

**UNITED STATES SECURITIES AND EXCHANGE
COMMISSION**

Washington, D.C. 20549

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF
SECURITIES**

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Scherle Peggy</u> (Last) (First) (Middle) <u>C/O PRELUDE THERAPEUTICS INCORPORATED</u> <u>200 POWDER MILL ROAD</u> (Street) <u>WILMINGTON DE 19801</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>09/24/2020</u>	3. Issuer Name and Ticker or Trading Symbol <u>Prelude Therapeutics Inc [PRLD]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) _____ <u>Chief Scientific Officer</u>	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common Stock</u>	<u>172,920⁽¹⁾</u>	<u>D</u>	

**Table II - Derivative Securities Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
<u>Employee Stock Option (right to buy)</u>	<u>(2)</u>	<u>11/12/2028</u>	<u>Common Stock</u>	<u>86,460</u>	<u>1.43</u>	<u>D</u>	
<u>Employee Stock Option (right to buy)</u>	<u>(3)</u>	<u>02/12/2029</u>	<u>Common Stock</u>	<u>43,230</u>	<u>1.43</u>	<u>D</u>	
<u>Employee Stock Option (right to buy)</u>	<u>(4)</u>	<u>03/26/2030</u>	<u>Common Stock</u>	<u>43,230</u>	<u>1.89</u>	<u>D</u>	
<u>Employee Stock Option (right to buy)</u>	<u>(5)</u>	<u>09/01/2030</u>	<u>Common Stock</u>	<u>185,888</u>	<u>12.85</u>	<u>D</u>	

Explanation of Responses:

- Certain of the shares are subject to forfeiture to the Issuer if underlying vesting conditions are not met.
- The stock option vested as to 25% of the total shares on November 13, 2019, and thereafter vests as to 1/48 on the first day of each month for 36 months until fully vested, subject to the Reporting Person's provision of service to the Issuer on each vesting date.
- The stock option vested as to 25% of the total shares on February 13, 2020, and thereafter vests as to 1/48 of the total shares monthly until fully vested, subject to the Reporting Person's provision of service to the Issuer on each vesting date.
- The stock option vests as to 25% of the total shares on March 6, 2021, and thereafter vests as to 1/48 of the total shares monthly until fully vested, subject to the Reporting Person's provision of service to the Issuer on each vesting date.
- The stock option vests as to 25% of the total shares on September 24, 2021, and thereafter vests as to 1/48 of the total shares monthly until fully vested, subject to the Reporting Person's provision of service to the Issuer on each vesting date.

Remarks:

/s/ Brian Piper, as
Attorney-in-Fact for Peggy, 09/24/2020
Scherle

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints Brian Piper and Krishna Vaddi and each of them, as his true and lawful attorney-in-fact to:

(1) execute for and on behalf of the undersigned, in the undersigned's capacity as a representative of Prelude Therapeutics Incorporated (the "Company"), any and all Form ID, or Form 3, 4 or 5 reports and any amendments thereto required to be filed by the undersigned in accordance with Section 16(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and the rules thereunder with respect to transactions in the Company's securities;

(2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Form ID, or Form 3, 4 or 5 report and any amendments thereto and timely file such report with the U.S. Securities and Exchange Commission and any stock exchange or similar authority; and

(3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney in-fact on behalf of the undersigned, pursuant to this Power of Attorney, shall be in such form and shall contain such terms and conditions as such attorney in-fact may approve in his or her discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform each and every act and thing whatsoever requisite, necessary, and proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or his or her substitute or substitutes, shall lawfully do or cause to be done by virtue of this Power of Attorney and the rights and powers herein granted. The undersigned acknowledges that no such attorney in-fact, in serving in such capacity at the request of the undersigned, is hereby assuming, nor is the Company hereby assuming, any of the undersigned's responsibilities to comply with Section 16 of the Exchange Act.

The undersigned agrees that each such attorney-in-fact may rely entirely on information furnished orally or in writing by the undersigned to each such attorney-in-fact. The undersigned also agrees to indemnify and hold harmless the Company and each such attorney-in-fact against any losses, claims, damages or liabilities (or actions in these respects) that arise out of or are based on any untrue statement or omission of necessary facts in the information provided by the undersigned to such attorney-in-fact for purposes of executing, acknowledging, delivering and filing Forms 3, 4 or 5 (including amendments thereto) and agrees to reimburse the Company and each such attorney-in-fact for any legal or other expenses reasonably incurred in connection with investigating or defending against any such loss, claim, damage, liability or action.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Form 3, 4 or 5 reports with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 2nd day of September, 2020.

/s/ Peggy Scherle