As confidentially submitted to the Securities and Exchange Commission on August 6, 2020. This draft registration statement has not been publicly filed with the Securities and Exchange Commission and all information herein remains confidential.

Registration No. 333–

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT

UNDER
THE SECURITIES ACT OF 1933

C4 Therapeutics, Inc.

(Exact name of registrant as specified in its charter)

DELAWARE	2836	47-5617627
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

C4 Therapeutics, Inc.
490 Arsenal Way, Suite 200
Watertown, MA 02472
(617) 231-0700
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Marc A. Cohen
Co-Founder, Executive Chairman and Chief Executive Officer
C4 Therapeutics, Inc.
490 Arsenal Way, Suite 200
Watertown, MA 02472
(617) 231-0700
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Lawrence S. Wittenberg, Esq. **Edwin O'Connor, Esq.** **Goodwin Procter LLP** **100 Northern Avenue** **Boston, MA 02210** **(617) 570-1000**	**Jolie M. Siegel** **Chief Legal Officer** **C4 Therapeutics, Inc.** **490 Arsenal Way, Suite 200** **Watertown, MA 02472** **(617) 231-0700**	**Divakar Gupta** **Brent B. Siler** **Richard Segal** **Cooley LLP** **55 Hudson Yards** **New York, NY 10001-2157** **(212) 479-6000**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

Large Accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
	Emerging growth company ☒

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

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE (1)	AMOUNT OF REGISTRATION FEE (2)
Common stock, $0.0001 par value per share	$	$

(1) Estimated solely for the purpose of computing the registration fee in accordance with Rule 457(o) under the Securities Act of 1933, as amended. Includes the aggregate offering price of shares that the underwriters have the option to purchase to cover over-allotments, if any.
(2) Registration fee will be paid when registration statement is first publicly filed under the Securities Act of 1933, as amended.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant files a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the Securities and Exchange Commission declares our registration statement effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED , 2020

PRELIMINARY PROSPECTUS

Shares

Common Stock

We are offering shares of common stock. This is the initial public offering of our common stock, and prior to this offering, there has been no public market for our common stock. We expect that the initial public offering price will be between $ and $ per share. We intend to apply to list our common stock on The Nasdaq Global Market under the symbol "CCCC."

We are an "emerging growth company" and a "smaller reporting company" as defined under the federal securities laws and, as such, we have elected to comply with certain reduced public company reporting requirements for this prospectus and may elect to do so for future filings.

Investing in our common stock involves a high degree of risk. Before buying any shares, you should read carefully the discussion of the material risks of investing in our common stock under the heading "Risk Factors" starting on page 11 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities that may be offered under this prospectus, nor have any of these organizations determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	PER SHARE	TOTAL
Initial public offering price	$	$
Underwriting discounts and commissions (1)	$	$
Proceeds, before expenses, to C4 Therapeutics, Inc.	$	$

(1) See "Underwriting" beginning on page 163 of this prospectus for additional information regarding underwriting compensation.

Delivery of the shares of common stock is expected to be made on or about , 2020. We have granted the underwriters an option for a period of 30 days to purchase an additional shares of our common stock. If the underwriters exercise the option in full, the total underwriting discounts and commissions payable by us will be $, and the total proceeds to us, before expenses, will be $.

Jefferies **Evercore ISI** **BMO Capital Markets** **UBS Investment Bank**

Prospectus dated , 2020

TABLE OF CONTENTS

Neither we nor the underwriters have authorized anyone to provide you with information different from, or in addition to, that contained in this prospectus, any amendment or supplement to this prospectus and any related free writing prospectus prepared by or on behalf of us or to which we have referred you. We and the underwriters take no responsibility for, and can provide no assurances as to the reliability of, any information that others may give you. This prospectus is not an offer to sell, nor is it seeking an offer to buy, these securities in any jurisdiction where the

offer or sale is not permitted. The information contained in this prospectus or in any free writing prospectus is only accurate as of its date, regardless of its time of delivery or the time of any sale of our common stock. Our business, financial condition, results of operations and future growth prospects may have changed since that date. No action is being taken in any jurisdiction outside the United States to permit a public offering of our common stock or possession or distribution of this prospectus in that jurisdiction. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions as to this offering and the distribution of this prospectus applicable to that jurisdiction.

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business, including our company name, C4 Therapeutics, Inc., our logo, the name of our TORPEDO™ technology platform and the names of our BIDAC™ and MONODAC™ protein degrader product candidates. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or products in this prospectus is not intended to and does not imply a relationship with, or endorsement or sponsorship by, us. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but the omission of such references is not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable owner of these trademarks, service marks and trade names.

Until and including , 2020 (25 days after the date of this prospectus), all dealers that buy, sell or trade our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PROSPECTUS SUMMARY

This summary highlights information contained in greater detail elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should carefully read this entire prospectus, including our consolidated financial statements and the related notes included elsewhere in this prospectus. You should also consider, among other things, the information set forth under the sections titled "Risk Factors," "Special Note Regarding Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in each case appearing elsewhere in this prospectus. Unless the context otherwise requires, we use the terms "C4 Therapeutics," the "Company," "we," "us," "our" and similar designations in this prospectus to refer to C4 Therapeutics, Inc. and, where indicated, its wholly owned subsidiary.

Overview

We are a biopharmaceutical company focused on harnessing the body's natural regulation of protein levels to develop novel therapeutic candidates to target and eliminate disease-causing proteins for the treatment of cancer, neurodegenerative conditions and other diseases. We leverage our proprietary technology platform, TORPEDO (Target ORiented ProtEin Degrader Optimizer), to synthesize a new class of small molecule protein degraders that are designed to selectively and efficiently eliminate disease-causing proteins, including targets previously considered to be undruggable. Our degraders are designed with a focus on catalytic degradation to optimize targeted protein degradation and an ability to use multiple routes of administration, which we believe offer many potential advantages over existing therapeutic modalities, including improved potency, faster response, higher selectivity and avoidance of known toxicities. We are using our TORPEDO platform to build a robust pipeline of oral protein degradation drug candidates, with our lead product candidates focused on oncology indications. One of our lead product candidates, CFT7455, is an orally bioavailable degrader targeting IKZF1/3 for multiple myeloma, or MM, peripheral T-cell lymphoma, or PTCL, and mantle cell lymphoma, or MCL. We expect to submit an investigational new drug application, or IND, for this product candidate to the U.S. Food and Drug Administration, or the FDA, in and begin a first-in-human Phase 1/2 clinical trial for this product in . We are also developing CFT8634, an orally bioavailable degrader of a protein target called BRD9, for synovial sarcoma and SMARCB1-deleted solid tumors, and we expect to submit an IND for this product candidate to the FDA in .

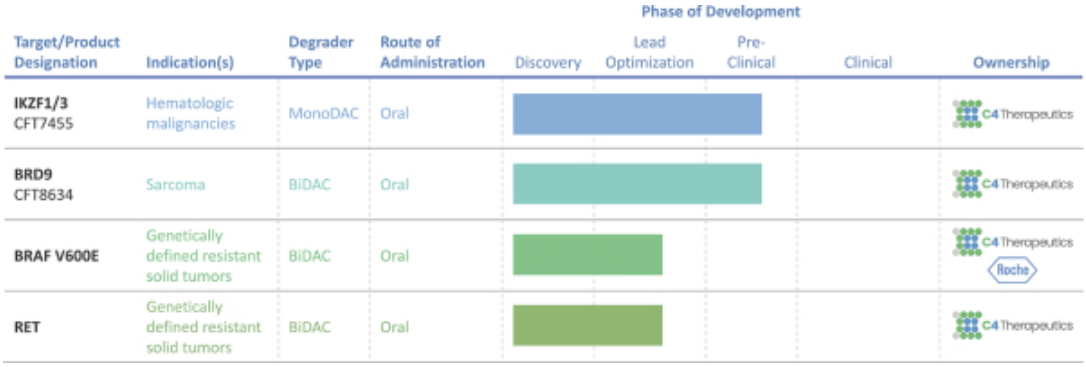
We use our TORPEDO platform to synthesize a new class of targeted small molecule protein degraders, which employ a natural protein disposal system, specifically the E3 ligases of the ubiquitin-proteasome system, to catalyze the destruction of target proteins. The E3 ligases targeted by our degraders are a family of proteins that identify and tag proteins for degradation. Our approach is designed to optimize overall catalytic efficiency—rather than specific steps in the catalytic cycle—so that our degraders eliminate target proteins as quickly as possible. Our robust chemistry engine and proprietary analytic models of pharmacokinetics, or PK, and pharmacodynamics, or PD, enable us to efficiently design and synthesize degraders for a selected target that are optimized for overall catalytic efficiency and properties such as solubility, permeability and oral bioavailability. These PK/PD models allow us to robustly predict the depth and duration of target degradation *in vivo* and select candidate degraders with confidence. We believe this approach maximizes our potential to create effective drugs across many targets. Another aspect of our TORPEDO platform is that we have developed a rich toolkit of 14 novel, structurally distinct binders targeting Cereblon, the only clinically validated E3 ligase for targeted protein degradation. Notably, Cereblon is widely expressed across tissues, potentially allowing for Cereblon-mediated targeted protein degradation in a wide variety of clinical settings.

Our Product Pipeline

We have leveraged our TORPEDO platform to generate a robust pipeline of orally available, potent and selective protein degradation drug candidates that may be capable of treating diseases in a wide range of organ systems and tissues. Our pipeline focus is on establishing clear clinical proof-of-concept for targets with well established biology and a defined regulatory pathway. As shown in the table below, we currently have four

preclinical programs in development. We anticipate our CFT7455 and CFT8634 product candidates will be in the clinic by and our BRAF V600E and RET programs will be in the clinic by . We have also secured three strategic collaborations with partners that provide additional pipeline optionality and an expansion of our potential targets for protein degradation.

We are advancing two types of protein degraders. We refer to the first type of degrader as MonoDACs, which are Monofunctional Degradation Activating Compounds. MonoDACs function by binding to E3 ligases and creating a new surface on the E3 ligases that enhances the binding of the E3 ligases to target proteins. We refer to our second type of degrader as BiDACs, which are Bifunctional Degradation Activating Compounds. BiDACs are designed so that one end of the molecule binds to the disease-causing target protein and the other end binds to the E3 ligase. Each of these types of degraders is intended to result in the same end point: the specific degradation of the target proteins of interest. These two approaches have complementary requirements for target engagement: BiDACs utilize specific binding sites where chemical binding moieties, which are portions of a molecule, can be identified, which enables a rational drug discovery approach, while MonoDACs, in contrast, rely on ligase-to-target protein surface interactions to drive the ubiquitination process, which is the process by which an E3 ligase tags a target protein for degradation using a molecular tag called ubiquitin, rather than specific compound-binding sites.



CFT7455 is an orally bioavailable degrader targeting IKZF1/3 for the treatment of MM and non-Hodgkin lymphomas, or NHLs, including PTCL and MCL. We have selected IKZF1/3 as our initial targets because they have a strong mechanistic rationale and well defined biology, and targeting them with a novel degrader may address a significant unmet need. In our preclinical studies, CFT7455 has demonstrated potent and selective protein degradation with favorable pharmacological properties. We believe that the differentiated pharmacology of CFT7455, including its high potency, may translate into improved clinical outcomes over the current standard-of-care agents in each of the indications we are pursuing. We expect to file an IND for CFT7455 in and expect to dose the first patient in a clinical trial of this product candidate in . Our planned first-in-human Phase 1/2 trial is designed as an open-label dose escalation study of CFT7455 in approximately 18 to 30 subjects with MM or NHL. The trial will primarily investigate the safety and tolerability of CFT7455, and key secondary endpoints will be to characterize CFT7455's PK/PD profile and anti-tumor activity. We expect the results from this clinical trial will help us better understand the disease characteristics of those patients who may derive benefit from CFT7455, which will enable us to more effectively design future clinical trials for this product candidate.

CFT8634 is an orally bioavailable degrader targeting BRD9 for the treatment of synovial sarcoma and SMARCB1-deleted solid malignancies. BRD9 has been considered an undruggable target using currently available modalities. BRD9 is a component of the non-canonical BAF complex, or ncBAF, that regulates gene transcription. In normal cells, this complex is not required for cell survival. However, some tumors, including synovial sarcoma, encode genetic mutations that render the ncBAF complex—and thus BRD9—essential for tumor growth. As a result, CFT8634 has demonstrated potent anti-tumor activity in synovial sarcoma cell lines,

but does not appear to affect normal cells. Further, CFT8634 has shown excellent *in vivo* activity in synovial sarcoma xenograft models when dosed orally. We expect to file an IND for CFT8634 with the FDA in and dose the first patient in a first-in-human Phase 1/2 clinical trial of this product candidate in . We expect to design our first-in-human Phase 1/2 clinical trial for this product candidate to be an open-label dose escalation/expansion study in both synovial sarcoma and solid tumors with SMARCB1 loss.

In addition to our lead product candidates, we are also developing degraders specifically targeting V600E mutant BRAF to treat melanoma, non-small cell lung cancer, or NSCLC, colorectal cancer and other solid malignancies that harbor this mutation, as well as degraders targeting RET to treat lung cancer, sporadic medullary thyroid cancers and other solid malignancies that harbor oncogenic RET lesions. We expect to have our lead product candidates, CFT7455 and CFT8634, in the clinic by , and product candidates from our two other lead programs, BRAF V600E and RET, in the clinic by . Beyond these four initial product candidates, we are further diversifying our pipeline by developing new degraders against targets where we believe degradation offers potential advantages over existing therapeutic modalities, such as the treatment of neurodegenerative diseases. As part of these efforts, we have engineered degraders that have successfully achieved blood-brain barrier penetration in preclinical studies, which is a key step in developing drugs with the potential to treat neurodegenerative diseases. We also believe there are many other therapeutic areas and indications where leveraging our TORPEDO platform to develop novel degraders may be advantageous.

In addition to the programs identified above and our early-stage development collaborations with F. Hoffman-La Roche Ltd., or Roche, Biogen, Inc., or Biogen, and Calico, Inc., or Calico, we are conducting exploratory research and development work on various other targets.

Our Team

We have been a pioneer in the field of targeted protein degradation since our founding in 2015. Our technology originated from research at the Dana Farber Cancer Institute by Jay Bradner, M.D., Ken Anderson, M.D. and Nathanael Gray, Ph.D., leading researchers in the field of protein degradation who co-founded the company along with our Executive Chairman, Marc A. Cohen. We have assembled a scientific team with extensive knowledge and translational medicine expertise in the protein degradation field. Our management team draws on experience in all phases of drug discovery and development gained at large pharmaceutical and biotechnology companies. In addition, we have entered into key strategic collaborations with each of Roche, Biogen and Calico that help us address targets across multiple therapeutic areas. Through these collaborations we have received an aggregate of $150 million in non-dilutive financing. In addition, we have secured additional funding from a strong group of investors, including Cobro Ventures, Perceptive Advisors, Adage Capital Management, Axil Capital, Bain Capital Life Sciences, Commodore Capital, 3E Bioventures Capital, HBM Healthcare Investments, Lightchain Capital, Logos Capital, Mizuho Securities Principal Investment, Nextech, RA Capital, RTW Investments, Sphera Funds Management, Taiwania Capital, Yonjin Venture and funds and accounts managed by T. Rowe Price and Janus Henderson.

