

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

FORM S-8
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Kiniksa Pharmaceuticals, Ltd.

(Exact name of registrant as specified in its charter)

Bermuda

(State or other jurisdiction of incorporation or organization)

98-1327726

(I.R.S. Employer Identification No.)

**Clarendon House
2 Church Street
Hamilton HM11, Bermuda
(808) 451-3453**

(Address of Principal Executive Offices) (Zip Code)

Kiniksa Pharmaceuticals, Ltd. 2018 Incentive Award Plan

(Full title of the plan)

**Kiniksa Pharmaceuticals, Corp.
100 Hayden Avenue
Lexington, MA 02421**

(Name and address for agent for service)

(781) 431-9100

(Telephone number, including area code, of agent for service)

Copies to:

**Johan V. Brigham
Nathan Ajiashvili
Latham & Watkins LLP
200 Clarendon Street
Boston, MA 02116
(617) 948-6000**

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	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

	CALCULATION OF REGISTRATION FEE			
	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Class A common shares, par value \$0.000273235 per share	2,925,000 shares(2)	\$15.59(3)	\$45,586,125	\$5,918

(1) In accordance with Rule 416 under the Securities Act of 1933, as amended (the “Securities Act”), this registration statement shall be deemed to cover any additional securities that may from time to time be offered or issued under the Kiniksa Pharmaceuticals, Ltd. 2018 Incentive Award Plan (the “2018 Plan”) to prevent dilution resulting from stock splits, stock dividends or similar transactions. In addition, pursuant to Rule 416(c) under the Securities Act of 1933, this registration statement also covers an indeterminate amount of interests to be offered or sold pursuant to the employee benefit plan described herein.

(2) Consists of 2,925,000 Class A common shares that have or may become issuable under the 2018 Plan pursuant to its terms.

(3) Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(c) and 457(h) of the Securities Act, and based upon the average of the high and low prices of the Class A common shares as reported on the Nasdaq Global Select Market on April 1, 2020.

PART I

EXPLANATORY NOTE

This Registration Statement on Form S-8 is being filed for the purpose of registering an additional 2,925,000 Class A common shares of Kiniksa Pharmaceuticals, Ltd. (the "Registrant") to be issued pursuant to the 2018 Plan. A Registration Statement of the Registrant on Form S-8 relating to the same employee benefit plan is effective.

INCORPORATION BY REFERENCE OF CONTENTS OF REGISTRATION STATEMENTS ON FORM S-8

Except as set forth below, the contents of the Registration Statement on Form S-8 ([File No. 333-225196](#)) filed with the Securities and Exchange Commission, relating to the 2018 Plan, are incorporated by reference herein.

Item 8. Exhibits.

Number	Description
4.1	Amended and Restated Bye-Laws of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-38492) filed on May 29, 2018)
4.2	Memorandum of Association of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Registration Statement on Form S-1 (File No. 333-224488) filed on April 27, 2018)
5.1+	Opinion of Conyers Dill & Pearman Limited, counsel to the Registrant
23.1+	Consent of PricewaterhouseCoopers LLP, Independent Registered Public Accounting Firm
23.2+	Consent of Conyers Dill & Pearman Limited (included in Exhibit 5.1)
24.1+	Power of attorney (included on signature pages below)
99.1	Kiniksa Pharmaceuticals, Ltd. 2018 Incentive Award Plan, and the form of share option grant notice and option agreement, form of restricted share grant notice and restricted share agreement, and form of restricted share unit grant notice and restricted share unit agreement thereunder (incorporated by reference to Exhibit 10.19 to the Registrant's Registration Statement on Form S-1 (Reg. No. 333-229394) filed on January 28, 2019)
99.2	2018 Incentive Award Plan; Sub-Plan for UK Employees, and the form of share option grant notice for UK participants (incorporated by reference to Exhibit 10.23 to the Registrant's Registration Statement on Form S-1 (Reg. No. 333-229394) filed on January 28, 2019)
99.3+	Form of restricted share unit grant notice and restricted share unit agreement thereunder for UK participants under the 2018 Incentive Award Plan; Sub-Plan for UK Employees
99.4	2018 Incentive Award Plan forms of share option grant notice and share option agreement for German participants, restricted share grant notice and restricted share agreement for German participants, and restricted share unit grant notice and restricted share unit agreement for German participants (incorporated by reference to Exhibit 10.27 to the Registrant's Annual Report on Form 10-K (File No. 001-38492) filed on March 12, 2019)

- [99.5](#) [Kiniksa Pharmaceuticals, Ltd. Riloncept Long-Term Incentive Plan \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K \(File No. 001-38492\) filed on December 16, 2019\)](#)
- [99.6](#) [Form of U.S. Performance Restricted Share Unit and Performance Cash Award Grant Notice and Agreement under the Riloncept Long-Term Incentive Plan \(incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K \(File No. 001-38492\) filed on December 16, 2019\)](#)
- [99.7](#) [Form of U.S. Restricted Share Unit Grant Notice and Agreement under the Riloncept Long-Term Incentive Plan \(incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K \(File No. 001-38492\) filed on December 16, 2019\)](#)
- [99.8+](#) [Forms of Performance Restricted Share Unit and Performance Cash Award Grant Notice and Performance Restricted Share Unit and Performance Cash Award Agreement thereunder and Restricted Share Unit Grant Notice and Restricted Share Unit Agreement thereunder for UK participants and German participants under the Riloncept Long-Term Incentive Plan](#)

+ Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the town of Weston, Commonwealth of Massachusetts, on this 7th day of April, 2020.

KINKSA PHARMACEUTICALS, LTD.

By: /s/ Sanj. K. Patel

Sanj K. Patel

Chief Executive Officer and Chairman of the Board

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Sanj K. Patel and Thomas W. Beetham, or either of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to file and sign any and all amendments, including post-effective amendments, to this registration statement, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes may lawfully do or cause to be done by virtue hereof. This power of attorney shall be governed by and construed with the laws of the State of Delaware and applicable federal securities laws.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ Sanj K. Patel</u> Sanj K. Patel	Chief Executive Officer and Chairman of the Board <i>(principal executive officer)</i>	April 7, 2020
<u>/s/ Michael R. Megna</u> Michael R. Megna	VP, Finance and Chief Accounting Officer <i>(principal accounting and principal financial officer)</i>	April 7, 2020
<u>/s/ Felix J. Baker</u> Felix J. Baker	Lead Independent Director	April 7, 2020
<u>/s/ Stephen R. Biggar</u> Stephen R. Biggar	Director	April 7, 2020
<u>/s/ Richard S. Levy</u> Richard S. Levy	Director	April 7, 2020

/s/ Thomas R. Malley
Thomas R. Malley

Director

April 7, 2020

/s/ Tracey L. McCain
Tracey L. McCain

Director

April 7, 2020

/s/ Kimberly J. Popovits
Kimberly J. Popovits

Director

April 7, 2020

/s/ Barry D. Quart
Barry D. Quart

Director

April 7, 2020

Pursuant to the requirements of the Securities Act of 1933, the undersigned, the duly authorized representative in the United States of the Registrant has signed this registration statement, on this 7th day of April 2020.

