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**Kezar Life Sciences, Inc.**

**Extract: Charter Amendment (Plain English Desc)** from a [8-K](#) on 10/28/2024

[SEC Document](#)

[SEC Filing](#)

As previously reported, on June 18, 2024, Kezar Life Sciences, Inc. (the "Company") held its annual stockholder meeting (the "Annual Meeting") at which the Company's stockholders approved a proposal, described in detail in the Company's definitive proxy statement filed with the Securities and Exchange Commission on April 26, 2024, to amend the Company's amended and restated certificate of incorporation to effect, at the discretion of the Company's board of directors (the "Board"), a reverse stock split of the Company's issued and outstanding common stock at a ratio in the range of one-for-two to one-for-twenty, such ratio to be determined at the discretion of the Board, and with such reverse stock split to be effected within the 12-month period following the Annual Meeting, if at all, as determined by the Board in its sole discretion. On September 23, 2024, the Board approved a reverse stock split of the Company's common stock at a ratio of one-for-ten (the "Reverse Stock Split").

On October 28, 2024, the Company filed with the Secretary of State of the State of Delaware a Certificate of Amendment of its Amended and Restated Certificate of Incorporation (the "Charter Amendment") to effect the Reverse Stock Split. The Charter Amendment will become effective at 5:00 p.m. Eastern Time on October 29, 2024 (the "Effective Time"). The Charter Amendment provides that, at the Effective Time, every ten shares of the Company's issued and outstanding common stock will automatically be combined into one issued and outstanding share of common stock. There will be no change in total number of shares of common stock authorized for issuance by the Company, nor a change in par value per share. No fractional shares will be issued as a result of the Reverse Stock Split. Instead, stockholders who would otherwise be entitled to receive a fractional share will be entitled to the rounding up of the fractional share to the nearest whole share. The Reverse Stock Split is primarily intended to bring the Company into compliance with the minimum bid price requirement necessary to maintain its listing on The Nasdaq Capital Market.

As a result of the Reverse Stock Split, proportional adjustments will also be made to the per-share exercise price and the number of shares issuable upon the exercise or vesting of all Company stock options issued and outstanding immediately prior to the Effective Time, which will result in (i) a proportionate decrease in the number of shares of the Company's common stock reserved for issuance upon exercise or vesting of such stock options, (ii) a proportionate increase in the exercise price of all such stock options, and (iii) a proportionate decrease in the number of shares authorized for future grant under the Company's equity incentive and compensation plans immediately prior to the Effective Time.

In addition, as a result of the Reverse Stock Split, proportional adjustments will be made to the rights (the "Rights") that were declared as a dividend on the shares of the Company's issued and outstanding common stock at the close of business on October 28, 2024, which will result in (i) a proportionate increase in the number of one-thousandths of one share of the Company's Series A Junior Participating Preferred Stock that may be purchased on the exercise of each Right and (ii) a proportionate increase in the exercise price of each Right. For additional information on the Rights, see the Current Report on Form 8-K filed by the Company with the Securities Exchange Commission on October 17, 2024 and the amendment to the registration statement on Form 8-A that will be filed by the Company with the Securities Exchange Commission on October 29, 2024.

The Company's common stock is expected to begin trading on the Nasdaq Capital Market on a split-adjusted basis when the market opens on October 30, 2024. The new CUSIP number for the Company's common stock following the Reverse Stock Split will be 49372L 209. No change will be made to the trading symbol for the common stock, "KZR," in connection with the Reverse Stock Split.