equitable relief, and regardless of the nature of the relief afforded, such reasonable attorneys' fees and expenses as the Company may incur in such legal action.

- 14.2. In addition to any other remedy which may be available (i) at law or in equity or (ii) pursuant to any other provision of this Agreement, the continued payments by the Company of Base Salary will cease as of the date on which such violation first occurs. In addition, if the Executive breaches any of the Restrictive Covenants and the Company obtains injunctive relief with respect thereto (that is not later reversed or otherwise terminated or vacated by judicial order), the period during which the Executive is required to comply with that particular covenant shall be extended by the same period that the Executive was in breach of such covenant prior to the effective date of such injunctive relief.
- 14.3. Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall prohibit Executive from reporting possible violations of federal law or regulation to or otherwise cooperating with or providing information requested by any governmental agency or entity, including, but not limited to, the Department of Justice, the Securities and Exchange Commission, the United States Congress, any state legislative and executive agency, and any agency Inspector General, or making other disclosures that are protected under the whistleblower provisions of federal law or regulation. Executive does not need the prior authorization of the Company to make any such reports or disclosures and Executive is not required to notify the Company that Executive has made such reports or disclosures.

15. Executive Representation.

- 15.1. The Executive hereby represents and warrants that (i) the execution, delivery, and performance of this Agreement by the Executive does not and will not conflict with, breach, violate, or cause a default under any agreement, contract, or instrument to which the Executive is a party or any judgment, order, or decree to which the Executive is subject, (ii) the Executive is not a party or bound by any other employment agreement, noncompetition agreement, or confidentiality agreement with any other person or entity, other than the Company, (iii) Executive is lawfully permitted to work in the United States on and after the Effective Date and (iv) Executive's employment is contingent upon the completion of a background investigation and reference check satisfactory to the Company in its discretion. Executive covenants that he will not disclose or use on behalf of the Company any proprietary information of a third party without such party's

consent. Any breach of this Section 15 shall constitute Cause. Executive further represents that he shall provide a copy of this Agreement to any new employer during the Term and for one (1) year thereafter and that the Company shall have a right to provide a copy of this Agreement to any new employer of the Executive during such period.

15.2. Prior to execution of this Agreement, the Executive was advised by the Company of the Executive's right to seek independent advice from an attorney of the Executive's own selection regarding this Agreement. The Executive acknowledges that the Executive has entered into this Agreement knowingly and voluntarily and with full knowledge and understanding of the provisions of this Agreement after being given the opportunity to consult with counsel and has in fact consulted with counsel. The Executive further represents that in entering into this Agreement, the Executive is not relying on any statements or representations made by any of the Company's directors, officers, employees, or agents which are not expressly set forth herein, and that the Executive is relying only upon the Executive's own judgment and any advice provided by the Executive's attorney. The Executive acknowledge and agrees that he was represented by counsel and expressly agrees to all the provisions in this Agreement, including, without limitation, the governing law, venue, and forum in Section 17.

16. Notices.

All notices, requests, consents, and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, sent by overnight courier or mailed first class, postage prepaid, by registered or certified mail (notices mailed shall be deemed to have been given on the date mailed), with a copy sent by electronic mail as follows (or to such other address as either party shall designate by notice in writing to the other in accordance herewith):

If to the Company, to:

vTv Therapeutics LLC  
3980 Premier Drive, Suite 310 High Point,  
NC 27265

Attention: Lead independent Director, Board of Directors If to vTv, to:

vTv Therapeutics Inc.  
3980 Premier Drive, Suite 310 High Point,  
NC 27265

Attention: Lead independent Director, Board of Directors If to the  
Executive, to:

Such address as shall most currently appear on the records of the Company.

17. Governing Law; Dispute Resolution.

- 17.1. It is the intent of the parties hereto that all questions with respect to the construction of this Agreement and the rights and liabilities of the parties hereunder shall be determined in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof that would call for the application of the substantive law of any jurisdiction other than the State of Delaware.
- 17.2. Each party irrevocably agrees for the exclusive benefit of the other that any and all suits, actions or proceedings relating to this Agreement (a "Proceeding") shall be maintained in either the courts of the State of Delaware or the federal District Courts sitting in Wilmington, Delaware (collectively, the "Chosen Courts") and that the Chosen Courts shall have exclusive jurisdiction to hear and determine or settle any such Proceeding and that any such Proceedings shall only be brought in the Chosen Courts. Each party irrevocably waives any objection that it may have now or hereafter to the laying of the venue of any Proceedings in the Chosen Courts and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceeding brought in the Chosen Courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.
- 17.3. Each of the parties hereto agrees that this Agreement involves at least \$100,000 and that this Agreement has been entered into in express reliance on Section 2708 of Title 6 of the Delaware Code. Each of the parties hereto irrevocably and unconditionally agrees that (i) to the extent such party is not otherwise subject to service of process in the State of Delaware, it will appoint (and maintain an agreement with respect to) an agent in the State of Delaware as such party's agent for acceptance of legal process and notify the other parties hereto of the name and address of said agent, (ii) service of process may also be made on such party by pre-paid certified mail with a validated proof of mailing receipt constituting evidence of valid service sent to such party at the address set forth in Section 16 of this Agreement, as such address may be changed from time to time pursuant hereto, and (iii) service made pursuant to clause (i) or (ii) above shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