KINIKSA PHARMACEUTICALS, CORP.

By: /s/ Sanj K. Patel

Sanj K. Patel
Chief Executive Officer

CONYERS

CONYERS DILL & PEARMAN LIMITED

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

Mail: PO Box HM 666, Hamilton HM CX, Bermuda
T +1 441 295 1422

conyers.com

7 April 2020

Matter No.:710974
Doc Ref: 16954360.4

Kiniksa Pharmaceuticals, Ltd.
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Dear Sirs,

Re: Kiniksa Pharmaceuticals, Ltd. (the "Company")

We have acted as special Bermuda legal counsel to the Company in connection with a registration statement on form S-8 filed with the Securities and Exchange Commission (the "Commission") on 7 April 2020 (the "Registration Statement", which term does not include any other document or agreement whether or not specifically referred to therein or attached as an exhibit or schedule thereto) relating to the registration under the United States Securities Act of 1933, as amended, (the "Securities Act") of 2,925,000 Class A common shares of the Company, par value US\$0.000273235 per share of the Company ("Common Shares") issuable pursuant to the Kiniksa Pharmaceuticals, Ltd. 2018 Incentive Award Plan (the "2018 Plan", which term does not include any other document or agreement whether or not specifically referred to therein or attached as an exhibit or schedule thereto), including any Common Shares issuable by reason of any share split, share dividend, recapitalization or other similar transaction.

For the purposes of giving this opinion, we have examined copies of the Registration Statement and the 2018 Plan. We have also reviewed the memorandum of association and the bye-laws of the Company, resolutions of the Company's board of directors adopted on 10 May 2018 and on 1 April 2020, written resolutions of the shareholders of the Company dated 11 May 2018 (together all such resolutions, the "Resolutions") and such other documents and made such enquires as to questions of law as we have deemed necessary in order to render the opinion set forth below.

We have assumed (a) the genuineness and authenticity of all signatures and the conformity to the originals of all copies (whether or not certified) of all documents examined by us and the authenticity and completeness of the originals from which such copies were taken; (b) that where a document has been examined by us in draft form, it will be or has been executed and/or filed in the form of that draft, and where a number of drafts of a document have been examined by us all changes thereto have been marked or otherwise drawn to our attention; (c) the accuracy and completeness of all factual representations made in the Registration Statement, the 2018 Plan and other documents reviewed by us; (d) that the Resolutions were passed at one or more duly convened, constituted and quorate meetings and remain in full force and effect and have not been rescinded or amended; (e) that there is no provision of the law of any jurisdiction, other than Bermuda, which would have any implication in relation to the opinions expressed herein; (f) the validity and binding effect under the laws of the State of Delaware of the 2018 Plan in accordance with its terms; (g) that there is no provision of any award agreement which would have any implication in relation to the opinions expressed herein; (h) that, upon the issue of any Common Shares, the Company will receive consideration for the full issue price thereof which shall be equal to at least the par value thereof; (i) that the Company's Common Shares are listed on the Nasdaq Global Select Market and the Bermuda Monetary Authority will not have revoked or amended its consent to the issue of the Common Shares; (j) that, at the time of issuance of any Common Shares, the Company will have sufficient authorised but unissued Common Shares to effect the issue of each Common Share when issued; and (k) that, at the time of issuance of any award under the 2018 Plan, the Company will be able to pay its liabilities as they become due.

We have made no investigation of and express no opinion in relation to the laws of any jurisdiction other than Bermuda. This opinion is to be governed by and construed in accordance with the laws of Bermuda and is limited to and is given on the basis of the current law and practice in Bermuda. This opinion is issued solely for the purposes of the filing of the Registration Statement and the issuance of the Common Shares by the Company pursuant to the 2018 Plan and is not to be relied upon in respect of any other matter.

On the basis of, and subject to, the foregoing, we are of the opinion that:

1. The Company is duly incorporated and existing under the laws of Bermuda in good standing (meaning solely that it has not failed to make any filing with any Bermuda government authority or to pay any Bermuda government fees or tax which would make it liable to be struck off the Register of Companies and thereby cease to exist under the laws of Bermuda).
 2. When issued and paid for in accordance with the terms of the 2018 Plan, the Common Shares will be validly issued, fully paid and non-assessable (which term means when used herein that no further sums are required to be paid by the holders thereof in connection with the issue of such shares).
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We consent to the filing of this opinion as an exhibit to the Registration Statement. In giving such consent, we do not hereby admit that we are experts within the meaning of Section 11 of the Securities Act or that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the Rules and Regulations of the Commission promulgated thereunder.

Yours faithfully,

/s/ Conyers Dill & Pearman Limited

Conyers Dill & Pearman Limited

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of Kiniksa Pharmaceuticals, Ltd. (the “Company”) of our report dated March 5, 2020 relating to the financial statements, which appears in the Company’s Annual Report on Form 10-K for the year ended December 31, 2019.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
April 6, 2020

**KINIKSA PHARMACEUTICALS, LTD.
2018 INCENTIVE AWARD PLAN UK SUB-PLAN**

RESTRICTED SHARE UNIT GRANT NOTICE FOR UK PARTICIPANTS

Capitalized terms not specifically defined in this Restricted Share Unit Grant Notice for UK participants (the “**Grant Notice**”) have the meanings given to them in the 2018 Incentive Award Plan UK Sub-Plan (the “**UK Sub-Plan**”) of Kiniksa Pharmaceuticals, Ltd. (the “**Company**”), which incorporates the terms from the Company’s 2018 Incentive Award Plan (the “**Plan**”).

The Company has granted to the participant listed below (“**Participant**”) the Restricted Share Units described in this Grant Notice (the “**RSUs**”), subject to the terms and conditions of the UK Sub-Plan and the Restricted Share Unit Agreement attached as **Exhibit A** (the “**Agreement**”), both of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Number of RSUs:

Vesting Commencement Date:

Vesting Schedule: [To be specified in individual award agreements]

By Participant’s signature below, Participant agrees to be bound by the terms of this Grant Notice, the UK Sub-Plan and the Agreement. Participant has reviewed the UK Sub-Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the UK Sub-Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the UK Sub-Plan, this Grant Notice or the Agreement.

KINIKSA PHARMACEUTICALS, LTD.

PARTICIPANT

By: _____
Name: _____
Title: _____

[Participant Name]

RESTRICTED SHARE UNIT AGREEMENT FOR UK PARTICIPANTS

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the UK Sub-Plan.