Our Strategy

We are committed to transforming the treatment of cancer, neurodegenerative conditions and other diseases through the discovery, development and commercialization of novel therapies that eliminate disease-causing proteins.

Key elements of our strategy are to:

- Continue rapid progression toward clinical development of our lead programs developed with our TORPEDO platform;
- Rapidly advance our late-stage discovery programs to generate product candidates;
- Leverage our TORPEDO platform to generate discovery programs for previously undruggable or challenging targets;
- Strategically invest in our TORPEDO platform;

- Engage with strategic partners to accelerate program development and maximize the potential of our TORPEDO platform; and
- Maximize the potential of our product candidates with selective use of commercial partnerships.

Impact of the COVID-19 Pandemic on Our Operations

The COVID-19 pandemic is causing significant industry-wide delays in preclinical work and clinical trials. There are multiple causes of these delays, including laboratory closures, reluctance of patients to enroll or continue in trials for fear of exposure to COVID-19, local and regional shelter-in-place orders and regulations that discourage, hamper or prohibit patient visits, healthcare providers and health systems shifting away from clinical trials toward the acute care of COVID-19 patients and the FDA and other regulators making product candidates for the treatment of COVID-19 a priority over product candidates unrelated to the pandemic.

In terms of the impact on our operations, we have seen increased risk of delays in production of components used to manufacture our lead degrader candidates due to previous delays at one of our China-based manufacturers, and one of our CROs in India was forced to temporarily shut down due to local lockdown orders. In addition, we temporarily closed the office and laboratory spaces at our corporate headquarters in Watertown, Massachusetts, and we transitioned our employees to work from home. We are working closely with our contract research organizations, or CROs, manufacturers, investigators and preclinical and clinical trial sites to assess the full impact of the COVID-19 pandemic on the timelines and expected costs for each of our programs. While the ongoing impact of the pandemic is uncertain, we believe our CRO redundancies in China, India and Boston and the transition of the majority of our employees to remote work arrangements have mitigated the impact of these types of disruptions on our business.

We are not aware of any of our directors or employees being infected with coronavirus, but the virus can remain asymptomatic for a significant period of time and methods and availability of testing are continuing to evolve. It is possible our directors or employees or their family members could become infected.

We note the high level of difficulty in projecting the effects of COVID-19 on our programs and our company, given the rapid and dramatic evolution in the course and impact of the pandemic and the societal and governmental response to it.

Risks Associated with Our Business

Our ability to implement our business strategy is subject to numerous risks that you should be aware of before making an investment decision. These risks are described more fully in the section entitled “Risk Factors” in this prospectus. These risks include, among others:

- We are an early stage biopharmaceutical company with a limited operating history and have incurred significant losses since our inception. To date, we have not generated any revenue from product sales. We expect to continue to incur significant expenses and increasing operating losses for at least the next several years and may never achieve or maintain profitability. Our net loss was $ million for the six months ended June 30, 2020, $34.1 million for the year ended December 31, 2019 and $15.7 million for the year ended December 31, 2018.
- We will need substantial additional funding to pursue our business objectives and continue our operations. If we are unable to raise capital when needed, we may be required to delay, limit, reduce or terminate our research or product development programs or future commercialization efforts.
- Our approach to the discovery and development of product candidates based on our TORPEDO platform is unproven, which makes it difficult to predict the time, cost of development and likelihood of successfully developing any products.
- All of our product candidates are still in preclinical development. Our business could be harmed if we are unable to advance to clinical development, develop, obtain regulatory approval for and commercialize our product candidates or experience significant delays in doing so.
- We cannot be certain of the timely completion or outcome of our preclinical testing and clinical trials. The results of preclinical studies may not be predictive of the results of clinical trials and the results

of any early-stage clinical trials we commence may not be predictive of the results of later-stage clinical trials.

- Our preclinical studies and clinical trials may fail to demonstrate adequately the safety, potency, purity and efficacy of any of our product candidates, which would prevent or delay development, regulatory approval and commercialization of our current and future product candidates.
- We have entered into collaboration agreements with Roche, Biogen and Calico, and may in the future seek to enter into collaborations with third parties for the development and commercialization of certain of our product candidates. If we fail to enter into these types of new collaborations, or if our existing collaborations are not successful, we may be unable to continue development of our product candidates, we would not receive any contemplated milestone payments or royalties, and we could fail to capitalize on the market potential of our product candidates.
- The continuing effects of the novel coronavirus disease, COVID-19, could adversely impact our business, including our preclinical studies and clinical trials.
- We face substantial competition, which may result in others discovering, developing or commercializing products before or more successfully than we do.
- We rely, and expect to continue to rely, on third parties for the manufacture of our product candidates for preclinical and clinical testing, as well as for commercial manufacture if any of our product candidates receive marketing approval. This reliance on third parties may increase the risk that we will not have sufficient quantities of our product candidates in a timely manner, or at an acceptable cost or quality.
- If we are unable to obtain required marketing approvals for, commercialize, manufacture, obtain and maintain patent protection for or gain market acceptance of our product candidates, or if we experience significant delays in doing so, our business will be materially harmed and our ability to generate revenue from product sales will be materially impaired.
- If we are unable to obtain and maintain patent protection for our technology and products or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and products similar or identical to ours, and our ability to successfully commercialize our technology and products may be impaired.

Corporate Information

We were incorporated in October 2015 under the laws of the State of Delaware. Our principal executive offices are located at 490 Arsenal Way, Suite 200, Watertown, Massachusetts 02472, and our telephone number is (617) 231-0700. We have one wholly owned subsidiary, C4T Securities Corporation, a Massachusetts corporation. Our website address is www.c4therapeutics.com. Information contained on our website is not incorporated by reference into this prospectus and should not be considered to be a part of this prospectus or the registration statement of which it forms a part.

Implications of Being an Emerging Growth Company and a Smaller Reporting Company

We qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, as amended. As an emerging growth company, we may take advantage of specified reduced disclosure and other requirements that are otherwise applicable generally to public companies. These provisions include:

- being permitted to only provide two years of audited financial statements in addition to any required unaudited interim financial statements with correspondingly reduced “Management’s Discussion and Analysis of Financial Condition and Results of Operations” disclosure;
- reduced disclosure about our executive compensation arrangements;
- not being required to hold advisory votes on executive compensation or to obtain stockholder approval of any golden parachute arrangements not previously approved;
- an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting; and

- an exemption from new or revised financial accounting standards until they would apply to private companies and from compliance with any new requirements adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotation.

We may take advantage of these exemptions until we are no longer an emerging growth company. We would cease to be an emerging growth company on the date that is the earliest of (i) the last day of the fiscal year in which we have total annual gross revenues of $1.07 billion or more; (ii) the last day of 2025; (iii) the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years; or (iv) the date on which we are deemed to be a large accelerated filer under the rules of the Securities and Exchange Commission, or the SEC. We may choose to take advantage of some but not all of these exemptions. We have taken advantage of reduced reporting requirements in this prospectus. In addition, we have elected to use the exemption for the delayed adoption of certain accounting standards until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold stock.

We are also a “smaller reporting company,” meaning that the market value of our stock held by non-affiliates plus the proposed aggregate amount of gross proceeds to us as a result of this offering is less than $700 million and our annual revenue was less than $100 million during the most recently completed fiscal year. We may continue to be a smaller reporting company after this offering if either (i) the market value of our stock held by non-affiliates is less than $250 million or (ii) our annual revenue was less than $100 million during the most recently completed fiscal year and the market value of our stock held by non-affiliates is less than $700 million. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

The Offering

Shares of our common stock offered by us	shares
Shares of our common stock to be outstanding after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares in full)
Underwriters' option to purchase additional shares	We have granted the underwriters a 30-day option to purchase up to additional shares of our common stock at the initial public offering price, less underwriting discounts and commissions, on the same terms as set forth in this prospectus.
Use of proceeds	We estimate that the net proceeds to us from the sale of shares of our common stock in this offering will be approximately $ million, or $ million if the underwriters exercise their option to purchase additional shares in full, assuming an initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds of this offering, together with our existing cash resources, to fund the Phase 1 portion of our planned first-in-human Phase 1/2 clinical trials of CFT7455 and CFT8634, to conduct IND-enabling studies with respect to our BRAF V600E and RET product candidates and to fund portions of our planned first-in-human Phase 1/2 clinical trials of these product candidates, to fund our ongoing efforts to develop additional preclinical candidates derived from our TORPEDO platform and for continued development and utilization of our TORPEDO platform, hiring of additional personnel, capital expenditures, costs of operating as a public company and other general corporate purposes. See "Use of Proceeds."
Proposed Nasdaq Global Market symbol	"CCCC"
Risk Factors	Investment in our common stock involves substantial risks. You should read this prospectus carefully, including the section entitled "Risk Factors" and the financial statements and the related notes to those statements included in this prospectus, before investing in our common stock.

The number of shares of our common stock outstanding after this offering is based on shares of our common stock outstanding as of , 2020, after giving effect to the automatic conversion of all outstanding shares of our preferred stock into an aggregate of shares of common stock upon the completion of this offering, and excludes as of such date:

- shares of common stock issuable upon exercise of options outstanding under our 2015 Stock Option and Grant Plan, as amended, or the 2015 Plan, at a weighted-average exercise price of $ per share, and shares of common stock issuable upon exercise of options outstanding outside the 2015 Plan, at a weighted-average exercise price of $ per share;
- shares of common stock issuable upon the exercise of warrants to purchase common stock at an exercise price of $ per share. These warrants are currently exercisable for shares

of our Series B preferred stock at an exercise price of $ per share, but will automatically convert into warrants to purchase common stock upon the effectiveness of the registration statement of which this prospectus forms a part;

- shares of common stock to be reserved for future issuance under our 2020 Stock Option and Incentive Plan to be effective upon the effectiveness of the registration statement of which this prospectus forms a part; and
- shares of common stock to be reserved for future issuance under our 2020 Employee Stock Purchase Plan to be effective upon the effectiveness of the registration statement of which this prospectus forms a part.

Except as otherwise noted, all information in this prospectus:

- gives effect to a -for- reverse stock split of our common stock effected on ;
- assumes no exercise of the underwriters' option to purchase up to additional shares of common stock in this offering;
- assumes no exercise of the outstanding options and warrants described above;
- gives effect to the automatic conversion of all of our outstanding shares of preferred stock into an aggregate of shares of common stock, which will occur upon the completion of this offering; and
- assumes the filing and effectiveness of our amended and restated certificate of incorporation and the effectiveness of our amended and restated bylaws, which will occur upon the closing of this offering.

Summary Consolidated Financial Data

You should read the following summary consolidated financial data together with our consolidated financial statements and the related notes appearing elsewhere in this prospectus and the "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of this prospectus. We have derived the consolidated statement of operations data for the years ended December 31, 2018 and 2019 from our audited consolidated financial statements appearing elsewhere in this prospectus. The summary consolidated statement of operations data for the six months ended June 30, 2019 and 2020 and the summary balance sheet data as of June 30, 2020 have been derived from our unaudited financial statements included elsewhere in this prospectus and have been prepared on the same basis as the audited financial information in those statements. Our historical results are not necessarily indicative of the results that may be expected in the future, and our results for any interim period are not necessarily indicative of results that may be expected for any full year.

	YEAR ENDED DECEMBER 31,		SIX MONTHS ENDED JUNE 30,	
	2018	2019	2019	2020
	(in thousands, except share and per share data)			
Consolidated statement of operations data:				
Revenue from collaboration agreements	$ 19,364	$ 21,381	$	$
Operating expenses:				
General and administrative	7,161	8,774		
Research and development	28,592	48,059		
Total operating expenses	35,753	56,833		
Operating loss	(16,389)	(35,452)		
Other income, net:				
Interest income	685	1,832		
Other (expense) income, net	(7)	325		
Total other income, net	678	2,157		
Loss before income taxes	(15,711)	(33,295)		
Income taxes	—	(804)		
Net loss	(15,711)	(34,099)		
Other comprehensive gain:				
Unrealized gain on investments	46	—		
Comprehensive loss	(15,665)	(34,099)		
Accrual of preferred stock dividends	(8,396)	(8,468)		
Net loss attributable to common stockholders	$ (24,107)	$ (42,567)	$	$
Net loss per share attributable to common stockholders—basic and diluted (1)	$ (2.21)	$ (3.67)	$	$
Weighted-average common shares outstanding—basic and diluted (1)	10,905,492	11,603,366		

(1) See Note 11 to our consolidated financial statements appearing elsewhere in this prospectus for details on the calculation of basic and diluted net loss per share attributable to common stockholders.

	AS OF JUNE 30, 2020		
	ACTUAL	PRO FORMA (1)	PRO FORMA AS ADJUSTED (2)
		(in thousands)	
Consolidated balance sheet data:			
Cash and cash equivalents	$	$	$
Working capital (3)			
Total assets			
Total liabilities			
Preferred stock			
Accumulated deficit			
Total stockholders' equity (deficit)			

(1) The pro forma balance sheet data give effect to:

- the issuance and sale of 4,285,714 shares of our Series B preferred stock for gross proceeds of $4.5 million subsequent to June 30, 2020;
- a -for- reverse stock split of our common stock effected on ; and
- the automatic conversion of all of our outstanding shares of convertible preferred stock into an aggregate of shares of common stock, which will occur upon the closing of this offering.

(2) The pro forma as adjusted balance sheet data give further effect to our issuance and sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma as adjusted information discussed above is illustrative only and will depend on the actual initial public offering price and other terms of this offering determined at pricing. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, working capital, total assets and total stockholders' equity by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, working capital, total assets and total stockholders' equity by $ million, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) We define working capital as current assets less current liabilities.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, as well as the other information in this prospectus, including our financial statements and the related notes and the section of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" before you make an investment decision. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations and growth prospects. As a result, the market price of our common stock could decline, and you may lose all or part of your investment in our common stock.

Risks Related to Our Financial Position and Need for Additional Capital

We are an early stage biopharmaceutical company with a limited operating history and have incurred significant losses since our inception. We expect to incur losses over at least the next several years and may never achieve or maintain profitability.

We are an early stage biopharmaceutical company with limited operating history. Our net loss was $ million for the six months ended June 30, 2020, and $34.1 million and $15.7 million for the years ended December 31, 2019 and 2018, respectively. As of June 30, 2020, we had an accumulated deficit of $ million. To date, we have not generated any revenue from product sales and have financed our operations primarily through sales of our equity interests, proceeds from our collaborations and debt financing. We are still in the early stages of development of our product candidates and expect to initiate our first clinical trial in . As such, we expect that it will be several years, if ever, before we have a product candidate ready for regulatory approval and commercialization. We may never succeed in these activities and, even if we do, may never generate revenues that are significant enough to achieve profitability. To become and remain profitable, we must succeed in developing, obtaining marketing approval for and commercializing products that generate significant revenue. This will require us to be successful in a range of challenging activities, including, without limitation, successfully completing preclinical studies and clinical trials of our product candidates, discovering additional product candidates, establishing arrangements with third parties for the conduct of our clinical trials, procuring clinical- and commercial-scale manufacturing, obtaining marketing approval for our product candidates, manufacturing, marketing and selling any products for which we may obtain marketing approval, identifying collaborators to develop product candidates we identify or additional uses of existing product candidates and successfully completing development of product candidates for our collaboration partners.