18. General.

- 18.1. JURY TRIAL WAIVER. THE PARTIES EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL IN THE EVENT ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE EXECUTIVE'S EMPLOYMENT WITH THE COMPANY IS LITIGATED OR HEARD IN ANY COURT.
- 18.2. Continuation of Employment. Unless the parties otherwise agree in writing, continuation of the Executive's employment with the Company beyond the expiration of the Term shall be deemed an employment "at will" and shall not be deemed to extend

any of the provisions of this Agreement, and the Executive's employment may thereafter be terminated "at will" by the Executive or the Company and the Executive will be entitled to fringe benefits which the Executive is eligible to receive for so long as the Executive continues to be employed with the Company and the Executive shall be eligible for severance in accordance with the terms of the Company's severance policy then in effect. Notwithstanding the foregoing, the Executive shall be subject to the Restrictive Covenants set forth in Sections 5 through 13 of this Agreement for the NC Restricted Period and the NS Restricted Period, the Reduced NC Restricted Period, or such other duration specified in the section of this Agreement applicable to such Restrictive Covenant, as applicable.

- 18.3. Headings. The section headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.
- 18.4. Entire Agreement. This Agreement sets forth the entire agreement and understanding of the parties relating to the Executive's employment by the Company, and supersedes all prior agreements, arrangements, and understandings, written or oral, relating to the Executive's employment by the Company and its Affiliates including, without limitation, effective as of the Effective Date, and any severance, retention, change in control or similar types of benefits. No representation, promise, or inducement has been made by either party that is not embodied in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise or inducement not so set forth.
- 18.5. Assignment; Successors. This Agreement, and the Executive's rights and obligations hereunder, may not be assigned by the Executive. The Company may assign its rights, together with its obligations, hereunder (i) to any Affiliate or (ii) to third parties in connection with any sale, transfer, or other disposition of all or substantially all of the business or assets of the Company; in any event the obligations of the Company hereunder shall be binding on its successors or assigns, whether by merger, consolidation or acquisition of all or substantially all of its business or assets. For the avoidance of doubt, the Company may assign this Agreement to vTv in connection with any internal reorganization.
- 18.6. Waiver. This Agreement may be amended, modified, superseded, canceled, renewed, or extended and the terms or covenants hereof may be waived, only by a written instrument executed by all of the parties hereto, or in the case of a waiver, by the party waiving compliance. The failure of either party at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. No waiver by either party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term or covenant contained in this Agreement.

18.7. Withholding Taxes. The Company may withhold from any amounts payable under this Agreement such federal, state, local and other taxes as may be required to be withheld pursuant to any applicable law or regulation.

19. Subsidiaries and Affiliates.

As used herein, the term “Subsidiary” shall mean any corporation or other business entity controlled directly or indirectly by the corporation or other business entity in question, and the term “Affiliate” shall mean and include any corporation or other business entity directly or indirectly controlling, controlled by or under common control with the corporation or other business entity in question.

[Remainder of Page Intentionally Left Blank]

## ANNEX A

### **Other Current Endeavors:**

Vericast, Inc. – EVP, Corporate & Business Development MacAndrews & Forbes –  
Corporate Development  
Nelstone Ventures Advisors, Inc. – Managing Director (Venture Capital)

### **Boards:**

Board Member – Think Pink Rocks, Inc. Board Observer –  
Woolsey Pharmaceuticals  
National Advisory Board Member – Rogel Cancer Center

### **Investments:**

Woolsey Pharmaceuticals Manus  
Bio  
ClinOne, Inc.

[Signatures follow on next page]

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

VTV THERAPEUTICS LLC

*Robin E Abrams*

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By: Robin E. Abrams  
Title: Executive Chair, Board of Directors

For purposes of Section 3.2.2 hereof, only:

VTV THERAPEUTICS INC.