ARTICLE I. GENERAL

1.1 Award of RSUs and Dividend Equivalents.

(a) The Company has granted the RSUs to Participant effective as of the grant date set forth in the Grant Notice (the “**Grant Date**”). Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the RSUs have vested.

(b) The Company hereby grants to Participant, with respect to each RSU, a Dividend Equivalent for ordinary cash dividends paid to substantially all holders of outstanding Shares with a record date after the Grant Date and prior to the date the applicable RSU is settled, forfeited or otherwise expires. Each Dividend Equivalent entitles Participant to receive the equivalent value of any such ordinary cash dividends paid on a single Share. The Company will establish a separate Dividend Equivalent bookkeeping account (a “**Dividend Equivalent Account**”) for each Dividend Equivalent and credit the Dividend Equivalent Account (without interest) on the applicable dividend payment date with the amount of any such cash paid.

1.2 Incorporation of Terms of UK Sub-Plan. The RSUs are subject to the terms and conditions set forth in this Agreement and the UK Sub-Plan, which is incorporated herein by reference. In the event of any inconsistency between the UK Sub-Plan and this Agreement, the terms of the UK Sub-Plan will control.

1.3 Unsecured Promise. The RSUs and Dividend Equivalents will at all times prior to settlement represent an unsecured Company obligation payable only from the Company’s general assets.

ARTICLE II. VESTING; FORFEITURE AND SETTLEMENT

2.1 Vesting; Forfeiture. The RSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of an RSU that would otherwise be vested will be accumulated and will vest only when a whole RSU has accumulated. In the event of Participant’s Termination of Service for any reason, all unvested RSUs will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company. Dividend Equivalents (including any Dividend Equivalent Account balance) will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSU with respect to which the Dividend Equivalent (including the Dividend Equivalent Account) relates.

2.2 Settlement.

(a) RSUs and Dividend Equivalents (including any Dividend Equivalent Account balance) will be paid in Shares or cash at the Company’s option as soon as administratively practicable after the vesting of the applicable RSU, but in no event more than sixty (60) days after the RSU’s vesting date. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)), provided the Company reasonably believes the delay will not result in the imposition of excise taxes under Section 409A.

(b) If an RSU is paid in cash, the amount of cash paid with respect to the RSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date. If a Dividend Equivalent is paid in Shares, the number of Shares paid with respect to the Dividend Equivalent will equal the quotient, rounded down to the nearest whole Share, of the Dividend Equivalent Account balance divided by the Fair Market Value of a Share on the day immediately preceding the payment date.

ARTICLE III. TAXATION AND TAX WITHHOLDING

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 UK Tax Obligations. Participant agrees to indemnify and keep indemnified the Company, any Subsidiary, any parent and his/her employing company ("Employer"), if different, from and against any liability for or obligation to pay any Tax Liability (a "Tax Liability" being any liability for income tax, employee's National Insurance Contributions and (at the discretion of the Company) employer's National Insurance Contributions (or other similar obligations to pay tax and social security wherever in the world arising) that is attributable to (1) the grant and/or vesting of the RSUs; (2) the acquisition by Participant of the Shares on vesting of the RSUs, (3) any or all of the restrictions that apply to any of the Shares (if any) ceasing to apply to the Shares or otherwise being varied, (4) the disposal of any Shares, or (5) the payment of any Dividend Equivalents).

3.3 Tax Withholding.

(a) The Employer shall have the authority and the right to deduct or withhold, or require the Participant to remit to the Employer, an amount sufficient to satisfy any Tax Liability required by law to be withheld including, without limitation, the authority to deduct such amounts from other compensation payable to the Participant by the Employer. The Company has the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the UK Sub-Plan of any Tax Liability as Participant's election to satisfy all or any portion of the Tax Liability by requesting the Company repurchase Shares otherwise issuable under the Award limited to the number of Shares which have a Fair Market Value on the date of repurchase necessary to pay the aggregate amount of Tax Liability.

(b) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs and the Dividend Equivalents, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the RSUs or Dividend Equivalents. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the Dividend Equivalents or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs or Dividend Equivalents to reduce or eliminate Participant's Tax Liability.

**ARTICLE IV.
OTHER PROVISIONS**

4.1 Adjustments. Participant acknowledges that the RSUs, the Shares subject to the RSUs and the Dividend Equivalents are subject to adjustment, modification and termination in certain events as provided in this Agreement and the UK Sub-Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the UK Sub-Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the UK Sub-Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the UK Sub-Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the UK Sub-Plan, the Grant Notice, this Agreement, the RSUs and the Dividend Equivalents will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The UK Sub-Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the UK Sub-Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the UK Sub-Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs and Dividend Equivalents, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the RSUs and Dividend Equivalents, as and when settled pursuant to the terms of this Agreement.

4.10 Not a Contract of Employment. Nothing in the UK Sub-Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the employment of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

4.12 Data Protection. The Company and all its Subsidiaries may transfer, collect, use, process or disclose, in electronic or other form, such information to third parties, including where they are situated outside the European Economic Area in countries where the level of data protection may not be as high as in the Participant's country of residence, in the event that such disclosure is in their view required for the performance of their obligations under the Plan. The Company and all Subsidiaries shall ensure that such collection, use, processing and transfers are made in accordance with the EU General Data Protection Regulation and other applicable data protection laws in any other jurisdiction.

4.13 Acknowledgement. Participant acknowledges that neither this Agreement nor the UK Sub-Plan has been issued, nor has it been approved by, an authorised person within the meaning of the Financial Services and Markets Act 2000 of the United Kingdom and is being directed at the Participant because the offer to which this Agreement and the UK Sub-Plan relate has been determined as having regard to the Participant's circumstances as an employee of the Company. This Agreement is strictly confidential and is not for distribution to, and may not be acted upon by, any other person other than the person to whom it has been specifically addressed.

* * * * *

RLTIP – First RSU Grant and Cash Award for UK Participants

KINIKSA PHARMACEUTICALS, LTD. 2018 INCENTIVE AWARD PLAN UK SUB-PLAN
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PERFORMANCE RESTRICTED SHARE UNIT AND PERFORMANCE CASH AWARD GRANT NOTICE FOR UK PARTICIPANTS

Capitalized terms not specifically defined in this Performance Restricted Share Unit and Performance Cash Award Grant Notice for UK participants (the “**Grant Notice**”) have the meanings given to them in the 2018 Incentive Award Plan UK Sub-Plan (the “**UK Sub-Plan**”) of Kiniksa Pharmaceuticals, Ltd. (the “**Company**”), which incorporates the terms from the Company’s 2018 Incentive Award Plan (the “**Plan**”), and the Company’s Riloncept Long-Term Incentive Plan (as amended from time to time, the “**RLTIP**”).