We expect to continue to incur significant expenses and increasing operating losses for at least the next several years. We anticipate that our expenses will increase substantially if and as we:

- initiate a planned first-in-human Phase 1/2 clinical trial of our lead product candidate, CFT7455, in patients with MM or NHLs, such as PTCL and MCL;
- initiate a planned first-in-human Phase 1/2 clinical trial of our second lead product candidate, CFT8634, in patients with synovial sarcoma or SMARCB1-deleted solid tumors;
- leverage our TORPEDO platform to identify and then advance additional product candidates into preclinical and clinical development;
- expand the capabilities of our TORPEDO platform;
- initiate, conduct and successfully complete later-stage clinical trials;
- seek marketing approvals for any product candidates that successfully complete clinical trials;
- ultimately establish a sales, marketing and distribution infrastructure and scale up external manufacturing capabilities to commercialize any products for which we may obtain marketing approval;
- expand, maintain and protect our intellectual property portfolio;
- hire additional clinical, regulatory and scientific personnel; and
- add operational, financial and management information systems and personnel, including personnel to support our ongoing research and development and potential future commercialization efforts.

Further, following the closing of this offering, we expect to incur additional costs associated with operating as a public company, including significant legal, accounting, insurance, investor relations and other expenses that we did not incur as a private company.

Our expenses could increase beyond our expectations if we are required by the FDA, the European Medicines Agency, or EMA, or other regulatory authorities to perform trials in addition to those that we currently expect, or if we experience any delays in establishing appropriate manufacturing arrangements for, completing our clinical trials or the clinical development of any of our product candidates.

Because of the numerous risks and uncertainties associated with pharmaceutical product development, we are unable to accurately predict the timing or amount of increased expenses we will incur or when, if ever, we will be able to achieve profitability. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would depress the value of our company and could impair our ability to raise capital, expand our business, maintain our research and development efforts, expand our business or continue operations. A decline in the value of our company, or in the value of our common stock, could also cause you to lose all or part of your investment.

If one or more of the product candidates that we develop is approved for commercial sale, we anticipate incurring significant costs associated with commercializing those approved product candidates. Even if we are able to generate revenues from the sale of any approved products, we may not become profitable and may need to obtain additional funding to continue operations.

We will need substantial additional funding to pursue our business objectives and continue our operations. If we are unable to raise capital when needed, we may be required to delay, limit, reduce or terminate our research or product development programs or future commercialization efforts.

We expect our expenses to increase substantially in connection with our ongoing activities, particularly as we prepare for and initiate our planned first-in-human Phase 1/2 clinical trials of CFT7455 and CFT8634, advance our TORPEDO platform and continue research and development and initiate clinical trials of, and potentially seek marketing approval for, our current and future preclinical programs. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. Further, upon the closing of this offering, we expect to incur additional costs associated with operating as a public company. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise capital when needed or on attractive terms, we may be required to delay, limit, reduce or terminate our research, product development programs or any future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

We had cash and cash equivalents of $ million as of June 30, 2020. We believe that the net proceeds from this offering, together with our existing cash and cash equivalents, will enable us to fund our operating expenses and capital expenditure requirements through at least . We have based this estimate on assumptions that may prove to be wrong and we could use our capital resources sooner than we currently expect. Our future capital requirements will depend on many factors, including:

- the progress, costs and results of our planned first-in-human Phase 1/2 clinical trials for CFT7455 and CFT8634 and any future clinical development of CFT7455 and CFT8634;
- the scope, progress, costs and results of preclinical and clinical development for our other product candidates and development programs;
- the number and development requirements of other product candidates that we pursue;
- the success of our ongoing collaborations with Biogen, Roche and Calico;
- the costs, timing and outcomes of regulatory review of our product candidates;
- the costs and timing of future commercialization activities, including product manufacturing, marketing, sales and distribution, for any of our product candidates for which we receive marketing approval;
- the revenue, if any, received from commercial sales of our product candidates for which we receive marketing approval and the timing of the receipt of any such revenue;

- any delays or interruptions, including due to the COVID-19 pandemic, that we experience in our preclinical studies, future clinical trials and/or supply chain;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims; and
- our ability to establish collaboration arrangements with other biotechnology or pharmaceutical companies on favorable terms, if at all, for the development or commercialization of our product candidates.

The expected net proceeds of this offering will not be sufficient for us to fund any of our product candidates through regulatory approval and we will need to raise substantial additional capital to complete the development and commercialization of our product candidates. Identifying potential product candidates and conducting preclinical studies and clinical trials is a time-consuming, expensive and uncertain process that takes years to complete. We may never generate the necessary data or results required to obtain marketing approval and achieve product sales. In addition, our product candidates, if approved, may not achieve commercial success. Our commercial revenues, if any, will be derived from sales of products that we do not expect to be commercially available for many years, if at all. Adequate additional funds may not be available to us on acceptable terms, or at all. In addition, we may seek additional capital due to favorable market conditions or strategic considerations, even if we believe we have sufficient funds for our current or future operating plans.

If one or more of the product candidates that we develop is approved for commercial sale, we anticipate incurring significant costs associated with commercializing those approved product candidates. Even if we are able to generate revenues from the sale of any approved products, we may not become profitable and may need to obtain additional funding to continue operations.

Our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.

We commenced operations in 2015 and our operations to date have been limited to organizing and staffing our company, business planning, raising capital, conducting discovery and research activities, filing patent applications, identifying potential product candidates, developing and advancing our TORPEDO platform, undertaking preclinical studies and establishing arrangements with third parties for the manufacture of initial quantities of our product candidates. All of our product candidates are still in preclinical development. We have not yet demonstrated our ability to successfully initiate or complete any clinical trials, obtain marketing approvals, manufacture a commercial scale product directly or through a third party or conduct sales, marketing and distribution activities necessary for successful product commercialization. Consequently, any predictions you make about our future success or viability may not be as accurate as they could be if we had a longer operating history or if we had already successfully completed some or all of these types of activities.

In addition, as an early-stage biopharmaceutical company, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown challenges. We will need to transition at some point from a company with a research and development focus to a company capable of supporting commercial activities and we may not be successful in making that transition.

We expect our financial condition and operating results to continue to fluctuate significantly from quarter to quarter and year to year due to a variety of factors, many of which are beyond our control. Accordingly, you should not rely upon the results of any quarterly or annual periods as indications of future operating performance.

The ongoing global COVID-19 pandemic could continue to adversely impact our business, including our preclinical studies and development programs, supply chain and business development activities.

The COVID-19 pandemic, which began in December 2019, has spread worldwide and caused governments worldwide to implement measures to slow the spread of the outbreak through quarantines, travel restrictions, heightened border scrutiny, business shutdowns and other measures. The outbreak and government measures taken in response have also had a significant impact, both direct and indirect, on businesses and commerce, as worker shortages have occurred, supply chains have been disrupted, facilities and production have been suspended and demand for certain goods and services, such as medical services and supplies, has spiked, while demand for other goods and services, such as travel, has fallen. The future progression of the outbreak and its effects on our business and operations remain uncertain. In addition, any delays in foreign shipments coming into the United States could also impact our preclinical study or clinical trial plans.

We and our contract manufacturing organizations, or CMOs, and CROs may face disruptions that could affect our ability to initiate and complete preclinical studies or clinical trials. For example, because of ongoing efforts to address the pandemic, we may face disruptions in procuring items that are essential for our research and development activities, including, due to shortages arising in raw materials used in the manufacturing of our product candidates, laboratory supplies for our preclinical studies and clinical trials or animals that are used for preclinical testing. We and our CROs and CMOs may face disruptions related to our planned future clinical trials arising from potential delays in IND-enabling studies, manufacturing disruptions and/or the ability to obtain necessary institutional review board, or IRB, or other necessary site approvals, as well as other delays at clinical trial sites, including delays related to site staffing.

For example, in March 2020, due to COVID-19, we closed the office and laboratory spaces in our Watertown, Massachusetts facility and transitioned our employees to work from home. During the spring, we also experienced closures at the locations of some of our Indian CROs due to local lockdown requirements. These shutdowns resulted in delays to our preclinical studies. Due to the COVID-19 pandemic, we have also seen the risk of delays in production of components used to manufacture our lead degrader candidates increase due to previous delays at one of our China-based manufacturers, which we believe we have remediated by working with that manufacturer to change the location of future work to another of the manufacturer's sites. In June 2020, we reopened our office location to enable a subset of our employees—those whose work can only be performed in our laboratories—to return to the office, and we have required our remaining employees to continue working from home. While the ongoing impact of this pandemic is uncertain, we believe the redundancies we have in place between our China and India based CROs and our Watertown, Massachusetts-based laboratory staff, as well as the transition of the majority of our employees to remote work arrangements, have mitigated the impact of these disruptions on our business.

The response to the COVID-19 pandemic may result in the redirection of resources with respect to regulatory and intellectual property matters in a way that would adversely impact our ability to progress regulatory approvals and protect our intellectual property. In addition, we may face impediments to regulatory meetings and approvals due to measures intended to limit in-person interactions.

The pandemic has already caused significant disruptions in the financial markets and may continue to cause these types of disruptions, which could impact our ability to raise additional funds through public offerings and may also contribute to volatility in our stock price and otherwise impact trading in our stock. Moreover, it is possible the pandemic will significantly impact economies worldwide, which could adversely affect our business prospects, financial condition and results of operations.

COVID-19 and actions taken to reduce its spread continue to rapidly evolve. The extent to which COVID-19 may impede the development of our product candidates, reduce the productivity of our employees, disrupt our supply chains, delay our pre-clinical studies or clinical trials, reduce our access to capital or limit our business development activities, will depend on future developments, which are highly uncertain and cannot be predicted with confidence. To the extent the COVID-19 pandemic adversely affects our business prospects, financial condition and results of operations, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section, such as those relating to the timing and results of our planned and future clinical trials and our financing needs.

Our Credit Agreement with Perceptive Credit contains restrictions that limit our flexibility in operating our business.

In June 2020, we entered into a credit agreement and guaranty, or the Credit Agreement, with Perceptive Credit Holdings III, LP, or Perceptive Credit, an affiliate of Perceptive Advisors LLC, or Perceptive Advisors. As of June 30, 2020, Perceptive Advisors and Perceptive Credit together beneficially own 8.07% of our common stock on an as-converted basis before giving effect to this offering. The Credit Agreement provides for a $20.0 million senior secured delayed draw term loan facility, or the Delayed Draw Loan Facility. The Credit Agreement is secured by a lien on substantially all of our and our subsidiaries' assets, including, but not limited to, shares of our subsidiaries, our current and future intellectual property, insurance, trade and intercompany receivables, inventory and equipment and contract rights. The Credit Agreement requires us to meet specified minimum cash requirements, as described below, and contains various affirmative and negative covenants that limit our ability to engage in specified types of

transactions. These covenants, which are subject to customary exceptions, limit our ability to, without Perceptive Credit's prior written consent, effect any of the following, among other things:

- sell, lease, transfer or otherwise dispose of certain assets;
- acquire another company or business or enter into a merger or similar transaction with third parties;
- incur additional indebtedness;
- make investments;
- enter into certain inbound and outbound licenses of intellectual property, subject to certain exceptions;
- encumber or permit liens on certain assets; and
- pay dividends and make other restricted payments with respect to our common stock.

In addition, we are required to deposit into controlled accounts all cash or other payments received in respect of any and all of our accounts receivable or any other contract or right and interest and, at all times, to maintain a minimum aggregate balance of $3.0 million in cash in one or more such controlled accounts. These accounts are required to be maintained as cash collateral accounts securing our obligations under the Credit Agreement. Until our obligations under the Credit Agreement have been discharged, our ability to use the cash amounts held in these controlled accounts in the operation of our business will be limited.

Our ability to draw on the Delayed Draw Loan Facility is contingent on our compliance with the covenants described above and certain other covenants, as well as our achievement of designated milestones. If we do not meet these milestones, the inability to draw on the Delayed Draw Loan Facility may adversely affect our business prospects, financial condition and results of operations.

Our board of directors or management team could believe that taking any one of these actions would be in our best interests and the best interests of our stockholders. If that were the case and if we are unable to complete any of these actions because Perceptive Credit does not provide its consent, it could adversely impact our business, financial condition and results of operations. In the event of a default, including, among other things, our failure to make any payment when due or our failure to comply with any provision of the Credit Agreement, subject to customary grace periods, Perceptive Credit could elect to declare all amounts outstanding to be immediately due and payable and terminate all commitments to extend further credit. If we are unable to repay the amounts due under the Credit Agreement, Perceptive Credit could proceed against the collateral granted to it to secure this indebtedness, which could have an adverse effect on our business, financial condition and results of operations.

Perceptive Credit's interests as a lender may not always be aligned with our interests or with Perceptive Advisor's interests as a stockholder. If our interests come into conflict with those of Perceptive Credit, including in the event of a default under the Credit Agreement, Perceptive Credit may choose to act in its self-interest, which could adversely affect the success of our current and future collaborative efforts with Perceptive Advisor.

Raising additional capital may cause dilution to our stockholders, including purchasers of common stock in this offering, restrict our operations or require us to relinquish rights to our technologies or product candidates.

Until the time, if ever, when we can generate substantial revenue from product sales, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances and marketing, distribution or licensing arrangements. Although we may receive potential future payments under our collaborations with Biogen, Roche and Calico, we do not currently have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted and the terms of any securities we may issue in the future may include liquidation or other preferences that adversely affect your rights as a common stockholder. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures or declaring dividends. Pursuant to the Credit Agreement, we granted Perceptive Credit a warrant to purchase 2,857,142 shares of our Series B preferred stock, which will be exercisable for our common stock on an as-converted basis upon the completion of this offering. Covenants in the Credit Agreement impose certain limitations and obligations on us, including restrictions on our ability to incur additional debt and to enter into certain business combinations without Perceptive Credit's prior written consent.

If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us.

Risks Related to the Discovery and Development of Our Product Candidates

Our approach to the discovery and development of product candidates based on our TORPEDO platform for targeted protein degradation is unproven, which makes it difficult to predict the time, cost of development and likelihood of successfully developing any products.

Treating diseases using targeted protein degradation is a new treatment modality. Our future success depends on the successful development of this novel therapeutic approach. Very few small molecule product candidates using targeted protein degradation, such as those developed through our TORPEDO platform, have been tested in humans. None have been approved in the United States or Europe, and the data underlying the feasibility of developing these types of therapeutic products is both preliminary and limited. If any adverse learnings are made by other developers of chimeric targeting molecules, there is a risk that development of our product candidates could be materially impacted. Discovery and development of small molecules that harness the ubiquitin proteasome pathway to degrade protein targets have been impeded largely by the complexities and limited understanding of the functions, biochemistry and structural biology of the specific components of the ubiquitin-proteasome system, including E3 ligases and their required accessory proteins involved in target protein ubiquitination, as well as by challenges of engineering compounds that promote protein-to-protein interactions.

The scientific research that forms the basis of our efforts to develop our degrader product candidates under our TORPEDO platform is ongoing and the scientific evidence to support the feasibility of developing TORPEDO platform-derived therapeutic treatments is both preliminary and limited. Further, certain cancer patients have shown inherent primary resistance to approved drugs that inhibit disease-causing proteins and other patients have developed acquired secondary resistance to these inhibitors. Although we believe our products candidates may have the ability to degrade the specific mutations that confer resistance to currently marketed inhibitors of disease-causing enzymes, any inherent primary or acquired secondary resistance to our product candidates in patients, or if the research proves to be contradicted, would prevent or diminish their clinical benefit.

