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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **December 14, 2022**

SmartKem, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-56181
(Commission
File Number)

85-1083654
(I.R.S. Employer
Identification No.)

**Manchester Technology Center, Hexagon Tower
Delaunays Road, Blackley
Manchester, M9 8GQ U.K.**
(Address of principal executive offices, including zip code)

011-44-161-721-1514
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

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

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

Securities registered pursuant to Section 12(b) of the Act: **None**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

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

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

Effective December 14, 2022, SmartKem, Inc. (the “Company”) appointed Barbra C. Keck as the Company’s Chief Financial Officer. In connection with her appointment as Chief Financial Officer, Ms. Keck resigned from the Audit Committee and Compensation Committee but will remain on the board of directors of the Company (the “Board”).

Ms. Keck has served as a member of the Board since February 2021. From February 2021 until December 2022, Ms. Keck served as the Chief Financial Officer of Deverra Therapeutics, Inc., a developer of cell therapies. From January 2009 until May 2020, she held positions of increasing responsibility at Delcath Systems, Inc., an interventional oncology company, starting as Controller and ultimately becoming a senior vice president in March 2015 and chief financial officer in February 2017. Ms. Keck received an M.B.A. in Accountancy from Baruch College and a Bachelor of Music in Music Education from the University of Dayton.

Pursuant to the offer letter entered into in connection with her appointment (the “Offer Letter”), Ms. Keck will be entitled to an annual base salary of \$300,000 and an annual bonus of up to 40% of her base compensation subject to achievement of key performance indicators as determined by the Board. Ms. Keck will also be eligible for all employee benefits available to full-time employees of the Company.

In connection with her appointment, Ms. Keck was granted options (the “Options”) to purchase up to 450,000 shares of the Company’s common stock, par value \$0.0001 per share (the “Common Stock”), at an exercise price of \$2.00 per share under the Company’s 2021 Equity Incentive Plan (the “Plan”). Options to acquire 150,000 shares of Common Stock will vest on the first anniversary of Ms. Keck’s employment and the remaining Options will vest ratably on a monthly basis thereafter over a two-year period.

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

There is no family relationship between Ms. Keck and any director or executive officer of the Company. There are no transactions between Ms. Keck and the Company that would be required to be reported under Item 404(a) of Regulation S-K.

Item 9.01 Financial Statements and Exhibits

(d) The following exhibits are being filed herewith:

Exhibit	Description
10.1	<u>Offer Letter, effective December 14, 2022, by and between SmartKem, Inc. and Barbra Keck.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document).

Signature

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

SMARTKEM, INC.

Dated: December 20, 2022

By: /s/ Ian Jenks
Ian Jenks
Chief Executive Officer

Barbra Keck
[**]

Date: 6th December 2022

Dear Barbra,

Re: **Offer of Employment**

We are pleased to extend this offer to you to join SmartKem, Inc. (the “Company”) in the position of Chief Financial Officer. Your expected start date is no later than 1st January 2023. This letter is written to confirm the details of our offer to you.

In order to be eligible for this offer of employment, you must sign this **Offer of Employment** (the “Offer”) and return the signed copy to Ian Jenks, Chairman and Chief Executive Officer of the Company.

As a condition of accepting this Offer, you agree to the following terms:

1. Should you accept this Offer, your base compensation will be \$25,000 per month (equivalent to \$300,000 per year).¹ In addition, for each fiscal year, you will be eligible to receive an annual bonus equivalent of up to 40% of your base compensation (pro-rated for any partial fiscal year) subject to achievement of key performance indicators as determined by the Company’s Board of Directors.
2. On your first day of employment with the Company, you will be granted a stock option to purchase 450,000 shares of the Company’s common stock at a price per share of \$2 (the “Option”). The Option will be granted under and subject to the 2021 Equity Incentive Plan and shall be subject to such further terms and conditions as set forth in a written stock option grant letter to be provided by the Company to you to evidence the Option. [One-third (1/3) of the shares subject to the Option will vest on the first anniversary of your employment start date, and one twenty-fourth (1/24) of the remaining Shares subject to the Option shall vest each month thereafter on the same day of the month as the first day of employment.
3. You will be eligible to paid vacation, holidays, personal days and sick leave in accordance with the policies, programs and practices of the Company in effect from time to time.

¹ The amounts of compensation described in this Offer are before taxation or other withholdings required or permitted by law. The Company reserves the right to withhold all applicable federal, state, and local income, Social Security, and other employment taxes, along with any other amounts of required withholding from all amounts of compensation payable to you (including benefits plans in which you may participate).

4. You will be eligible for all employee benefits that are available to full-time employees of the Company.

It is a further condition of this Offer that, in compliance with federal immigration and tax regulations, and as part of the employment process, your identity and eligibility to work in the United States must be verified through completed I-9 and W-4 forms. To complete the I-9 form, you must show original documentation and submit your new hire paperwork to the Company no later than the first day of your employment with the Company. Additionally, your employment is contingent on your review and acceptance of our standard confidentiality, noncompete and arbitration agreements.

At-Will Employment

The employment opportunity that we offer is of indefinite duration and will continue as long as both you and the Company consider it of mutual benefit. While we hope your employment relationship with the Company will be successful, either you or Company may terminate the employment relationship at anytime, with or without cause. Nothing in any employee handbook or other policy of the Company will be construed as changing the atwill nature of your employment. Any representation to the contrary is unauthorized and not valid unless obtained in writing and signed by the CEO or other authorized officer of the Company.

Acceptance

By signing below you acknowledge that you are not relying on any promises or statements that are not set out in this Offer in deciding to accept our offer of employment.

We look forward to working with you as part of the SmartKem, Inc. team. Please indicate your acceptance of these terms of employment by signing this letter.

Sincerely,

SmartKem, Inc.

By: /s/ Ian Jenks
Ian Jenks
Chairman and
Chief Executive Officer

Agreed to and accepted by:

Signature: /s/ Barbra C. Keck

Date: 14/12/22