The Company has granted to the participant listed below (“**Participant**”) the Performance Restricted Share Units (the “**RSUs**”) and performance cash bonus award (the “**Cash Award**”) described in this Grant Notice, subject to the terms and conditions of the UK Sub-Plan, the RLTIP and the Restricted Share Unit and Cash Award Agreement attached as **Exhibit A** (the “**Agreement**”), all of which are incorporated into this Grant Notice by reference.

Participant:**Grant Date:****Target Number of RSUs:**¹**RSU Vesting Schedule:**

Subject to the terms of the Agreement (i) upon achievement of the FDA Milestone, a number of RSUs will become eligible to vest (the “**Achieved RSUs**”) as determined by the Administrator in accordance with the RLTIP and (ii) the Achieved RSUs will vest in a single installment on the first anniversary of the achievement of the FDA Milestone.

Target Cash Award:²**Cash Award Vesting Schedule:**

Subject to the terms of the Agreement, the Cash Award will be earned upon achievement of the FDA Milestone and paid in an amount determined by the Administrator in accordance with the RLTIP (the “**Earned Cash Award**”).

By Participant’s signature below, Participant agrees to be bound by the terms of this Grant Notice, the UK Sub-Plan, the RLTIP and the Agreement. Participant has reviewed the UK Sub-Plan, the RLTIP, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the UK Sub-Plan, the RLTIP, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the UK Sub-Plan, the RLTIP, this Grant Notice or the Agreement.

¹ Note to Draft: To be the Target Award Value, as determined in accordance with the RLTIP.

² Note to Draft: To be the Target Award Value, as determined in accordance with the RLTIP.

KINIKSA PHARMACEUTICALS, LTD.

PARTICIPANT

By: _____

Name: _____

Title: _____

[Participant Name]

PERFORMANCE RESTRICTED SHARE UNIT AND PERFORMANCE CASH AWARD AGREEMENT FOR UK PARTICIPANTS

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the UK Sub-Plan or the RL TIP.

**ARTICLE I.
GENERAL**

1.1 Award of RSUs and Dividend Equivalents.

(a) The Company has granted the RSUs to Participant effective as of the grant date set forth in the Grant Notice (the “**Grant Date**”). Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the RSUs have vested.

(b) The Company hereby grants to Participant, with respect to each RSU, a Dividend Equivalent for ordinary cash dividends paid to substantially all holders of outstanding Shares with a record date after the Grant Date and prior to the date the applicable RSU is settled, forfeited or otherwise expires. Each Dividend Equivalent entitles Participant to receive the equivalent value of any such ordinary cash dividends paid on a single Share. The Company will establish a separate Dividend Equivalent bookkeeping account (a “**Dividend Equivalent Account**”) for each Dividend Equivalent and credit the Dividend Equivalent Account (without interest) on the applicable dividend payment date with the amount of any such cash paid.

1.2 Cash Award. The Company has granted the Cash Award to Participant effective as of the Grant Date, which represents the right to receive an amount in cash pursuant to the terms of the RL TIP and this Agreement. Participant will have no right to the payment of the Cash Award until the time (if ever) the Cash Award has been earned, and Participant acknowledges that the amount of the Earned Cash Award will be paid and determined as set forth in the RL TIP.

1.3 Incorporation of Terms of UK Sub-Plan and RL TIP. The RSUs and the Cash Award are subject to the terms and conditions set forth in this Agreement and the UK Sub-Plan and the RL TIP, which are incorporated herein by reference. In the event of any inconsistency between the UK Sub-Plan or the RL TIP and this Agreement, the terms of the UK Sub-Plan and the RL TIP will control.

1.4 Unsecured Promise. The RSUs, Cash Award and Dividend Equivalents will at all times prior to settlement represent an unsecured Company obligation payable only from the Company’s general assets.

**ARTICLE II.
VESTING; FORFEITURE AND SETTLEMENT**

2.1 Vesting; Forfeiture; Change in Control.

(a) The RSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of an RSU that would otherwise be vested will be accumulated and will vest only when a whole RSU has accumulated. The Cash Award will be earned as set forth in the Grant Notice. In the event of Participant’s termination of employment with the Company or a Subsidiary for any reason, all unvested RSUs and any unearned Cash Award will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company and subject to Section 2.1(b) below. In addition, in the event it is no longer possible for the Company to achieve the FDA Milestone, all unvested RSUs and any unearned Cash Award will immediately and automatically be cancelled and forfeited for no consideration, unless otherwise determined by the Administrator. Dividend Equivalents (including any Dividend Equivalent Account balance) will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSU with respect to which the Dividend Equivalent (including the Dividend Equivalent Account) relates.

(b) Notwithstanding the foregoing, in the event of a Change in Control, the RSUs and Cash Award will be treated as set forth in Section 6 of the RLTIIP.

2.2 Settlement.

(a) RSUs and Dividend Equivalents (including any Dividend Equivalent Account balance) will be paid in Shares or cash at the Company's option as soon as administratively practicable after the vesting of the RSUs, but in no event more than sixty (60) days after the RSUs' vesting date. The Earned Cash Award will be paid in cash as set forth in the RLTIIP. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)), provided the Company reasonably believes the delay will not result in the imposition of excise taxes under Section 409A.

(b) If an RSU is paid in cash, the amount of cash paid with respect to the RSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date. If a Dividend Equivalent is paid in Shares, the number of Shares paid with respect to the Dividend Equivalent will equal the quotient, rounded down to the nearest whole Share, of the Dividend Equivalent Account balance divided by the Fair Market Value of a Share on the day immediately preceding the payment date.

**ARTICLE III.
TAXATION AND TAX WITHHOLDING**

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 UK Tax Obligations. Participant agrees to indemnify and keep indemnified the Company, any Subsidiary, any parent and his/her employing company ("Employer"), if different, from and against any liability for or obligation to pay any Tax Liability (a "Tax Liability" being any liability for income tax, employee's National Insurance Contributions and (at the discretion of the Company) employer's National Insurance Contributions (or other similar obligations to pay tax and social security wherever in the world arising) that is attributable to (1) the grant and/or vesting of the RSUs; (2) the grant or payment of the Cash Award; (3) the acquisition by Participant of the Shares on vesting of the RSUs, (4) any or all of the restrictions that apply to any of the Shares (if any) ceasing to apply to the Shares or otherwise being varied, (5) the disposal of any Shares, or (6) the payment of any Dividend Equivalents).

3.3 Tax Withholding.

(a) Unless the Administrator otherwise determines, the Employer will (i) withhold from amounts otherwise payable under the Award in cash an amount that the Employer determines to be necessary to satisfy any Tax Liability arising as a result of such cash payment under the Award and (ii) withhold from the Shares otherwise issuable under the Award a number of whole Shares which have a fair market value on the date of such withholding that the Employer determines to be necessary to satisfy any Tax Liability arising as a result of such issuance of Shares under the Award.