We have not yet initiated a clinical trial of any product candidate and we have not yet assessed the safety of any of our product candidates in humans. Although some of our product candidates have produced observable results in animal studies, there is a limited safety data set for their effects in animals. In addition, these product candidates may not demonstrate the same chemical and pharmacological properties in humans and may interact with human biological systems in unforeseen, ineffective or harmful ways. As a result, there could be adverse effects from treatment with any of our current or future product candidates that we cannot predict at this time.

Additionally, the regulatory approval process for novel product candidates such as ours can be more expensive and take longer than for other, better-known or extensively studied product candidates. Although other companies are also developing therapeutics based on targeted protein degradation, no regulatory authority has granted approval for any therapeutic of this nature at this time. As a result, it is more difficult for us to predict the time and cost of developing our product candidates and we cannot predict whether the application of our TORPEDO platform, or any similar or competitive protein degradation platforms, will result in the development of product candidates that make it through to marketing approval. Any development problems we experience in the future related to our TORPEDO platform or any of our research programs may cause significant delays or unanticipated costs or may prevent the development of a commercially viable product. Any of these factors may prevent us from completing our preclinical studies or any clinical trials that we may initiate, as well as from commercializing any product candidates we may develop on a timely or profitable basis, if at all.

We are an early stage biotechnology company and all of our product candidates are currently in preclinical development. If we are unable to advance to clinical development, develop, obtain regulatory approval for and commercialize our product candidates or experience significant delays in doing so, our business may be materially harmed.

We are an early stage biotechnology company and all of our product candidates are currently in preclinical development. As a result, their risk of failure is high. We have invested substantially all of our efforts and financial

resources in building our TORPEDO platform and identifying and conducting preclinical development of our current product candidates, including CFT7455 and CFT8634. Our ability to generate revenue from product sales, which we do not expect will occur for many years, if ever, will depend heavily on the successful development and eventual commercialization of one or more of our product candidates. The success of our product candidates will depend on several factors, including the following:

- sufficiency of our financial and other resources;
- successful initiations and completion of preclinical studies;
- successful submission of INDs and initiation of clinical trials;
- successful patient enrollment in, and conduct and completion of, clinical trials;
- receipt and related terms of marketing approvals from applicable regulatory authorities;
- obtaining and maintaining patent or trade secret protection and regulatory exclusivity for our product candidates;
- making arrangements with third-party manufacturers for both clinical and commercial supplies of our product candidates;
- developing product candidates that achieve the therapeutic properties desired and appropriate for their intended indications;
- establishing sales, marketing and distribution capabilities and launching commercial sales of our products, if and when approved, whether alone or in collaboration with others;
- acceptance of our products, if and when approved, by patients, the medical community and third-party payors;
- obtaining and maintaining third-party coverage and adequate reimbursement;
- establishing a continued acceptable safety profile of the products and maintaining such that a profile following approval; and
- effectively competing with other therapies.

If we do not successfully achieve one or more of these factors in a timely manner, or at all, we could experience significant delays or an inability to successfully commercialize our product candidates, which could materially harm our business. Moreover, if we do not receive regulatory approvals, we may not be able to continue our operations.

We have no experience as a company in completing IND-enabling preclinical studies or commencing and conducting clinical trials.
We have no experience as a company in completing IND-enabling preclinical studies and then commencing and conducting clinical trials. In part because of this lack of experience, we cannot be certain that our preclinical studies will be completed on time or if our planned clinical trials will begin or be completed on time, if at all. Large-scale clinical trials would require significant additional financial and management resources and reliance on third-party clinical investigators and consultants. Relying on third-party clinical investigators, CROs and consultants may cause us to encounter delays that are outside of our control. In addition, relying on third parties in the conduct of our preclinical studies or clinical trials exposes us to a risk that they may not adequately comply with good laboratory practice, or GLP, or good clinical practice, or GCP, as required for any studies or trials we plan to submit to a regulatory authority. We may be unable to identify and contract with sufficient investigators, CROs and consultants on a timely basis or at all. For each of our lead product candidates, CFT7455 and CFT8634, we are in the process of entering into a master services agreement with CROs to lead our planned first-in-human Phase 1/2 clinical trial for the applicable product candidate. There can be no assurance that we will be able to negotiate and enter into additional master services agreement with this or other CROs, as necessary, on terms that are acceptable to us on a timely basis or at all.

Our preclinical studies and clinical trials may fail to demonstrate adequately the safety, potency, purity and efficacy of any of our product candidates, which would prevent or delay development, regulatory approval and commercialization.
Before obtaining regulatory approval for the commercial sale of any of our product candidates, including CFT7455 and CFT8634, we must demonstrate through lengthy, complex and expensive preclinical studies and clinical trials that our product candidates are both safe and effective for use in each target indication. Preclinical and clinical

testing is expensive and can take many years to complete and the outcome of these activities is inherently uncertain. Failure can occur at any time during the preclinical study and clinical trial processes and, because our product candidates are in an early stage of development and have never been tested in humans, there is a high risk of failure. In addition, because chimeric targeting molecules are a relatively new class of product candidates, any failures or adverse outcomes in preclinical or clinical testing seen by other developers in this class could materially impact the success of our programs. We may never succeed in developing marketable products.

It is also possible that the results of preclinical studies and early clinical trials of our product candidates may not be predictive of the results of later-stage clinical trials. Although product candidates may demonstrate promising results in preclinical studies and early clinical trials, they may not prove to be effective in subsequent clinical trials. For example, testing on animals occurs under different conditions than testing in humans and, therefore, the results of animal studies may not accurately predict human experience. There is typically an extremely high rate of attrition from the failure of product candidates proceeding through preclinical studies and clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety, potency, purity and efficacy profile despite having progressed successfully through preclinical studies and/or initial clinical trials. Likewise, early, smaller-scale clinical trials may not be predictive of eventual safety or effectiveness in large-scale pivotal clinical trials. Many companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of potency or efficacy, insufficient durability of potency or efficacy or unacceptable safety issues, notwithstanding promising results in earlier trials. Most product candidates that commence preclinical studies and clinical trials are never approved as products.

Additionally, we expect that the first clinical trials for our product candidates may be open-label studies, where both the patient and investigator know whether the patient is receiving the investigational product candidate or either an existing approved drug or placebo. Most typically, open-label clinical trials test only the investigational product candidate and sometimes do so at different dose levels. Open-label clinical trials are subject to various limitations that may exaggerate any therapeutic effect as patients in open-label clinical trials are aware when they are receiving treatment. In addition, open-label clinical trials may be subject to an “investigator bias” where those assessing and reviewing the physiological outcomes of the clinical trials are aware of which patients have received treatment and may interpret the information of the treated group more favorably given this knowledge.

Any preclinical studies or clinical trials that we may conduct may not demonstrate the safety, potency, purity and efficacy necessary to obtain regulatory approval to market our product candidates. If the results of our ongoing or future preclinical studies and clinical trials are inconclusive with respect to the safety, potency, purity and efficacy of our product candidates, if we do not meet the clinical endpoints with statistical and clinically meaningful significance or if there are safety concerns associated with our product candidates, we may be prevented or delayed in obtaining marketing approval for those product candidates. In some instances, there can be significant variability in safety, potency, purity or efficacy results between different preclinical studies and clinical trials of the same product candidate due to numerous factors, including changes in trial procedures set forth in protocols, differences in the size and type of the patient populations, changes in and adherence to the clinical trial protocols and the rate of dropout among clinical trial participants. While we have not yet initiated clinical trials for any of our product candidates, as is the case with all oncology drugs, it is likely that there may be side effects associated with their use. Results of our trials could reveal a high and unacceptable severity and prevalence of these or other side effects. If that were to occur, or if other developers of similar chimeric targeting molecules were to find an unacceptable severity or prevalence of side effects with their candidates, our trials could be suspended or terminated and the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny approval of our product candidates for any or all targeted indications. Drug-related side effects could also affect patient recruitment or the ability of enrolled patients to complete an ongoing trial or result in potential product liability claims. Any of these occurrences may significantly harm our business, financial condition and prospects.

Further, our product candidates could cause undesirable side effects in clinical trials related to on-target toxicity. If on-target toxicity is observed or if our product candidates have characteristics that are unexpected, we may need to abandon their development or limit development to more narrow uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective. Many compounds that initially showed promise in early stage testing for treating cancer have later been found to cause side effects that prevented further development of the compound.

Drug development is a lengthy and expensive process with an uncertain outcome. We may incur unexpected costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our product candidates.

All of our product candidates are in preclinical development and their risk of failure is high. We are unable to predict when or if any of our product candidates will prove effective or safe in humans or will receive marketing approval. Before obtaining marketing approval from regulatory authorities for the sale of any product candidate, we must conduct extensive clinical trials to demonstrate the safety and efficacy of our product candidates in humans. Before we can commence clinical trials for a product candidate, we must complete extensive preclinical studies that support our planned INDs in the United States or similar applications in other jurisdictions. We cannot be certain of the timely completion or outcome of our preclinical studies and cannot predict if the FDA or similar regulatory authorities outside the United States will allow us to commence our proposed clinical trials or if the outcome of our preclinical studies ultimately will support the further development of any of our product candidates.

Clinical testing is expensive, difficult to design and implement, can take many years to complete and is uncertain as to the timing and outcome. A failure of one or more clinical trials can occur at any stage of the process. We may experience numerous unforeseen events during or as a result of clinical trials, which could delay or prevent our ability to receive marketing approval or commercialize our product candidates, including:

- delays in reaching, or the failure to reach, a consensus with regulators on clinical trial design or the inability to produce acceptable preclinical results to enable entry into human clinical trials;
- the supply or quality of our product candidates or other materials necessary to conduct clinical trials may be insufficient or inadequate, including as a result of delays in the testing, validation, manufacturing and delivery of product candidates to the clinical sites by us or by third parties with whom we have contracted to perform certain of those functions;
- delays in reaching, or the failure to reach, agreement on acceptable clinical trial contracts or clinical trial protocols with prospective trial sites;
- the failure of regulators or IRBs to authorize us or our investigators to commence a clinical trial or conduct a clinical trial at a prospective trial site;
- difficulty in designing clinical trials and in selecting endpoints for diseases that have not been well studied and for which the natural history and course of the disease is poorly understood;
- the selection of certain clinical endpoints that may require prolonged periods of clinical observation or analysis of the resulting data;
- the number of patients required for clinical trials of our product candidates may be larger than we anticipate, enrollment in these clinical trials may be slower than we anticipate, participants may drop out of these clinical trials at a higher rate than we anticipate or fail to return for post-treatment follow-up or the failure to recruit suitable patients to participate in our clinical trials;
- our product candidates may have undesirable side effects or other unexpected characteristics, causing us or our investigators, regulators or IRBs to suspend or terminate our clinical trials;
- we may have to suspend or terminate clinical trials of our product candidates for various reasons, including a finding that the participants are being exposed to unacceptable health risks;
- the third parties with whom we contract may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- the requirement from regulators or IRBs that we or our investigators suspend or terminate clinical trials for various reasons, including noncompliance with regulatory requirements or unacceptable safety risks;
- clinical trials of our product candidates may produce negative or inconclusive results and we may decide, or regulators may require us, to conduct additional clinical trials or abandon product development programs;
- the cost of clinical trials of our product candidates may be greater than we anticipate;
- imposition of a clinical hold by regulatory authorities as a result of a serious adverse event, concerns with a class of product candidates or after an inspection of our clinical trial operations, trial sites or manufacturing facilities;
- occurrence of serious adverse events associated with the product candidate that are viewed to outweigh its potential benefits; and

- disruptions caused by the evolving effects of the COVID-19 pandemic may increase the likelihood that we encounter these types of difficulties or delays in initiating, enrolling, conducting or completing our planned clinical trials.

If we are required to conduct additional clinical trials or other testing of our product candidates beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of our product candidates or other testing, if the results of these trials or tests are not positive or are only modestly positive or if there are safety concerns, we may:

- be delayed in obtaining marketing approval for our product candidates, if at all;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- obtain approval with labeling that includes significant use or distribution restrictions or safety warnings;
- be required to perform additional clinical trials to support marketing approval;
- have regulatory authorities withdraw or suspend their approval, or impose restrictions on distribution of a product candidate in the form of a modified risk evaluation and mitigation strategy, or REMS;
- be subject to additional post-marketing testing requirements or changes in the way the product is administered; or
- have our product removed from the market after obtaining marketing approval.

Our product development costs also will increase if we experience delays in preclinical studies or clinical trials or in obtaining marketing approvals. We do not know whether any of our preclinical studies or clinical trials will begin as planned, will need to be restructured or will be completed on schedule, or at all. Significant preclinical study or clinical trial delays also could shorten any periods during which we may have the exclusive right to commercialize our product candidates, or could allow our competitors to bring products to market before we do and impair our ability to successfully commercialize our product candidates, which may harm our business, results of operations, financial condition and prospects.

Further, cancer therapies sometimes are characterized as first-line, second-line or third-line. The FDA often approves new oncology therapies initially only for third-line or later use, meaning for use after two or more other treatments have failed. When cancer is detected early enough, first-line therapy, usually hormone therapy, surgery, radiation therapy, immunotherapy or a combination of these, is sometimes adequate to cure the cancer or prolong life without a cure. Second-line and third-line therapies are administered to patients when prior therapy is not effective. Our planned clinical trials for our lead product candidates CFT7455 and CFT8634 and other drug candidates will be with patients who have received one or more prior treatments and we expect that we would initially seek regulatory approval of these product candidates for second-line or third-line therapy. Subsequently, for those products that prove to be sufficiently beneficial, if any, we would expect to seek approval potentially as a first-line therapy, but any product candidates we develop, even if approved for second-line or third-line therapy, may not be approved for first-line therapy and, prior to seeking and/or receiving any approvals for first-line therapy, we may have to conduct additional clinical trials.

We face substantial competition, which may result in others discovering, developing or commercializing products before or more successfully than we do.

The biotechnology and pharmaceutical industries are characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products. We face, and will continue to face, competition from third parties that use protein degradation, antibody therapy, inhibitory nucleic acid, immunotherapy, gene editing or gene therapy development platforms and from companies focused on more traditional therapeutic modalities, such as small molecule inhibitors. The competition we face and will face is likely to come from multiple sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic institutions, government agencies and public and private research institutions.

We are aware of several biotechnology companies focused on developing product candidates based on small molecules for targeted protein degradation including Arvinas, Inc., Cullgen Inc., Nurix Therapeutics, Inc., Vividion Therapeutics, Inc. and Kymera Therapeutics, Inc., of which Arvinas, Inc. is in clinical development and the other companies are currently in preclinical development. Further, several large pharmaceutical companies have disclosed preclinical investments in this field, including Amgen, AstraZeneca plc, GlaxoSmithKline plc, Genentech, Inc. and

Novartis International AG. In addition to competition from other protein degradation therapies, any products that we develop may also face competition from other types of therapies, such as small molecule, antibody, T cell or gene therapies.

Many of our current or potential competitors, either alone or with their collaboration partners, have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our product candidates. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors, the scale of which could be difficult to compete against. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our product candidates. Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any product candidate that we may develop. Our competitors also may obtain FDA or other regulatory approval for their product candidates more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. In addition, our ability to compete may be affected in many cases by insurers or other third-party payors seeking to encourage the use of generic products. There are generic products currently on the market for certain of the indications that we are pursuing and additional products are expected to become available on a generic basis over the coming years. If our product candidates are approved, we expect that they will be priced at a significant premium over competitive generic products.