*Robin E Abrams*

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By: Robin E. Abrams  
Title: Executive Chair, Board of Directors

*Richard S. Nelson*

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Richard S. Nelson

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**TRANSACTION DETAILS**

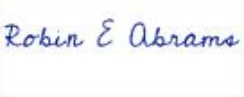
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Transaction Type  
Signature Request  
Sent At  
03/25/2022 05:35 EDT  
Executed At  
03/27/2022 19:55 EDT  
Identity Method  
email  
Distribution Method  
email  
Signed Checksum  
5911bf8033a143bf048bddf325bcc94c340e424b1c15eb2698f75d5e574899  
Signer Sequencing  
Enabled  
Document Passcode  
Enabled

**DOCUMENT DETAILS**

Document Name  
Nelson Employment Agreement Final  
Filename  
nelson\_employment\_agreement\_final.pdf  
Pages  
18 pages  
Content Type  
application/pdf  
File Size  
108 KB  
Original Checksum  
ad28e8dac4089d7107c62bf9eaf4ec39f04ac0930bcf4a8a5395a76577d73e15

**SIGNERS**

SIGNER	E-SIGNATURE	EVENTS
Name Rich Nelson Email rnelson@vtvtherapeutics.com Signer Sequence 1 Components 1	Status signed Multi-factor Digital Fingerprint Checksum ff66c198eaf1edc556fa37059b28286f560cc44d3905d995d2cb6005663e5a8d5 IP Address 165.225.38.116 Device 165.225.38.116 Device Chrome via Windows Typed Signature  Signature Reference ID 31972C21	Viewed At 03/27/2022 19:53 EDT Identity Authenticated At 03/27/2022 19:55 EDT Signed At 03/27/2022 19:55 EDT

Name Robin Abrams Email rabrams@vtvtherapeutics.com Signer Sequence 0 Components 2	Status signed Multi-factor Digital Fingerprint Checksum 652493cd2a12beaee1f053d9716ef7002c4c81d39026f6b43115008bd889187c IP Address 96.250.117.28 Device Mobile Safari via iOS Typed Signature  Signature Reference ID EC2A148A	Viewed At 03/25/2022 08:05 EDT Identity Authenticated At 03/25/2022 08:06 EDT Signed At 03/25/2022 08:06 EDT
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**AUDITS**

TIMESTAMP	AUDIT
03/25/2022 05:35 EDT	Vanessa McDade (vmcdade@vtvtherapeutics.com) created document 'nelson_employment_agreement_final.pdf' on Chrome via Windows from 216.237.199.182.
03/25/2022 05:35 EDT	Robin Abrams (rabrams@vtvtherapeutics.com) was emailed a link to sign.
03/25/2022 08:05 EDT	Robin Abrams (rabrams@vtvtherapeutics.com) viewed the document on Mobile Safari via iOS from 96.250.117.28.
03/25/2022 08:06 EDT	Robin Abrams (rabrams@vtvtherapeutics.com) authenticated via email on Mobile Safari via iOS from 96.250.117.28.
03/25/2022 08:06 EDT	Robin Abrams (rabrams@vtvtherapeutics.com) signed the document on Mobile Safari via iOS from 96.250.117.28.
03/25/2022 08:06 EDT	Rich Nelson (rnelson@vtvtherapeutics.com) was emailed a link to sign.
03/27/2022 19:53 EDT	Rich Nelson (rnelson@vtvtherapeutics.com) viewed the document on Chrome via Windows from 165.225.38.116.
03/27/2022 19:55 EDT	Rich Nelson (rnelson@vtvtherapeutics.com) authenticated via email on Chrome via Windows from 165.225.38.116.
03/27/2022 19:55 EDT	Rich Nelson (rnelson@vtvtherapeutics.com) signed the document on Chrome via Windows from 165.225.38.116.

## SECTION 302 CERTIFICATION

I, Richard S. Nelson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of vTv Therapeutics Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Securities Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 12, 2022

By: /s/ Richard S. Nelson  
Richard S. Nelson  
Interim Chief Executive Officer

## SECTION 302 CERTIFICATION

I, Barry Brown, certify that:

1. I have reviewed this quarterly report on Form 10-Q of vTv Therapeutics Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Securities Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 12, 2022

By: /s/ Barry Brown  
Barry Brown  
Chief Accounting Officer

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of vTv Therapeutics Inc. (the "Company") on Form 10-Q for the period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard S. Nelson, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in my capacity as an officer of the Company that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2022

By: /s/ Richard S. Nelson  
Richard S. Nelson  
Interim President and Chief Executive Officer

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of vTv Therapeutics Inc. (the "Company") on Form 10-Q for the period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Barry Brown, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in my capacity as an officer of the Company that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2022

By: /s/ Barry Brown  
Barry Brown  
Chief Financial Officer