(b) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, the Cash Award and the Dividend Equivalents, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the RSUs, the Cash Award or the Dividend Equivalents, and that, except as set forth in Section 3.2(a), all such taxes must be satisfied in accordance with Section 9.5 of the Plan. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs, the Cash Award or the Dividend Equivalents or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs, the Cash Award or Dividend Equivalents to reduce or eliminate Participant's Tax Liability.

ARTICLE IV. OTHER PROVISIONS

4.1 Adjustments. Participant acknowledges that the RSUs, the Shares subject to the RSUs and the Dividend Equivalents are subject to adjustment, modification and termination in certain events as provided in this Agreement, the RLTIIP and the UK Sub-Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the UK Sub-Plan, the RLTIIP, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the UK Sub-Plan, the RLTIIP, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the UK Sub-Plan, the RLTIIP or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the UK Sub-Plan, the RLTIIP, the Grant Notice, this Agreement, the RSUs and the Dividend Equivalents will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The UK Sub-Plan, the RLTIIP, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the UK Sub-Plan and the RLTIIP confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the UK Sub-Plan nor any underlying program, including the RLTIIP, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs, the Cash Award and Dividend Equivalents, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the RSUs, the Cash Award and Dividend Equivalents, as and when settled pursuant to the terms of this Agreement.

4.10 Not a Contract of Employment. Nothing in the UK Sub-Plan, the RLTIIP, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the employment of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

4.12 Data Protection. The Company and all its Subsidiaries may transfer, collect, use, process or disclose, in electronic or other form, such information to third parties, including where they are situated outside the European Economic Area in countries where the level of data protection may not be as high as in the Participant's country of residence, in the event that such disclosure is in their view required for the performance of their obligations under the Plan. The Company and all Subsidiaries shall ensure that such collection, use, processing and transfers are made in accordance with the EU General Data Protection Regulation and other applicable data protection laws in any other jurisdiction.

4.13 Acknowledgement. Participant acknowledges that neither this Agreement nor the UK Sub-Plan has been issued, nor has it been approved by, an authorised person within the meaning of the Financial Services and Markets Act 2000 of the United Kingdom and is being directed at the Participant because the offer to which this Agreement and the UK Sub-Plan relate has been determined as having regard to the Participant's circumstances as an employee of the Company. This Agreement is strictly confidential and is not for distribution to, and may not be acted upon by, any other person other than the person to whom it has been specifically addressed.

* * * * *

KINIKSA PHARMACEUTICALS, LTD.
2018 INCENTIVE AWARD PLAN UK SUB-PLAN

RESTRICTED SHARE UNIT GRANT NOTICE FOR UK PARTICIPANTS

Capitalized terms not specifically defined in this Restricted Share Unit Grant Notice for UK participants (the “Grant Notice”) have the meanings given to them in the 2018 Incentive Award Plan UK Sub-Plan (the “UK Sub-Plan”) of Kiniksa Pharmaceuticals, Ltd. (the “Company”), which incorporates the terms from the Company’s 2018 Incentive Award Plan (the “Plan”), and the Company’s Rilonacept Long-Term Incentive Plan (as amended from time to time, the “RLTIP”).

The Company has granted to the participant listed below (“Participant”) the Restricted Share Units described in this Grant Notice (the “RSUs”), subject to the terms and conditions of the UK Sub-Plan, the RLTIP and the Restricted Share Unit Agreement attached as Exhibit A (the “Agreement”), all of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date¹:

Number of RSUs²:

Vesting Schedule:

Subject to the terms of the Agreement, the RSUs will vest in a single installment on the second anniversary of the Grant Date.

By Participant’s signature below, Participant agrees to be bound by the terms of this Grant Notice, the UK Sub-Plan, the RLTIP and the Agreement. Participant has reviewed the UK Sub-Plan, the RLTIP, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the UK Sub-Plan, the RLTIP, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the UK Sub-Plan, the RLTIP, this Grant Notice or the Agreement.

KINIKSA PHARMACEUTICALS, LTD.

PARTICIPANT

By: _____
Name: _____
Title: _____

[Participant Name]

¹ Note to Draft: To be the FDA Milestone achievement date.

² Note to Draft: To be determined in accordance with the RLTIP based on the Target Award Value, the Earnout Percentage and Upside Earnout Percentage, all as determined in accordance with the RLTIP.

RESTRICTED SHARE UNIT AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the UK Sub-Plan or the RLTIIP.

**ARTICLE I.
GENERAL**

1.1 Award of RSUs and Dividend Equivalents.

(a) The Company has granted the RSUs to Participant effective as of the grant date set forth in the Grant Notice (the “**Grant Date**”). Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the RSUs have vested.

(b) The Company hereby grants to Participant, with respect to each RSU, a Dividend Equivalent for ordinary cash dividends paid to substantially all holders of outstanding Shares with a record date after the Grant Date and prior to the date the applicable RSU is settled, forfeited or otherwise expires. Each Dividend Equivalent entitles Participant to receive the equivalent value of any such ordinary cash dividends paid on a single Share. The Company will establish a separate Dividend Equivalent bookkeeping account (a “**Dividend Equivalent Account**”) for each Dividend Equivalent and credit the Dividend Equivalent Account (without interest) on the applicable dividend payment date with the amount of any such cash paid.

1.2 Incorporation of Terms of UK Sub-Plan and RLTIIP. The RSUs are subject to the terms and conditions set forth in this Agreement and the UK Sub-Plan and the RLTIIP, which are incorporated herein by reference. In the event of any inconsistency between the UK Sub-Plan or the RLTIIP and this Agreement, the terms of the UK Sub-Plan and the RLTIIP will control.

1.3 Unsecured Promise. The RSUs and Dividend Equivalents will at all times prior to settlement represent an unsecured Company obligation payable only from the Company’s general assets.

**ARTICLE II.
VESTING; FORFEITURE AND SETTLEMENT**

2.1 Vesting; Forfeiture; Change in Control.

(a) The RSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of an RSU that would otherwise be vested will be accumulated and will vest only when a whole RSU has accumulated. In the event of Participant’s termination of employment with the Company or a Subsidiary for any reason, all unvested RSUs will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company and subject to Section 2.1(b) below. In addition, in the event it is no longer possible for the Company to achieve the FDA Milestone, all unvested RSUs will immediately and automatically be cancelled and forfeited for no consideration, unless otherwise determined by the Administrator. Dividend Equivalents (including any Dividend Equivalent Account balance) will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSU with respect to which the Dividend Equivalent (including the Dividend Equivalent Account) relates.

(b) Notwithstanding the foregoing, in the event of a Change in Control, the RSUs will be treated as set forth in Section 6 of the RLTP.