Our ability to use our net operating loss carryforwards and research and development tax credit carryforwards may be limited.

As of December 31, 2019, we had no federal net operating loss carryforwards and $8.2 million in state net operating loss carryforwards, which begin to expire in 2038. We may have federal net operating loss carryforwards in future years. Under legislation enacted in 2017, informally titled the Tax Cuts and Jobs Act, as modified by the Coronavirus Aid, Relief and Economic Security Act, or the CARES Act, federal net operating losses, if any, will not expire and may be carried forward indefinitely, but the deductibility of such federal net operating losses (particularly those generated in tax years beginning after December 31, 2020) in tax years beginning after December 31, 2020, is limited. It is uncertain how various states will respond to the Tax Cuts and Jobs Act, the CARES Act or any newly enacted federal tax law. In addition, at the state level, there may be periods during which the use of net operating losses is suspended or otherwise limited, including a recent California franchise tax law change limiting the usability of California state net operating losses to offset taxable income in tax years beginning after 2019 and before 2023.

As of December 31, 2019, we also had federal and state research and development tax credit carryforwards of $0.4 million and $0.1 million, respectively, which begin to expire in 2039. These tax credit carryforwards could expire unused and be unavailable to offset our future income tax liabilities.

In addition, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, or the Code, and corresponding provisions of state law, if a corporation undergoes an “ownership change,” which is generally defined as a greater than 50% change, by value, in its equity ownership over a three-year period, the corporation’s ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes to offset its post-change income or taxes may be limited. In 2020, the Company completed a study of ownership changes from inception through May 31, 2020, which concluded that we experienced ownership changes as defined by Section 382 of the Code. However, there were no net operating loss carryforwards that were limited or expired unused. We may experience ownership changes in the future as a result of subsequent changes in our stock ownership, including this offering, some of which may be outside of our control. If we determine that an ownership change has occurred and our ability to use our historical net operating loss and tax credit carryforwards is materially limited, that would harm our future operating results by effectively increasing our future tax obligations.

We may not be able to file INDs to commence additional clinical trials on the timelines we expect and, even if we are able to, the FDA may not permit us to proceed.

We plan to submit an IND for CFT7455 in and for CFT8634 in but we may not be able to file these planned INDs on the timelines we expect. For example, we may experience manufacturing delays or other delays with IND-enabling studies. Moreover, we cannot be sure that submission of an IND will result in the FDA allowing us to commence clinical trials or that, once begun, issues will not arise that lead to the suspension or termination of our clinical trials. Additionally, even if the applicable regulatory authorities agree with the design and implementation of the clinical trials set forth in our INDs, we cannot guarantee that those regulatory authorities will not change their requirements in the future. These considerations apply to the INDs described above and also to new clinical trials we may submit as amendments to existing INDs or as part of new INDs in the future. Any failure to file INDs on the timelines we expect or to obtain regulatory approvals for our trials may prevent us from completing our clinical trials or commercializing our products on a timely basis, if at all.

If serious adverse events, undesirable side effects or unexpected characteristics are identified during the development of any product candidates we may develop, we may need to abandon or limit our further clinical development of those product candidates.

We have not evaluated any product candidates in human clinical trials. Moreover, we are not aware of any clinical trials using small molecules for targeted protein degradation, such as those developed using our TORPEDO platform. It is impossible to predict when or if any product candidates we may develop will prove safe in humans. There can be no assurance that any of the product candidates developed through our TORPEDO platform will not cause undesirable side effects, which could arise at any time during preclinical or clinical development.

A potential risk with product candidates developed through our TORPEDO platform, or in any protein degradation product candidate, is that healthy proteins or proteins not targeted for degradation will be degraded or that the degradation of the targeted protein in and of itself could cause adverse events, undesirable side effects or unexpected characteristics. There is also the potential risk of delayed adverse events following treatment using product candidates developed through our TORPEDO platform.

If any product candidates we develop are associated with serious adverse events or undesirable side effects or have other characteristics that are unexpected, we may need to abandon their development or limit development to certain uses or subpopulations in which the adverse events, undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective. The occurrence of any of these sorts of events would have an adverse effect on our business, financial condition, results of operations and prospects. Many product candidates that initially showed promise in early-stage testing for treating cancer or other diseases have later been found to cause side effects that prevented further clinical development of the product candidates or limited their competitiveness in the market. For example, single agent BRAF inhibitors can cause a secondary malignancy called keratocanthoma which is a skin cancer caused by paradoxical activation of BRAF upon inhibitor binding.

The results of preclinical studies may not be predictive of future results in later studies or trials. Initial success in clinical trials may not be indicative of results obtained when these trials are completed or in later stage clinical trials.

The results of preclinical studies may not be predictive of the results of clinical trials and the results of any early-stage clinical trials we commence in the future may not be predictive of the results of the later-stage clinical trials. In addition, initial success in clinical trials may not be indicative of results obtained when those trials are completed or in later stage clinical trials. In particular, the small number of patients in our planned early clinical trials may make the results of these trials less predictive of the outcome of later clinical trials. For example, even if successful, the results of the dose escalation portion of our future first-in-human Phase 1/2 clinical trials of CFT7455 and CFT8634 may not be predictive of the results of further clinical trials of these product candidates or any of our other product candidates. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses and many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their products. Our future clinical trials may not ultimately be successful or support further clinical development of any of our product candidates. There is a high failure rate for product candidates proceeding through clinical trials. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in clinical development even after achieving encouraging results in earlier studies. Any setbacks of this nature in our clinical development could

materially harm our business, financial condition, results of operations and prospects. In addition, we may conduct some of our clinical trials in a combination Phase 1/2 design and, if the Phase 1 portion of the trial is not successful, we will not be allowed to proceed into the Phase 2 portion of the trial.

If we experience delays or difficulties in the enrollment of patients in our clinical trials, our timelines for submitting for and receiving necessary marketing approvals could be delayed or prevented.

We may not be able to initiate clinical trials for our product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials, as required by the FDA or similar regulatory authorities outside of the United States. We are preparing to advance CFT7455 into first-in-human Phase 1/2 clinical trials in MM and NHLs, including PTCL and MCL. In addition, we are planning to advance CFT8634 into first-in-human Phase 1/2 clinical trials in patients with synovial sarcoma or SMARCB1 deleted solid tumors. While we believe that we will be able to enroll a sufficient number of patients into each of these clinical trials, we cannot predict with certainty how difficult it will be to enroll patients for trials in these rare indications generally and during the COVID-19 pandemic, specifically. Our ability to identify and enroll eligible patients for CFT7455 and CFT8634 clinical trials may turn out to be limited or we may be slower in enrolling these trials than we anticipate. In addition, some of our competitors have ongoing clinical trials for product candidates that treat the same indications as our product candidates and, as a result, patients who would otherwise be eligible for our clinical trials may instead elect to enroll in clinical trials of our competitors' product candidates. Patient enrollment in clinical trials is also affected by other factors including:

- the severity of the disease under investigation;
- the eligibility criteria for the trial in question;
- the perceived risks and benefits of the product candidates offered in the clinical trials;
- the efforts to facilitate timely enrollment in clinical trials;
- the patient referral practices of physicians;
- the burden on patients due to the scope and invasiveness of required procedures under clinical trial protocols, some of which may be inconvenient and/or uncomfortable;
- the ability to monitor patients adequately during and after treatment;
- the proximity and availability of clinical trial sites for prospective patients; and
- the impact of the current COVID-19 pandemic, which may affect the conduct of a clinical trial, including by slowing potential enrollment or reducing the number of eligible patients for clinical trials.

Our inability to enroll a sufficient number of patients for our planned clinical trials, or our inability to do so on a timely basis, would result in significant delays and could require us to abandon one or more clinical trials altogether. Enrollment delays in our clinical trials may also result in increased development costs for our product candidates, which would cause the value of our company to decline and limit our ability to obtain additional financing.

The conclusions and analysis drawn from announced or published interim top-line and preliminary data from our clinical trials from time to time may change as more patient data become available. Further, all interim data that we provide remains subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we may publish interim top-line or preliminary data from our clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. In addition, preliminary or top-line data also remain subject to audit and verification procedures that may result in the final data being different, potentially in material ways, from the preliminary data we previously announced or published. As a result, interim and preliminary data should be viewed with caution until final data are available. Adverse differences between preliminary or interim data and final data could significantly harm our reputation, business, financial condition, results of operations and prospects.

We may expend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on research programs and product candidates that we identify for specific indications. As a result, we may forego or delay pursuit of opportunities with other product candidates or for other indications that later prove to have greater commercial potential. Our resource

allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and product candidates for specific indications may not yield any commercially viable products. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate.

We may develop CFT7455 in combination with other drugs for MM. If the FDA or similar regulatory authorities outside of the United States do not approve these other drugs, revoke their approval of these other drugs or if safety, efficacy, manufacturing or supply issues arise with the drugs we choose to evaluate in combination with CFT7455, we may be unable to obtain approval of or market CFT7455.

Once a recommended dose is identified from the dose escalation portion of our first-in-human Phase 1/2 clinical trial of CFT7455 for the treatment of MM, we may conduct a portion of that clinical trial in combination with a dexamethasone inhibitor. We did not develop or obtain marketing approval for, nor do we manufacture or sell, any of the currently approved drugs that we may study in combination with CFT7455. If the FDA or similar regulatory authorities outside of the United States revoke their approval of the drug or drugs we intend to deliver in combination with CFT7455, we will not be able to market CFT7455 in combination with those revoked drugs.

If safety or efficacy issues arise with any of these drugs, we could experience significant regulatory delays and the FDA or similar regulatory authorities outside of the United States may require us to redesign or terminate certain of our clinical trials. If the drugs we use are replaced as the standard of care for the indications we choose for CFT7455, the FDA or similar regulatory authorities outside of the United States may require us to conduct additional clinical trials. In addition, if manufacturing or other issues result in a shortage of supply of the drugs with which we determine to combine with CFT7455, we may not be able to complete clinical development of CFT7455 on our current timeline or at all.

Even if CFT7455 were to receive marketing approval or be commercialized for use in combination with other existing drugs, we would continue to be subject to the risks that the FDA or similar regulatory authorities outside of the United States could revoke approval of the drug used in combination with CFT7455 or that safety, efficacy, manufacturing or supply issues could arise with these existing drugs.

Combination therapies are commonly used for the treatment of cancer and we would be subject to similar risks if we were to elect to develop any of our other product candidates for use in combination with other drugs or for indications other than cancer. This could result in our own products being removed from the market or being less successful commercially.

We may not be successful in our efforts to identify or discover additional potential product candidates.

While our two lead programs are focused on oncology targets, a key element of our strategy is to apply our TORPEDO platform to develop product candidates that address a broad array of targets and new therapeutic areas, such as neurodegeneration, diseases of aging and infectious disease. The therapeutic discovery activities that we are conducting may not be successful in identifying product candidates that are useful in treating cancer or other diseases. Our research programs may initially show promise in identifying potential product candidates, yet fail to yield product candidates for clinical development for a number of reasons, including:

- potential product candidates may, on further study, be shown to have harmful side effects or other characteristics that indicate that they are unlikely to be drugs that will receive marketing approval or achieve market acceptance;
- potential product candidates may not be effective in treating their targeted diseases; or
- the market size for the target indications of a potential product candidate may diminish over time due to improvements in the standard of care to the point that further development is not warranted.

Research programs to identify new product candidates require substantial technical, financial and human resources. We may choose to focus our efforts and resources on a potential product candidate that ultimately proves to be unsuccessful. If we are unable to identify suitable product candidates for preclinical and clinical development, we

will not be able to obtain revenues from sale of products in future periods, which likely would result in significant harm to our financial position and adversely impact our stock price.

If we do not achieve our projected development goals in the time frames we announce and expect, the commercialization of our products may be delayed and, as a result, our stock price may decline.

From time to time, we may estimate the timing of the anticipated accomplishment of various scientific, clinical, regulatory and other product development goals, which we sometimes refer to as milestones. These milestones may include the commencement or completion of preclinical studies and clinical trials and the submission of regulatory filings. From time to time, we may publicly announce the expected timing of some of these milestones. Each of these milestones is and will be based on numerous assumptions. The actual timing of these milestones can vary dramatically compared to our estimates, in some cases for reasons beyond our control. If we do not meet these milestones as publicly announced, or at all, our revenue may be lower than expected, the commercialization of our products may be delayed or never achieved and, as a result, our stock price may decline.

Risks Related to Dependence on Third Parties

We expect to depend on collaborations with third parties for the research, development and commercialization of certain of the product candidates we may develop. If any of these collaborations are not successful, we may not be able to capitalize on the market potential of those product candidates.

We anticipate seeking third-party collaborators for the research, development and commercialization of some of our product candidates developed using our TORPEDO platform. Previously, we entered into the following collaboration agreements:

- a collaboration with Roche in December 2015, which we amended and restated in December 2018;
- a collaboration with Calico in March 2017; and
- a collaboration with Biogen in December 2018.

Our likely collaborators in any other collaboration arrangements we may enter into include large and mid-size pharmaceutical companies and biotechnology companies. If we were to enter into any collaboration arrangements with third parties, those arrangements will likely limit our control over the amount and timing of resources that our collaborators dedicate to the development or commercialization of any product candidates we may seek to develop with them. Our ability to generate revenues from these arrangements will depend on our collaborators' abilities to successfully perform the functions assigned to them in these arrangements. We cannot predict the success of any collaboration in which we have entered or may enter.

Collaborations involving our research programs or any product candidates we may develop, including our existing collaborations with Roche, Calico and Biogen, pose the following risks to us:

- Collaborators have significant discretion in determining the efforts and resources that they will apply to these collaborations. For example, our collaborations with Roche, Biogen and Calico are each managed by a joint governance committee, which is composed of representatives from us and the applicable collaborator.
- Collaborators may not pursue development and commercialization of any product candidates we may develop or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the collaborator's strategic focus or market considerations or available funding or external factors such as an acquisition or business combination that diverts resources or creates competing priorities. If this were to happen, we may need additional capital to pursue further development or commercialization of the applicable product candidates. For example, in June 2020, Roche notified us that they will not be electing to pursue further development of our EGFR program.
- Roche, Biogen and Calico have broad rights to select a limited number of targets for protein degradation development, so long as that target is not excluded by us under the terms of each collaboration and may select targets we are considering but have not taken sufficient action (e.g., internal development of, or steps toward partnering, such target) to exclude under the collaboration.
- Collaborators may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing.

- Collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our products or product candidates if the collaborators believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours.
- Subject to certain diligence obligations, Collaborators with marketing and distribution rights to one or more products may not commit sufficient resources to the marketing and distribution of such product or products.
- Collaborators may not properly obtain, maintain, enforce or defend our intellectual property or proprietary rights or may use our proprietary information in a way that could jeopardize or invalidate our proprietary information or expose us to potential litigation. For example, Roche, Biogen and Calico have the first right to enforce and Roche also has the first right to defend, certain intellectual property rights under the applicable collaboration arrangement with respect to particular licensed programs and, although we may have the right to assume the enforcement and defense of such intellectual property rights if the collaborator does not, our ability to do so may be compromised by their actions.
- Collaborators may own or co-own intellectual property covering our products that results from our collaborating with them, and in cases where that applies, we would not have the exclusive right to commercialize the collaboration intellectual property.
- Disputes may arise between our collaborators and us that result in the delay or termination of the research, development or commercialization of our products or product candidates or that result in costly litigation or arbitration that diverts management attention and resources.
- We may lose certain valuable rights under circumstances identified in our collaborations, including if we undergo a change of control.
- Collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable product candidates. For example, each of Roche, Biogen and Calico can terminate its agreement with us in its entirety or with respect to a specific target for convenience upon written notice ranging from 90 to 270 days' notice or in connection with a material breach of the agreement by us that remains uncured for a specified period of time.
- Collaboration agreements may not lead to development or commercialization of product candidates in the most efficient manner or at all. If a present or future collaborator of ours were to be involved in a business combination, the continued pursuit and emphasis on our product development or commercialization program under such collaboration could be delayed, diminished or terminated.
- Collaborators may be unable to maintain compliance with GLP and GCP requirements or to secure approval for clinical development plans from the FDA or foreign regulatory authorities.
- The amount of revenue we derive from our collaborations may be volatile on a quarterly basis.

If our collaborations do not result in the successful development and commercialization of products or if one of our collaborators terminates its agreement with us or elects not to pursue a program within a collaboration, we may not receive any future research funding or milestone or royalty payments under that collaboration or in respect of that terminated program. If we do not receive the funding we expect under these agreements, our development of product candidates could be delayed and we may need additional resources to develop our product candidates. In addition, if one of our collaborators terminates its agreement with us, we may find it more difficult to find a suitable replacement collaborator or attract new collaborators and our development programs may be delayed or the perception of us in the business and financial communities could be adversely affected. All of the risks relating to product development, marketing approval and commercialization described in this prospectus apply to the activities of our collaborators.

We may in the future decide to collaborate with pharmaceutical and biotechnology companies for the development and potential commercialization of any product candidates we may develop. These and other similar relationships may require us to incur non-recurring and other charges, increase our near- and long-term expenditures, issue securities that dilute our existing stockholders or disrupt our management and business. In addition, we could face significant competition in seeking appropriate collaborators and the negotiation process is time-consuming and complex. Our ability to reach a definitive collaboration agreement will depend, among other things, upon our assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and

the proposed collaborator's evaluation of several factors. If we license rights to any product candidates we or our collaborators may develop, we may not be able to realize the benefit of those transactions if we are unable to successfully integrate them with our existing operations and company culture.

We may form or seek collaborations or strategic alliances or enter into additional licensing arrangements in the future and we may not realize the benefits of those collaborations, alliances or licensing arrangements.

We may form or seek strategic alliances, create joint ventures or collaborations or enter into additional licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to our product candidates and any future product candidates that we may develop. For example, we may seek to enter into out-licensing arrangements to advance our CFT7455 product candidate in MM or other indications. Any of these relationships may require us to incur non-recurring and other charges, increase our near and long-term expenditures, issue securities that dilute our existing stockholders or disrupt our management and business.

In addition, we face significant competition in seeking appropriate strategic partners and the negotiation process for these sorts of transactions is time-consuming, complex and expensive. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our product candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view our product candidates as having the requisite potential to demonstrate safety, potency, purity and efficacy and obtain marketing approval. Additionally, our existing partners may decide to acquire or partner with other companies developing targeted protein degraders, which may have an adverse impact on our business prospects, financial condition and results of operations.

As a result, if we enter into additional collaboration agreements and strategic partnerships or license our product candidates, we may not be able to realize the benefit of those transactions if we are unable to successfully integrate them with our existing operations and company culture, which could delay our timelines or otherwise adversely affect our business prospects, financial condition and results of operations. We also cannot be certain that, following a strategic transaction or license, we will achieve the revenue or specific net income that justifies the entry into the transaction in the first place. Any delays in entering into new collaborations or strategic partnership agreements related to our product candidates could delay the development and commercialization of our product candidates in certain geographies for certain indications, which would harm our business prospects, financial condition and results of operations.

We expect to rely on third parties to conduct our future clinical trials and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of such trials.

We expect to rely on CROs to conduct our planned first-in-human Phase 1/2 clinical trial programs for CFT7455 and CFT8634 and our other clinical trials as we currently do not plan to independently conduct clinical trials of our other product candidates. Our agreements with these CROs might terminate for a variety of reasons, including a failure to perform by the third parties. If we were ever to need to enter into alternative arrangements, we would experience delays in our product development activities.

Our reliance on CROs for research and development activities will reduce our control over these activities but will not relieve us of our responsibilities for how these activities are performed. For example, we will remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols in the applicable IND. Moreover, the FDA requires compliance with standards, commonly referred to as GCPs, for conducting, recording and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of trial participants are protected.

Further, these CROs may have relationships with other entities, some of which may be our peers or competitors. If the CROs with whom we work do not successfully carry out their contractual duties, meet expected deadlines or conduct our clinical trials in accordance with regulatory requirements or our stated protocols, we will not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates and will not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates.

Manufacturing pharmaceutical products is complex and subject to product loss for a variety of reasons. We contract with third parties for the manufacture of our product candidates for preclinical testing and clinical trials and expect to continue to do so for commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or products or that we will not have the quantities we desire or require at an acceptable cost or quality or at the right time, which could delay, prevent or impair our development or commercialization efforts.

We do not own or operate, and currently have no plans to establish, any manufacturing facilities. We rely on and expect to continue to rely on CMOs, for both drug substance and finished drug product. This reliance on third parties may increase the risk that we will not have sufficient quantities of our product candidates or products or that we will not have the quantities we desire or require at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts.

We may be unable to establish agreements with CMOs or to do so on acceptable terms. Even if we are able to establish agreements with CMOs, reliance on third-party manufacturers entails additional risks, including:

- reliance on the third party for regulatory, compliance and quality assurance;
- the possible breach of the manufacturing agreement by the third party CMO;
- the possible misappropriation of our proprietary information, including our trade secrets and know-how; and
- the possible termination or non-renewal of the agreement by the third party at a time that is costly or inconvenient for us.

We have only limited technology transfer agreements in place with respect to our product candidates and these existing arrangements do not extend to commercial supply. We acquire many key materials on a purchase order basis. As a result, we do not have long-term committed arrangements with respect to our product candidates and other materials. If we receive marketing approval for any of our product candidates, we will need to establish an agreement for commercial manufacture with a third party.

Third-party manufacturers may not be able to comply with current good manufacturing practices, or cGMP, regulations or similar regulatory requirements outside of the United States. Our molecules are highly potent and, in the absence of additional safety data, they receive a high occupational exposure band, or OEB. These assigned OEBs dictate the contaminant and other precautions that must be taken as part of the manufacture of our product candidates. Our failure, or the failure of our CMOs, to comply with applicable regulations, including the ability of our CMOs to work with our highly potent materials and the safety protocols in connection therewith, could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates or products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our products.

Our product candidates and any products that we may develop may compete with other product candidates and products for access to manufacturing facilities. As a result, we may not obtain access to these facilities on a priority basis or at all. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us.

Any performance failure or delay in performance on the part of our existing or future manufacturers could delay clinical development or marketing approval. We do not currently have arrangements in place for redundant supply or a second source for bulk drug substance. If our current CMOs cannot perform as agreed, we may be required to replace them. Although we believe that there are several potential alternative manufacturers who could manufacture our product candidates, we may incur added costs and delays in identifying and qualifying any replacement manufacturers or we may not be able to reach agreement with any alternative manufacturer. While we have identified alternate vendors for CFT7455 and CFT8634, switching vendors could result in significant additional costs of materials and significant delays to our operations.

Our current and anticipated future dependence upon others for the manufacture of our product candidates or products may adversely affect our future profit margins and our ability to commercialize any products that receive marketing approval on a timely and competitive basis.

Additionally, we currently rely on single source suppliers for certain of the raw materials for our preclinical study and clinical trial supplies. If our current or future suppliers are unable to supply us with sufficient raw materials for our preclinical studies and clinical trials, we may experience delays in our development efforts as we locate and qualify new raw material manufacturers. These third-party manufacturers may incorporate their own proprietary processes into our product candidate manufacturing processes. We have limited control and oversight of a third party's proprietary process and a third-party manufacturer may elect to modify its process without our consent or knowledge. These modifications could negatively impact our manufacturing, including product loss or failure that requires additional manufacturing runs or a change in manufacturer, both of which could significantly increase the cost of and significantly delay the manufacture of our product candidates.

As our product candidates progress through preclinical studies and clinical trials towards approval and commercialization, we expect that various aspects of the manufacturing process will be altered in an effort to optimize processes and results. These types of changes may require that we make amendments to our regulatory applications, which could further delay the timeframes under which modified manufacturing processes can be used for any of our product candidates.

In addition, as we advance our product candidates into later stage clinical trials and plan for the potential commercialization of our product candidates, we may determine that it is necessary or appropriate to bring on additional suppliers of drug product and/or drug substance, which could result in changes to the manufacturing processes for our product candidates and may require us to provide additional information to regulatory authorities. If we were to bring on additional CMOs for our product candidates, we may also be required to conduct additional bridging studies or trials, all of which take would require additional time and expense.

Risks Related to the Commercialization of Our Product Candidates

Even if any of our product candidates receives marketing approval, it may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success.

If any of our product candidates receives marketing approval, it may nonetheless fail to gain sufficient market acceptance by physicians, patients, third-party payors and others in the medical community. For example, current cancer treatments, such as chemotherapy and radiation therapy, are well established in the medical community, and doctors may continue to rely on these treatments. If our product candidates do not achieve an adequate level of acceptance, we may not generate significant revenue from product sales and we may not become profitable. The degree of market acceptance of our product candidates, if approved for commercial sale, will depend on a number of factors, including:

- the efficacy and potential advantages compared to alternative treatments;
- the prevalence and severity of any side effects, in particular compared to alternative treatments;
- our ability to offer our products for sale at competitive prices;
- the convenience and ease of administration compared to alternative treatments;
- the willingness of the target patient population to try new therapies and of physicians treating these patients to prescribe these therapies;
- the strength of marketing, sales and distribution support;
- the availability of third-party insurance coverage and adequate reimbursement;
- the timing of any marketing approval in relation to other product approvals;
- support from patient advocacy groups; and
- any restrictions on the use of our products together with other medications.

As a company, we currently have no marketing and sales organization and have no experience in marketing products. If we are unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell our product candidates, if approved, we may not be able to generate product revenue.

As a company, we currently have no sales, marketing or distribution capabilities and have no experience in marketing products. We intend to develop an in-house marketing organization and sales force, which will require significant capital expenditures, management resources and time. We will have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train and retain marketing and sales personnel.

If we are unable or decide not to establish internal sales, marketing and distribution capabilities, we will pursue arrangements with third-party sales, marketing and distribution collaborators regarding the sales and marketing of our products, if approved. However, there can be no assurance that we will be able to establish or maintain these types of arrangements on favorable terms or if at all, or if we are able to do so, that these third-party arrangements will provide effective sales forces or marketing and distribution capabilities. Any revenue we receive will depend upon the efforts of these third parties, which may not be successful. We may have little or no control over the marketing and sales efforts of these third parties and our revenue from product sales may be lower than if we had commercialized our product candidates ourselves. We also face competition in our search for third parties to assist us with the sales and marketing efforts of our product candidates.

There can be no assurance that we will be able to develop in-house sales and distribution capabilities or establish or maintain relationships with third-party collaborators to commercialize any product in the United States or overseas.

The market opportunities for our product candidates may be relatively small as we expect that they will initially be approved only for those patients who are ineligible for or have failed prior treatments. In addition, our estimates of the prevalence of our target patient populations may be inaccurate.

Our product candidates may target cancer, but cancer therapies are sometimes characterized as first-line, second-line, third-line or subsequent line, and the FDA often approves new therapies initially only for a particular line of use. When cancer is detected early enough, first-line therapy is sometimes adequate to cure the cancer or prolong life without a cure. Whenever first-line therapy, usually chemotherapy, antibody drugs, tumor-targeted small molecules, immunotherapy, hormone therapy, radiation therapy, surgery, other targeted therapies or a combination of these therapies, proves unsuccessful, second-line therapy may be administered. Second-line therapies often consist of more chemotherapy, radiation, antibody drugs, tumor-targeted small molecules or a combination of these. Third-line therapies can include chemotherapy, antibody drugs and small molecule tumor-targeted therapies, more invasive forms of surgery and new technologies. We expect initially to seek approval of our product candidates in most instances as a second- or third-line therapy, for use in patients with relapsed or refractory cancer. Subsequently, for those product candidates that prove to be sufficiently safe and beneficial, if any, we would expect to seek approval as a second-line therapy and potentially as a first-line therapy, but there is no guarantee that any of our product candidates, even if approved as a second or third or subsequent line of therapy, would subsequently be approved for an earlier line of therapy. Further, it is possible that, prior to getting any approvals for our product candidates in earlier lines of treatment, we might have to conduct additional clinical trials.

Our projections of both the number of people who have the cancers we are targeting, who may have their tumors genetically sequenced, as well as the subset of people with these cancers in a position to receive a particular line of therapy and who have the potential to benefit from treatment with our product candidates, are based on our reasonable beliefs and estimates. These estimates have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations or market research and may prove to be incorrect. Further, new therapies may change the estimated incidence or prevalence of the cancers that we are targeting. Consequently, even if our product candidates are approved for a second or third-line of therapy, the number of patients that may be eligible for treatment with our product candidates may turn out to be much lower than expected. In addition, we have not yet conducted market research to determine how treating physicians would expect to prescribe a product that is approved for multiple tumor types if there are different lines of approved therapies for each of those tumor types.

Even if we receive marketing approval of any of our product candidates, our products may become subject to unfavorable pricing regulations, third-party reimbursement practices or healthcare reform initiatives, which would harm our business.

The regulations that govern marketing approvals, pricing, coverage and reimbursement for new drug products vary widely from country to country. Current and future legislation may significantly change the approval requirements in ways that could involve additional costs and cause delays in obtaining approvals. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidate to other available therapies. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a

product candidate in a particular country, but then be subject to price regulations that delay our commercial launch of the product, possibly for lengthy time periods, which would negatively impact the revenues, if any, we are able to generate from the sale of the product in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more of our product candidates, even if our product candidates obtain marketing approval.

Our ability to commercialize any product candidates successfully also will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available from government healthcare programs, private health insurers and other organizations. Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement levels. A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Government authorities and third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. Increasingly, government authorities and third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. Coverage and reimbursement may not be available for any product that we commercialize and, even if these are available, the level of reimbursement may not be satisfactory. Reimbursement may affect the demand for, or the price of, any product candidate for which we obtain marketing approval. Obtaining and maintaining adequate reimbursement for our products may be difficult. We may be required to conduct expensive pharmacoeconomic studies to justify coverage and reimbursement or the level of reimbursement relative to other therapies. If coverage and adequate reimbursement are not available or reimbursement is available only to limited levels, we may not be able to successfully commercialize any product candidate for which we obtain marketing approval.

There may be significant delays in obtaining coverage and reimbursement for newly approved drugs. In addition, coverage may be more limited than the purposes for which the drug is approved by the FDA or similar regulatory authorities outside of the United States. Moreover, eligibility for coverage and reimbursement does not imply that a drug will be paid for in all cases or at a rate that covers our costs, including research, development, intellectual property, manufacture, sale and distribution expenses. Interim reimbursement levels for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Reimbursement rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on reimbursement levels already set for lower cost drugs and may be incorporated into existing payments for other services. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement policies. Our inability to promptly obtain coverage and adequate reimbursement rates from both government-funded and private payors for any approved products that we develop could have an adverse effect on our operating results, our ability to raise capital needed to commercialize products and our overall financial condition.