2.2 Settlement.

(a) RSUs and Dividend Equivalents (including any Dividend Equivalent Account balance) will be paid in Shares or cash at the Company's option as soon as administratively practicable after the vesting of the applicable RSU, but in no event more than sixty (60) days after the RSU's vesting date. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)), provided the Company reasonably believes the delay will not result in the imposition of excise taxes under Section 409A.

(b) If an RSU is paid in cash, the amount of cash paid with respect to the RSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date. If a Dividend Equivalent is paid in Shares, the number of Shares paid with respect to the Dividend Equivalent will equal the quotient, rounded down to the nearest whole Share, of the Dividend Equivalent Account balance divided by the Fair Market Value of a Share on the day immediately preceding the payment date.

ARTICLE III. TAXATION AND TAX WITHHOLDING

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 UK Tax Obligations. Participant agrees to indemnify and keep indemnified the Company, any Subsidiary, any parent and his/her employing company ("**Employer**"), if different, from and against any liability for or obligation to pay any Tax Liability (a "**Tax Liability**" being any liability for income tax, employee's National Insurance Contributions and (at the discretion of the Company) employer's National Insurance Contributions (or other similar obligations to pay tax and social security wherever in the world arising) that is attributable to (1) the grant and/or vesting of the RSUs; (2) the acquisition by Participant of the Shares on vesting of the RSUs, (3) any or all of the restrictions that apply to any of the Shares (if any) ceasing to apply to the Shares or otherwise being varied, (4) the disposal of any Shares, or (5) the payment of any Dividend Equivalents).

3.3 Tax Withholding.

(a) Unless the Administrator otherwise determines, the Employer will (i) withhold from amounts otherwise payable under the Award in cash an amount that the Company determines to be necessary to satisfy any Tax Liability arising as a result of such cash payment under the Award and (ii) withhold from the Shares otherwise issuable under the Award a number of whole Shares which have a fair market value on the date of such withholding that the Employer determines to be necessary to satisfy any Tax Liability arising as a result of such issuance of Shares under the Award.

(b) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs and the Dividend Equivalents, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the RSUs or Dividend Equivalents, and that, except as set forth in Section 3.2(a), all such taxes must be satisfied in accordance with Section 9.5 of the Plan. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the Dividend Equivalents or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs or Dividend Equivalents to reduce or eliminate Participant's Tax Liability.

ARTICLE IV. OTHER PROVISIONS

4.1 Adjustments. Participant acknowledges that the RSUs, the Shares subject to the RSUs and the Dividend Equivalents are subject to adjustment, modification and termination in certain events as provided in this Agreement, the RLTIIP and the UK Sub-Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the UK Sub-Plan, the RLTIIP, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the UK Sub-Plan, the RLTIIP, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the UK Sub-Plan, the RLTIIP or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the UK Sub-Plan, the RLTIIP, the Grant Notice, this Agreement, the RSUs and the Dividend Equivalents will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The UK Sub-Plan, the RLTIIP, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the UK Sub-Plan and the RL TIP confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the UK Sub-Plan nor any underlying program, including the RL TIP, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs and Dividend Equivalents, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the RSUs and Dividend Equivalents, as and when settled pursuant to the terms of this Agreement.

4.10 Not a Contract of Employment. Nothing in the UK Sub-Plan, the RL TIP, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the employment of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

4.12 Data Protection. The Company and all its Subsidiaries may transfer, collect, use, process or disclose, in electronic or other form, such information to third parties, including where they are situated outside the European Economic Area in countries where the level of data protection may not be as high as in the Participant's country of residence, in the event that such disclosure is in their view required for the performance of their obligations under the Plan. The Company and all Subsidiaries shall ensure that such collection, use, processing and transfers are made in accordance with the EU General Data Protection Regulation and other applicable data protection laws in any other jurisdiction.

4.13 Acknowledgement. Participant acknowledges that neither this Agreement nor the UK Sub-Plan has been issued, nor has it been approved by, an authorised person within the meaning of the Financial Services and Markets Act 2000 of the United Kingdom and is being directed at the Participant because the offer to which this Agreement and the UK Sub-Plan relate has been determined as having regard to the Participant's circumstances as an employee of the Company. This Agreement is strictly confidential and is not for distribution to, and may not be acted upon by, any other person other than the person to whom it has been specifically addressed.

* * * * *

KINIKSA PHARMACEUTICALS, LTD.
2018 INCENTIVE AWARD PLAN

PERFORMANCE RESTRICTED SHARE UNIT AND PERFORMANCE CASH AWARD GRANT NOTICE FOR GERMAN PARTICIPANTS

Capitalized terms not specifically defined in this Performance Restricted Share Unit and Performance Cash Award Grant Notice (the “**Grant Notice**”) have the meanings given to them in the 2018 Incentive Award Plan (as amended from time to time, the “**Plan**”) or the Rilonacept Long-Term Incentive Plan (as amended from time to time, the “**RLTIP**”) of Kiniksa Pharmaceuticals, Ltd. (the “**Company**”).

The Company has granted to the participant listed below (“**Participant**”) the Performance Restricted Share Units (the “**RSUs**”) and performance cash bonus award (the “**Cash Award**”) described in this Grant Notice, subject to the terms and conditions of the Plan, the RLTIP and the Restricted Share Unit and Cash Award Agreement attached as **Exhibit A** (the “**Agreement**”), all of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Target Number of RSUs:¹

RSU Vesting Schedule:

Subject to the terms of the Agreement (i) upon achievement of the FDA Milestone, a number of RSUs will become eligible to vest (the “**Achieved RSUs**”) as determined by the Administrator in accordance with the RLTIP and (ii) the Achieved RSUs will vest in a single installment on the first anniversary of the achievement of the FDA Milestone.

Target Cash Award:²

Cash Award Vesting Schedule:

Subject to the terms of the Agreement, the Cash Award will be earned upon achievement of the FDA Milestone and paid in an amount determined by the Administrator in accordance with the RLTIP (the “**Earned Cash Award**”).

By Participant’s signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan, the RLTIP and the Agreement. Participant has reviewed the Plan, the RLTIP, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, the RLTIP, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the RLTIP, this Grant Notice or the Agreement.

¹ Note to Draft: To be the Target Award Value, as determined in accordance with the RLTIP.

² Note to Draft: To be the Target Award Value, as determined in accordance with the RLTIP.

KINIKSA PHARMACEUTICALS, LTD.

PARTICIPANT

By: _____
Name: _____
Title: _____

[Participant Name]

PERFORMANCE RESTRICTED SHARE UNIT AND PERFORMANCE CASH AWARD AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan or the RLTIIP.

**ARTICLE I.
GENERAL**

1.1 Award of RSUs and Dividend Equivalents.

(a) The Company has granted the RSUs to Participant effective as of the grant date set forth in the Grant Notice (the “**Grant Date**”). Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the RSUs have vested.

(b) The Company hereby grants to Participant, with respect to each RSU, a Dividend Equivalent for ordinary cash dividends paid to substantially all holders of outstanding Shares with a record date after the Grant Date and prior to the date the applicable RSU is settled, forfeited or otherwise expires. Each Dividend Equivalent entitles Participant to receive the equivalent value of any such ordinary cash dividends paid on a single Share. The Company will establish a separate Dividend Equivalent bookkeeping account (a “**Dividend Equivalent Account**”) for each Dividend Equivalent and credit the Dividend Equivalent Account (without interest) on the applicable dividend payment date with the amount of any such cash paid.

1.2 Cash Award. The Company has granted the Cash Award to Participant effective as of the Grant Date, which represents the right to receive an amount in cash pursuant to the terms of the RLTIIP and this Agreement. Participant will have no right to the payment of the Cash Award until the time (if ever) the Cash Award has been earned, and Participant acknowledges that the amount of the Earned Cash Award will be paid and determined as set forth in the RLTIIP.

1.3 Incorporation of Terms of Plan and RLTIIP. The RSUs and the Cash Award are subject to the terms and conditions set forth in this Agreement and the Plan and the RLTIIP, which are incorporated herein by reference. In the event of any inconsistency between the Plan or the RLTIIP and this Agreement, the terms of the Plan and the RLTIIP will control.

1.4 Unsecured Promise. The RSUs, Cash Award and Dividend Equivalents will at all times prior to settlement represent an unsecured Company obligation payable only from the Company’s general assets.

**ARTICLE II.
VESTING; FORFEITURE AND SETTLEMENT**

2.1 Vesting; Forfeiture; Change in Control.

(a) The RSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of an RSU that would otherwise be vested will be accumulated and will vest only when a whole RSU has accumulated. The Cash Award will be earned as set forth in the Grant Notice. In the event of Participant’s termination of employment with the Company or a Subsidiary for any reason, all unvested RSUs and any unearned Cash Award will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company and subject to Section 2.1(b) below. In addition, in the event it is no longer possible for the Company to achieve the FDA Milestone, all unvested RSUs and any unearned Cash Award will immediately and automatically be cancelled and forfeited for no consideration, unless otherwise determined by the Administrator. In addition, in the event it is no longer possible for the Company to achieve the FDA Milestone, all unvested RSUs and any unearned Cash Award will immediately and automatically be cancelled and forfeited for no consideration, unless otherwise determined by the Administrator. Dividend Equivalents (including any Dividend Equivalent Account balance) will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSU with respect to which the Dividend Equivalent (including the Dividend Equivalent Account) relates.

(b) Notwithstanding the foregoing, in the event of a Change in Control, the RSUs and Cash Award will be treated as set forth in Section 6 of the RLTIIP.

2.2 Settlement.

(a) RSUs and Dividend Equivalents (including any Dividend Equivalent Account balance) will be paid in Shares or cash at the Company's option as soon as administratively practicable after the vesting of the RSUs, but in no event more than sixty (60) days after the RSUs' vesting date. The Earned Cash Award will be paid in cash as set forth in the RLTIIP. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)), provided the Company reasonably believes the delay will not result in the imposition of excise taxes under Section 409A.

(b) If an RSU is paid in cash, the amount of cash paid with respect to the RSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date. If a Dividend Equivalent is paid in Shares, the number of Shares paid with respect to the Dividend Equivalent will equal the quotient, rounded down to the nearest whole Share, of the Dividend Equivalent Account balance divided by the Fair Market Value of a Share on the day immediately preceding the payment date.

**ARTICLE III.
TAXATION AND TAX WITHHOLDING**

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 German Tax Obligations.

(a) The Participant shall be obliged to notify his or her employing entity (the "**Employer**") of the awarding, vesting or payment of the RSUs, the Cash Award or the Dividend Equivalents. Unless the Administrator otherwise determines, the Employer will (i) withhold from amounts otherwise payable under the Award in cash an amount that the Employer determines to be necessary to satisfy any Tax Liability arising as a result of such cash payment under the Award and (ii) withhold from the Shares otherwise issuable under the Award a number of whole Shares which have a fair market value on the date of such withholding that the Employer determines to be necessary to satisfy any Tax Liability arising as a result of such issuance of Shares under the Award. A "**Tax Liability**" shall be any liability for income tax, wage tax, solidarity surcharge or social security contributions arising as a result of the option, its exercise or otherwise under this Agreement.

(b) The Participant understands that he or she may suffer adverse tax consequences as a result of the RSUs, the Cash Award, Dividend Equivalents or disposition of Shares. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs, the Cash Award or the Dividend Equivalents or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs, the Cash Award or Dividend Equivalents to reduce or eliminate Participant's tax liability. The Participant represents that he or she has had the opportunity to consult with any tax consultants he deems advisable in connection with the RSUs, the Cash Award or Dividend Equivalents and that he or she is not relying on the Company or the Employer for any tax advice. The Participant is relying solely on such advisors and not on any statements or representations of the Company, the Employer or any of their agents.

ARTICLE IV. OTHER PROVISIONS

4.1 Adjustments. Participant acknowledges that the RSUs, the Shares subject to the RSUs and the Dividend Equivalents are subject to adjustment, modification and termination in certain events as provided in this Agreement, the RLTP and the Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the RLTP, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, the RLTP, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan, the RLTP or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RLTP, the Grant Notice, this Agreement, the RSUs and the Dividend Equivalents will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The Plan, the RLTIIP, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the Plan and the RLTIIP confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, including the RLTIIP, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs, the Cash Award and Dividend Equivalents, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the RSUs, the Cash Award and Dividend Equivalents, as and when settled pursuant to the terms of this Agreement.

4.10 Not a Contract of Employment. Nothing in the Plan, the RLTIIP, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant. The Participant is aware of and consents to the fact that neither the Plan, the RLTIIP, the Grant Notice nor this Agreement are part of the Participant's employment contract with his or her employer. In particular, neither the grant of the Award nor any other financial benefits conferred upon the Participant in connection with this Agreement are part of the Participant's entitlement to remuneration or benefits in terms of their employment with his or her employer.

4.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

* * * * *

**KINIKSA PHARMACEUTICALS, LTD.
2018 INCENTIVE AWARD PLAN**

RESTRICTED SHARE UNIT GRANT NOTICE FOR GERMAN PARTICIPANTS

Capitalized terms not specifically defined in this Restricted Share Unit Grant Notice (the “**Grant Notice**”) have the meanings given to them in the 2018 Incentive Award Plan (as amended from time to time, the “**Plan**”) or the Riloncept Long-Term Incentive Plan (as amended from time to time, the “**RLTIP**”) of Kiniksa Pharmaceuticals, Ltd. (the “**Company**”).