Product liability lawsuits against us could cause us to incur substantial liabilities and to limit commercialization of any products that we may develop.

We face an inherent risk of product liability exposure related to the testing of our product candidates in human clinical trials and will face an even greater risk if or when we commercially sell any products that we may develop. If we cannot successfully defend ourselves against claims that our product candidates or products caused injuries, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for any product candidates or products that we may develop;
- termination of clinical trials;
- withdrawal of marketing approval, recall, restriction on the approval or a “black box” warning or contraindication for an approved drug;
- withdrawal of clinical trial participants;
- significant costs to defend the related litigation;
- substantial monetary awards to trial participants or patients;
- loss of revenue;
- injury to our reputation and significant negative media attention;

- reduced resources of our management to pursue our business strategy; and
- the inability to commercialize any products that we may develop.

As a preclinical company, we do not currently hold product liability insurance coverage. We will need to purchase product liability insurance coverage as we initiate our clinical trials, as we expand our clinical trials and if and when we commence commercialization of our product candidates. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

Risks Related to Our Intellectual Property

If we are unable to obtain and maintain patent protection for our technology and products or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and products similar or identical to ours, our ability to successfully commercialize our technology and products may be impaired and we may not be able to compete effectively in our market.

We rely upon a combination of patents, trade secret protection and confidentiality agreements to protect our intellectual property and prevent others from exploiting our pipeline drug product candidates, any future drug product candidates we may develop and our platform technologies, as well as the use or manufacture of our current or future drug product candidates.

Our commercial success depends in part on our ability to obtain and maintain patent and other proprietary protection in the United States and other countries with respect to our proprietary technology and products. We seek to protect our proprietary position by filing patent applications in the United States and abroad related to our novel technologies and product candidates. Any disclosure to or misappropriation by third parties of our confidential proprietary information could enable competitors to quickly duplicate or surpass our technological achievements, thus eroding our competitive position in our market. Moreover, the patent applications we own, co-own or license may fail to result in issued patents in the United States or in other foreign countries.

The patent prosecution process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. Moreover, in some circumstances, we do not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the patents, covering technology that we license from third parties. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business.

The patent position of the biopharmaceutical industry generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. In addition, the laws of foreign countries may not protect our rights to the same extent as the laws of the United States. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot know with certainty whether we were the first to make the inventions claimed in our owned, co-owned or licensed patents or pending patent applications, or that we were the first inventors to file for patent protection of such inventions. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued that protect our technology or products, in whole or in part, or that effectively prevent others from commercializing competitive technologies and products. Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of our patents or narrow the scope of our patent protection. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

Our owned, co-owned and licensed patent estate consists principally of patent applications, many of which are at an early stage of prosecution. Even if our owned, co-owned and licensed patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us

or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our owned, co-owned or licensed patents by developing similar or alternative technologies or products in a non-infringing manner.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our owned, co-owned and licensed patents or patents obtained by our collaborators may be challenged in the courts or patent offices in the United States and abroad. These challenges may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products or limit the duration of the patent protection of our technology and products. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting our drug product candidates might expire before or shortly after they are commercialized. As a result, our owned, co-owned and licensed patent portfolio, or that of our collaborators, may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

Changes in patent laws or patent jurisprudence could diminish the value of our patents in general or increase third party challenges to our patents, thereby impairing our ability to protect our product candidates.

Patent reform legislation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents. On September 16, 2011, the Leahy-Smith America Invents Act, or the Leahy-Smith Act, was signed into law and made a number of significant changes to United States patent law. These changes include provisions that affect the way patent applications are prosecuted and may also affect patent litigation. The United States Patent and Trademark Office, or the USPTO, developed new regulations and procedures to govern administration of the Leahy-Smith Act and many of the substantive changes to patent law associated with the Leahy-Smith Act, including the first-inventor-to-file provisions, became effective on March 16, 2013. The Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have an adverse effect on our business and financial condition. The first-to-file provision of the Leahy-Smith Act requires us to act promptly during the period from invention to filing of a patent application. However, even with the intention to act promptly, circumstances could prevent us from promptly filing or prosecuting patent applications on our inventions. The Leahy-Smith Act also enlarged the scope of disclosures that qualify as prior art, which can impact our ability to receive patent protection for an invention.

The Leahy-Smith Act created, for the first time, new procedures under which third parties may challenge issued patents in the United States, including post-grant review, *inter partes* review and derivations proceedings, all of which are adversarial proceedings conducted at the USPTO. Since the effectiveness of the Leahy-Smith Act, some third parties have been using these types of actions to seek and achieve the cancellation of selected or all claims of issued patents of their competitors. Under the Leahy-Smith Act, for a patent with a priority date of March 16, 2013 or later (which is the case for all of our patent filings), a third party can file a petition for post-grant review at any time during a nine-month window commencing at the time of issuance of the patent. In addition, for a patent with a priority date of March 16, 2013 or later, a third party can file a petition for *inter partes* review after the nine-month period for filing a post-grant review petition has expired. Post-grant review proceedings can be brought on any ground of challenge, whereas *inter partes* review proceedings can only be brought to raise a challenge based on published prior art. Under applicable law, the standard of review for these types of adversarial actions at the USPTO are conducted without the presumption of validity afforded to U.S. patents, which is the standard that applies if a third party were to seek to invalidate a patent through a lawsuit filed in the U.S. federal courts. The USPTO issued a Final Rule on November 11, 2018 announcing that it will now use the same claim construction currently used in the U.S. federal courts—which is the plain and ordinary meaning of words used—to interpret patent claims in these USPTO proceedings. As a result of this regulatory landscape, if any of our patents are challenged by a third party in a USPTO proceeding of this nature, there is no guarantee that we will be successful in defending the challenged patent, which could result in our losing rights under the challenged patent in part or in whole.

As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights, or those of our collaborators, are highly uncertain, which could have an adverse effect on our business, financial condition, results of operations and prospects.

We may become involved in lawsuits to protect or enforce our patents, the patents of our licensors or other intellectual property, which could be expensive, time-consuming and unsuccessful.

Competitors may infringe our issued patents, the patents of our licensors or other intellectual property. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive, time-consuming and unpredictable. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their patents. In addition, in a patent infringement proceeding, a court may decide that a patent of ours or our licensors or collaborators is invalid or unenforceable, in whole or in part, construe the patent's claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation proceeding could put one or more of our patents at risk of being invalidated, held unenforceable or interpreted narrowly. Even if we successfully assert our patents, a court may not award remedies that sufficiently compensate us for our losses.

We may need to license intellectual property from third parties and licenses of this nature may not be available or may not be available on commercially reasonable terms.

A third party may hold intellectual property, including patent rights, that are important or necessary to the development of our products. It may, therefore, be necessary for us to use the patented or proprietary technology of a third party to commercialize our own technology or products, in which case we would be required to obtain a license from that third party. A license to that intellectual property may not be available or may not be available on commercially reasonable terms, which could have an adverse effect on our business and financial condition.

The licensing and acquisition of third-party intellectual property rights is a competitive practice. Companies that may be more established or have greater resources than we do may also be pursuing strategies to license or acquire third-party intellectual property rights that we may consider necessary or attractive in order to commercialize our product candidates. More established companies may have a competitive advantage over us due to their larger size and cash resources or greater clinical development and commercialization capabilities. We may not be able to successfully complete such negotiations and ultimately acquire the rights to the intellectual property surrounding the additional product candidates that we may seek to acquire.

Third parties may initiate legal proceedings alleging that we are infringing their intellectual property rights, the outcome of which would be uncertain and could have an adverse effect on the success of our business.

Our commercial success depends upon our ability and the ability of our collaborators to develop, manufacture, market and sell our product candidates and use our proprietary technologies without infringing the proprietary rights of third parties. There is considerable intellectual property litigation in the biopharmaceutical industry, as well as administrative proceedings for challenging patents, including interference, reexamination and *inter partes* review proceedings before the USPTO and oppositions and other comparable proceedings in foreign jurisdictions.

We may become party to or threatened with future adversarial proceedings or litigation regarding intellectual property rights with respect to our products and technology, including interference, derivation, reexamination or *inter partes* review proceedings before the USPTO. Third parties may assert infringement claims against us based on existing patents or patents that may be granted in the future. As the bio-pharmaceutical industry expands and more patents are issued, the risk increases that our product candidates may give rise to claims of infringement of the patent rights of others. There may be third-party patents of which we are currently unaware with claims to materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of our drug candidates. Because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that our product candidates may infringe. In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents.

If we are found by a court of competent jurisdiction to infringe a third party's intellectual property rights, we could be required to obtain a license from the applicable third party intellectual property holder to continue developing and marketing our products and technology. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. We could be forced, including by court order, to cease commercializing the infringing technology or product. In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees if we are found to have willfully infringed a patent. A finding

of infringement could prevent us from commercializing our product candidates or force us to cease some of our business operations, which could materially harm our business. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business.

A number of other companies, as well as universities and other organizations, file and obtain patents in the same areas as our products, which are targeted protein degraders, and these patent filings could be asserted against us or our collaborators in the future, which could have an adverse effect on the success of our business and, if successful, could lead to expensive litigation that could affect the profitability of our products and/or prohibit the sale or use of our products.

Our MonoDAC and BiDAC product candidates are pharmaceutical small molecule targeted protein degraders. A number of companies and institutions have patent applications and issued patents in this general area, such as, for example, Arvinas, Inc.; Kymera Therapeutics, LLC.; the Dana-Farber Cancer Institute and its Center for Protein Degradation; Foghorn Therapeutics, Inc.; Nurix Therapeutics, Inc.; Roche; Novartis AG; Amgen Inc.; AstraZeneca PLC; GlaxoSmithKline PLC and others. If any of these companies or institutions or others not included in this list were to assert that one of its patents is infringed by any product we might develop or its use or manufacture, we or our collaborators may be drawn into expensive litigation, which could adversely affect our business prospects, financial condition and results of operations, require extensive time from and cause the distraction of members of our management team and employees at large. Further, if litigation of this nature were successful, that could have a material and adverse effect on the profitability of our products or prohibit their sale. We may not be aware of patent claims that are currently or may in the future be pending that could affect our business or products. Patent applications are typical published between six and eighteen months from filing and the presentation of new claims in already pending applications can sometimes not be visible to the public, which would include us, for a period of time. In addition, even after a patent application is publicly available, we may not yet have seen that patent application and may, therefore, not be aware of the claims or scope of filed and published patent applications. As a result, we cannot provide any assurance that a third party practicing in the general area of our technology will not present or has not presented a patent claim that covers one or more of our products or their methods of use or manufacture. If that were to occur, we or our collaborators, as applicable, may have to take steps to try to invalidate the applicable patent or application and, in a situation of that nature, we or our collaborators may either choose not to do so or our attempt may not be successful. If we determine that we require a license to a third party's patent or patent application, we may discover that a license may not be available on reasonable terms, or at all.

Our products are subject to The Drug Price Competition and Patent Term Restoration Act of 1984, which is also referred to as the Hatch Waxman Act, in the United States, which can increase the risk of litigation with generic companies trying to sell our products and may cause us to lose patent protection.

Because our clinical candidates are pharmaceutical molecules that will be reviewed by the Center for Drug Evaluation and Research, CDER, of the FDA, after commercialization they will be subject in the United States to the patent litigation process of the Hatch-Waxman Act, as amended to date, which allows a generic company to submit an Abbreviated New Drug Application, or ANDA, to the FDA to obtain approval to sell a generic version of our drug using bioequivalence data only. Under amendments made to the Hatch-Waxman Act, we will have the opportunity to list our patents that cover our drug products or their respective methods of use in the FDA's compendium of "Approved Drug Products with Therapeutic Equivalence Evaluation," sometimes referred to as the FDA's Orange Book.

Currently, in the United States, the FDA may grant five years of exclusivity for new chemical entities, or NCEs, which are drugs that contain no active portion that has been approved by the FDA in any other NDA. We expect that all of our products will qualify as NCEs. A generic company can submit an ANDA to the FDA four years after approval of any of our drug products. The submission of an ANDA by a generic company is considered a technical act of patent infringement. The generic company can certify that it will wait until the natural expiration date of our listed patents to sell a generic version of our product or can certify that one or more of our listed patents are invalid, unenforceable or not infringed. If the generic manufacturer elects the latter, we will have 45 days to bring a patent infringement lawsuit against the generic company. If we were to do so, that would likely initiate a challenge to one or more of our Orange Book listed patents based on arguments from the generic manufacturer that our listed patents are invalid, unenforceable or not infringed. Under amendments to the Hatch-Waxman Act, if a lawsuit is brought, the FDA is prevented from issuing a final approval on the generic drug until 30 months after the end of the data exclusivity period (7.5 years) or a final decision of a court holding that our asserted patent claims are invalid, unenforceable or

not infringed. If we do not properly list our relevant patents in the Orange Book or if we fail to file a lawsuit in response to a certification from a generic company under an ANDA in a timely manner, or if we do not prevail in the resulting patent litigation, we can lose our ability to benefit from a proprietary market based on patent protection covering our drug products and we may find that physicians will switch to prescribing and dispensing generic versions of our drug products. Further, even if we were to list our relevant patents in the Orange Book correctly, bring a lawsuit in a timely manner and prevail in that lawsuit, the generic litigation may come at a significant cost to us, both in terms of attorneys' fees and employee time and distraction over a long period. Further, it is common for more than one generic company to try to sell an innovator's drug at the same time and, as a result, we may face the cost and distraction of multiple lawsuits from generic manufacturers at the same time. We may also determine that it is necessary to settle these types of lawsuits in a manner that allows the generic company to enter our market prior to the expiration of our patent or otherwise in a manner that adversely affects the strength, validity or enforceability of our patents.

A number of pharmaceutical companies have been the subject of intense review by the U.S. Federal Trade Commission or a corresponding agency in another country based on how they have conducted or settled patent litigation related to pharmaceutical products. In fact, certain reviews have led to an allegation of an anti-trust violation, sometimes resulting in a fine or loss of rights. We cannot be sure that we would not also be subject to a review of this nature or that the result of a review of this nature would be favorable to us, or that any review of this nature would not result in a fine or penalty.