The Company has granted to the participant listed below (“**Participant**”) the Restricted Share Units described in this Grant Notice (the “**RSUs**”), subject to the terms and conditions of the Plan, the RLTIP and the Restricted Share Unit Agreement attached as **Exhibit A** (the “**Agreement**”), all of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date¹:

Number of RSUs²:

Vesting Schedule:

Subject to the terms of the Agreement, the RSUs will vest in a single installment on the second anniversary of the Grant Date.

By Participant’s signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan, the RLTIP and the Agreement. Participant has reviewed the Plan, the RLTIP, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, the RLTIP, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the RLTIP, this Grant Notice or the Agreement.

KINIKSA PHARMACEUTICALS, LTD.

PARTICIPANT

By: _____
Name: _____
Title: _____

[Participant Name]

¹ Note to Draft: To be the FDA Milestone achievement date.

² Note to Draft: To be determined in accordance with the RLTIP based on the Target Award Value, the Earnout Percentage and Upside Earnout Percentage, all as determined in accordance with the RLTIP.

RESTRICTED SHARE UNIT AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan or the RLTIP.

**ARTICLE I.
GENERAL**

1.1 Award of RSUs and Dividend Equivalents.

(a) The Company has granted the RSUs to Participant effective as of the grant date set forth in the Grant Notice (the “**Grant Date**”). Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the RSUs have vested.

(b) The Company hereby grants to Participant, with respect to each RSU, a Dividend Equivalent for ordinary cash dividends paid to substantially all holders of outstanding Shares with a record date after the Grant Date and prior to the date the applicable RSU is settled, forfeited or otherwise expires. Each Dividend Equivalent entitles Participant to receive the equivalent value of any such ordinary cash dividends paid on a single Share. The Company will establish a separate Dividend Equivalent bookkeeping account (a “**Dividend Equivalent Account**”) for each Dividend Equivalent and credit the Dividend Equivalent Account (without interest) on the applicable dividend payment date with the amount of any such cash paid.

1.2 Incorporation of Terms of Plan and RLTIP. The RSUs are subject to the terms and conditions set forth in this Agreement and the Plan and the RLTIP, which are incorporated herein by reference. In the event of any inconsistency between the Plan or the RLTIP and this Agreement, the terms of the Plan and the RLTIP will control.

1.3 Unsecured Promise. The RSUs and Dividend Equivalents will at all times prior to settlement represent an unsecured Company obligation payable only from the Company’s general assets.

**ARTICLE II.
VESTING; FORFEITURE AND SETTLEMENT**

2.1 Vesting; Forfeiture; Change in Control.

(a) The RSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of an RSU that would otherwise be vested will be accumulated and will vest only when a whole RSU has accumulated. In the event of Participant’s termination of employment with the Company or a Subsidiary for any reason, all unvested RSUs will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company and subject to Section 2.1(b) below. In addition, in the event it is no longer possible for the Company to achieve the FDA Milestone, all unvested RSUs will immediately and automatically be cancelled and forfeited for no consideration, unless otherwise determined by the Administrator. Dividend Equivalents (including any Dividend Equivalent Account balance) will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSU with respect to which the Dividend Equivalent (including the Dividend Equivalent Account) relates.

(b) Notwithstanding the foregoing, in the event of a Change in Control, the RSUs will be treated as set forth in Section 6 of the RLTIIP.

2.2 Settlement.

(a) RSUs and Dividend Equivalents (including any Dividend Equivalent Account balance) will be paid in Shares or cash at the Company's option as soon as administratively practicable after the vesting of the applicable RSU, but in no event more than sixty (60) days after the RSU's vesting date. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)), provided the Company reasonably believes the delay will not result in the imposition of excise taxes under Section 409A.

(b) If an RSU is paid in cash, the amount of cash paid with respect to the RSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date. If a Dividend Equivalent is paid in Shares, the number of Shares paid with respect to the Dividend Equivalent will equal the quotient, rounded down to the nearest whole Share, of the Dividend Equivalent Account balance divided by the Fair Market Value of a Share on the day immediately preceding the payment date.

**ARTICLE III.
TAXATION AND TAX WITHHOLDING**

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 German Tax Obligations.

(a) The Participant shall be obliged to notify his or her employing entity (the "**Employer**") of the awarding, vesting or payment of the RSUs, the Cash Award or the Dividend Equivalents. Unless the Administrator otherwise determines, the Employer will (i) withhold from amounts otherwise payable under the Award in cash an amount that the Employer determines to be necessary to satisfy any Tax Liability arising as a result of such cash payment under the Award and (ii) withhold from the Shares otherwise issuable under the Award a number of whole Shares which have a fair market value on the date of such withholding that the Company determines to be necessary to satisfy any Tax Liability arising as a result of such issuance of Shares under the Award. A "**Tax Liability**" shall be any liability for income tax, wage tax, solidarity surcharge or social security contributions arising as a result of the option, its exercise or otherwise under this Agreement.

(b) The Participant understands that he or she may suffer adverse tax consequences as a result of the RSUs, the Cash Award, Dividend Equivalents or disposition of Shares. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the Dividend Equivalents or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs or Dividend Equivalents to reduce or eliminate Participant's tax liability. The Participant represents that he or she has had the opportunity to consult with any tax consultants he or she deems advisable in connection with the RSUs, the Cash Award or Dividend Equivalents and that he or she is not relying on the Company or the Employer for any tax advice. The Participant is relying solely on such advisors and not on any statements or representations of the Company, the Employer or any of their agents.

**ARTICLE IV.
OTHER PROVISIONS**

4.1 Adjustments. Participant acknowledges that the RSUs, the Shares subject to the RSUs and the Dividend Equivalents are subject to adjustment, modification and termination in certain events as provided in this Agreement, the RLTIIP and the Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the RLTIIP, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, the RLTIIP, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan, the RLTIIP or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RLTIIP, the Grant Notice, this Agreement, the RSUs and the Dividend Equivalents will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The Plan, the RLTIIP, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the Plan and the RLTP confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, including the RLTP, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs and Dividend Equivalents, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the RSUs and Dividend Equivalents, as and when settled pursuant to the terms of this Agreement.

4.10 Not a Contract of Employment. Nothing in the Plan, the RLTP, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant. The Participant is aware of and consents to the fact that neither the Plan, the RLTP, the Grant Notice nor this Agreement are part of the Participant's employment contract with his or her employer. In particular, neither the grant of the Award nor any other financial benefits conferred upon the Participant in connection with this Agreement are part of the Participant's entitlement to remuneration or benefits in terms of their employment with his or her employer.

4.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

* * * * *