The U.S. Federal Trade Commission, or FTC, has brought a number of lawsuits in federal court in the past few years to challenge ANDA litigation settlements reached between innovator companies and generic companies as anti-competitive. As an example, the FTC has taken an aggressive position that anything of value is a payment, whether money is paid or not. Under their approach, if an innovator, as part of a patent settlement, agrees not to launch or delay its launch of an authorized generic during the 180-day period granted to the first generic company to challenge an Orange Book listed patent covering an innovator drug, or negotiates a delay in entry without payment, the FTC may consider it an unacceptable reverse payment. Companies in the pharmaceutical industry have argued that these types of agreements are rational business decisions entered into by drug innovators as a way to address risk and that these settlements should, therefore, be immune from antitrust attack if the terms of the settlement are within the scope of the exclusionary potential of the patent. In 2013, the U.S. Supreme Court in a five-to-three decision in *FTC v. Actavis, Inc.* rejected both the pharmaceutical industry's and FTC's arguments with regard to so-called reverse payments. Instead, the Supreme Court held that whether a "reverse payment" settlement involving the exchange of consideration for a delay in entry is subject to an anti-competitive analysis depends on five considerations: (a) the potential for genuine adverse effects on competition; (b) the justification of payment; (c) the patentee's ability to bring about anti-competitive harm; (d) whether the size of the payment is a workable surrogate for the patent's weakness; and (e) that antitrust liability for large unjustified payments does not prevent litigating parties from settling their lawsuits, for example, by allowing the generic drug to enter the market before the patent expires on the branded drug without the patentee paying the generic manufacturer. Further, whether a reverse payment is justified depends upon its size, scale in relation to the patentee's anticipated future litigation costs, and independence from other services for which it might represent payment (as was the case in *Actavis*), as well as the lack of any other convincing justification. The Supreme Court instead held that reverse payment settlements can potentially violate antitrust laws and are subject to the standard antitrust rule-of-reason analysis, with the burden of proving that an agreement is unlawful on the FTC. In reaching this decision, the Supreme Court left to the lower courts the structuring of this rule of reason analysis.

If we are faced with drug patent litigation, including Hatch-Waxman litigation with a generic company, we could be faced with an FTC challenge of this nature, which challenge could impact how or whether we settle the case and, even if we strongly disagree with the FTC's position, we could face a significant expense or penalty. Any litigation settlements we enter into with generic companies under the Hatch-Waxman Act could also be challenged by third-party payors such as insurance companies, direct purchasers or others who consider themselves adversely affected by the settlement. These kinds of follow-on lawsuits, which may be class action suits, can be expensive and can continue over multiple years. If we were to face lawsuits of this nature, we may not be successful in defeating these claims and we may, therefore, be subject to large payment obligations, which we may not be able to satisfy in whole or in part.

We may not be able to obtain patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984 in the United States and, as a result, our product candidates, if approved, may not have patent protection for a sufficient period.

In the United States, the Drug Price Competition and Patent Term Restoration Act of 1984 permits one patent term extension of up to five years beyond the normal expiration of one patent per product, which if related to a method of treatment patent, is limited to the approved indication. The length of the patent term extension is typically calculated as one-half of the clinical trial period plus the entire period of time during the review of the NDA by the FDA, minus any time of delay by us during these periods. There is also a limit on the patent term extension to a term that is no greater than fourteen years from drug approval. Therefore, if we select and are granted a patent term extension on a recently filed and issued patent, we may not receive the full benefit of a possible patent term extension, if at all. We might also not be granted a patent term extension at all, because of, for example, our failure to apply within the applicable period, failure to apply prior to the expiration of relevant patents or other failure to satisfy any of the numerous applicable requirements. Moreover, the applicable authorities, including the FDA and the USPTO in the United States and any equivalent regulatory authority in other countries, may not agree with our assessment of whether extensions of this nature are available and may refuse to grant extensions to our patents or may grant more limited extensions than we request. If this occurs, our competitors may be able to obtain approval of competing products following our patent expiration by referencing our clinical and preclinical data and launch their product earlier than might otherwise be the case. If this were to occur, it could have an adverse effect on our ability to generate product revenue.

In 1997, as part of the Food & Drug Administration Modernization Act, or FDAMA, Congress enacted a law that provides incentives to drug manufacturers who conduct studies of drugs in children. The law, which provides six-months exclusivity in return for conducting pediatric studies, is referred to as the “pediatric exclusivity provision.” If we were to conduct clinical trials that comply with the FDAMA, we could receive an additional six-month term added to our regulatory data exclusivity period and on the patent term extension period, if received, on our product. However, if we choose not to carry out pediatric studies that comply with the FDAMA, or carry out studies that are not accepted by the FDA for this purpose, we would not receive this additional six-month exclusivity extension to our data exclusivity or our patent term extension.

In Europe, supplementary protection certificates are available to extend a patent term up to five years to compensate for patent term lost during regulatory review, and this period can be extended to five and a half years if data from clinical trials is obtained in accordance with an agreed Pediatric Investigation Plan. Although all countries in Europe must provide supplementary protection certificates, there is no unified legislation among European countries and, as a result, drug developers must apply for supplementary protection certificates on a country-by-country basis. As a result, a company may need to expend significant resources to apply for and receive these certificates in all relevant countries and may receive them in some, but not all, countries, if at all.

Weakening patent laws and enforcement by courts in the United States and foreign countries may impact our ability to protect our markets.

The U.S. Supreme Court has issued opinions in patent cases in the last few years that many consider may weaken patent protection in the United States, either by narrowing the scope of patent protection available in certain circumstances, holding that certain kinds of innovations are not patentable or generally otherwise making it easier to invalidate patents in court. Additionally, there have been recent proposals for additional changes to the patent laws of the United States and other countries that, if adopted, could impact our ability to obtain patent protection for our proprietary technology or our ability to enforce our proprietary technology. Depending on future actions by the U.S. Congress, the U.S. courts, the USPTO and the relevant law-making bodies in other countries, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

The laws of some foreign jurisdictions do not protect intellectual property rights to the same extent as in the United States and many companies have encountered significant difficulties in protecting and defending such rights in foreign jurisdictions. If we encounter such difficulties in protecting or are otherwise precluded from effectively protecting our intellectual property rights in foreign jurisdictions, our business prospects could be substantially harmed. For example, we could become a party to foreign opposition proceedings, such as at the European Patent Office, or patent litigation and other proceedings in a foreign court. If so, uncertainties resulting from the initiation

and continuation of such proceedings could have an adverse effect on our ability to compete in the market place. The cost of foreign adversarial proceedings can also be substantial, and in many foreign jurisdictions, the losing party must pay the attorney fees of the winning party.

We may be subject to claims by third parties asserting that we, our employees, consultants or contractors have misappropriated the applicable third party's intellectual property or claiming ownership of what we regard as our own intellectual property.

We employ individuals who were previously employed at universities as well as other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We have received confidential and proprietary information from collaborators, prospective licensees and other third parties. Although we try to ensure that our employees do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that these employees or we have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such employee's former employer. We may also be subject to claims that former employers or other third parties have an ownership interest in our patents. Litigation may be necessary to defend against these claims. We may not be successful in defending these claims, and if we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of or right to use valuable intellectual property. Even if we are successful, litigation could result in substantial cost and reputational loss and be a distraction to our management and other employees.

In addition, while it is our policy to require our employees, consultants and contractors who may be involved in the development of intellectual property to execute agreements assigning any resulting intellectual property to us, we may be unsuccessful in executing an agreement to that effect with each party who in fact develops intellectual property that we regard as our own. Assignment agreements of this nature may not be self-executing or may be breached and we may be forced to bring claims against third parties or defend claims they may bring against us, to determine the ownership of what we regard as our intellectual property. In addition, an employee or contractor could create an invention but not inform us of it, in which case we could lose the benefit of the invention and the employee or contractor may leave to develop the invention elsewhere.

Intellectual property litigation could cause us to spend substantial resources and distract our personnel from their normal responsibilities.

Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Litigation or proceedings of this nature could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of litigation or proceedings of this nature more effectively than we can because of their greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could compromise our ability to compete in the marketplace.

Obtaining and maintaining patent protection depends on compliance with various procedural, documentary, fee payment and other requirements imposed by governmental patent offices and the protection of our patents could be reduced or eliminated if we fail to comply with these requirements.

Periodic maintenance fees on any issued patent are due to be paid to the USPTO and patent offices in foreign countries in several stages over the lifetime of the patent. The USPTO and patent offices in foreign countries require compliance with many procedural, documentary, fee payment and other requirements during the patent application process. While an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of a patent or patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In such an event, our competitors might be able to enter the market, which would have an adverse effect on our business.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to seeking patents for some of our technology and product candidates, we also rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain our competitive position. We seek to protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate collaborators, outside scientific collaborators, contract manufacturers, consultants, advisors and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants. These agreements may not effectively prevent disclosure of confidential information nor result in the effective assignment to us of intellectual property and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information or other breaches of the agreements. In addition, others may independently discover our trade secrets and proprietary information. In that case, we could not assert any trade secret rights against that third party. Despite these efforts, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming and the outcome of a dispute of this nature is inherently unpredictable. Costly and time-consuming litigation could be necessary to seek to enforce and determine the scope of our proprietary rights and our failure to obtain or maintain trade secret protection could adversely affect our competitive business position. In addition, some courts outside of the United States are less willing or unwilling to protect trade secrets. The Defend Trade Secrets Act of 2016 is a U.S. federal law that allows an owner of a trade secret to sue in federal court when its trade secret has been misappropriated. Congress passed this law in an attempt to strengthen the rights of trade secret owners whose valuable assets are taken without authorization. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they communicate them, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, our competitive position would be harmed.

We only have limited geographical protection with respect to certain of our patents and we may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting and defending patents covering our product candidates in all countries throughout the world would be prohibitively expensive. As a result, our intellectual property rights in some countries outside the United States can be less extensive than the protection we might have in the United States. In-licensing patents covering our product candidates in all countries throughout the world may similarly be prohibitively expensive, if these in-licensing opportunities are available to us at all. Further, in-licensing or filing, prosecuting and defending patents even in only those jurisdictions in which we develop or commercialize our product candidates may be prohibitively expensive or impractical. Competitors may use our and our licensors' technologies in jurisdictions where we have not obtained patent protection or licensed patents to develop their own products and, further, may export otherwise infringing products to territories where we and our licensors have patent protection, but enforcement is not as strong as that in the United States or the European Union. These products may compete with our product candidates, and our or our licensors' patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

In addition, we may decide to abandon national and regional patent applications while they are still pending. The grant proceeding of each national or regional patent is an independent proceeding that may lead to situations in which applications may be rejected by the relevant patent office, while substantively similar applications are granted by others. For example, relative to other countries, China has a heightened detailed description requirement for patentability. Further, generic drug manufacturers or other competitors may challenge the scope, validity or enforceability of our or our licensors' patents, requiring us or our licensors to engage in complex, lengthy and costly litigation or other proceedings. Generic drug manufacturers may develop, seek approval for and launch generic versions of our products. It is also quite common that depending on the country, the scope of patent protection may vary for the same product candidate or technology.

The laws of some jurisdictions do not protect intellectual property rights to the same extent as the laws or regulations in the United States and the European Union, and many companies have encountered significant difficulties in protecting and defending proprietary rights in such jurisdictions. Moreover, the legal systems of certain countries,

particularly certain developing countries, do not favor the enforcement of patents, trade secrets or other forms of intellectual property, which could make it difficult for us to prevent competitors in some jurisdictions from marketing competing products in violation of our proprietary rights generally.

Proceedings to enforce our patent rights in foreign jurisdictions, whether or not successful, are likely to result in substantial costs and divert our efforts and attention from other aspects of our business and could additionally put our or our licensors' patents at risk of being invalidated or interpreted narrowly, could increase the risk of our or our licensors' patent applications not issuing or could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, while damages or other remedies may be awarded to the adverse party, which may be commercially significant. If we prevail, damages or other remedies awarded to us, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license. Further, while we intend to protect our intellectual property rights in our expected significant markets, we cannot ensure that we will be able to initiate or maintain similar efforts in all jurisdictions in which we may wish to market our product candidates. Accordingly, our efforts to protect our intellectual property rights in these countries may be inadequate, which may have an adverse effect on our ability to successfully commercialize our product candidates in all of our expected significant foreign markets. If we or our licensors encounter difficulties in protecting or are otherwise precluded from effectively protecting the intellectual property rights important for our business in such jurisdictions, the value of these rights may be diminished and we may face additional competition in those jurisdictions.

In some jurisdictions, compulsory licensing laws compel patent owners to grant licenses to third parties. In addition, some countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we or any of our licensors are forced to grant a license to third parties under patents relevant to our business, or if we or our licensors are prevented from enforcing patent rights against third parties, our competitive position may be substantially impaired in such jurisdictions.

Risks Related to Regulatory Matters

The regulatory approval processes of the FDA and foreign regulatory authorities are lengthy, time-consuming and inherently unpredictable and, if we are ultimately unable to obtain marketing approval for our product candidates, our business will be substantially harmed.

The time required to obtain approval by the FDA and foreign regulatory authorities is unpredictable but typically takes many years following the commencement of clinical trials and depends upon numerous factors, including the substantial discretion of the regulatory authorities. In addition, approval policies, regulations or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. We have not obtained marketing approval for any product candidate and it is possible that none of our existing product candidates, or any product candidates we may seek to develop in the future, will ever obtain marketing approval.

Our product candidates could fail to receive marketing approval for many reasons, including the following:

- the FDA may disagree with the design or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA that a product candidate is safe and effective for its proposed indication;
- results of clinical trials may not meet the level of statistical significance required by the FDA for approval;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA may disagree with our interpretation of data from preclinical studies or clinical trials;
- data collected from clinical trials of our product candidates may not be sufficient to support the submission of an NDA to the FDA or other submission or to obtain marketing approval in the United States;
- the FDA may find deficiencies with or fail to approve the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and

- the approval policies or regulations of the FDA may significantly change in a manner rendering our clinical data insufficient for approval.

This lengthy approval process as well as the unpredictability of future clinical trial results may result in our failing to obtain regulatory approval to market any of our product candidates, which would significantly harm our business, results of operations and prospects. The FDA has substantial discretion in the approval process and determining when or whether regulatory approval will be obtained for any of our product candidates. Even if we believe the data collected from clinical trials of our product candidates are promising, such data may not be sufficient to support approval by the FDA.

In addition, even if we were to obtain approval, regulatory authorities may approve any of our product candidates for fewer or more limited indications than we request, may not approve the price we intend to charge for our products, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of the foregoing scenarios could materially harm the commercial prospects for our product candidates.

Even if we obtain FDA approval for any of our product candidates in the United States, we may never obtain approval for or commercialize any of them in any other jurisdiction, which would limit our ability to realize their full market potential.

In order to market any products in any particular jurisdiction, we must establish and comply with numerous and varying regulatory requirements on a country-by-country basis regarding safety and efficacy.

Approval by the FDA in the United States does not ensure approval by regulatory authorities in other countries or jurisdictions. However, the failure to obtain approval in one jurisdiction may negatively impact our ability to obtain approval elsewhere. In addition, clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory approval in one country does not guarantee regulatory approval in any other country.

Approval processes vary among countries and can involve additional product testing and validation and additional administrative review periods. Seeking foreign regulatory approval could result in difficulties and increased costs for us and require additional preclinical studies or clinical trials which could be costly and time consuming. Regulatory requirements can vary widely from country to country and could delay or prevent the introduction of our products in those countries. We do not have any product candidates approved for sale in any jurisdiction, including in international markets, and we do not have experience in obtaining regulatory approval in international markets. If we fail to comply with regulatory requirements in international markets or to obtain and maintain required approvals, or if regulatory approvals in international markets are delayed, our target market will be reduced and our ability to realize the full market potential of any product we develop will be unrealized.

Even if we receive regulatory approval of any product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense, and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our product candidates.

If any of our product candidates are approved, they will be subject to ongoing regulatory requirements for manufacturing, labeling, packaging, storage, advertising, promotion, sampling, record-keeping, conduct of post-marketing studies and submission of safety, efficacy and other post-market information, including both federal and state requirements in the United States and requirements of comparable foreign regulatory authorities. In addition, we will be subject to continued compliance with cGMP and GCP requirements for any clinical trials that we conduct post-approval.

Manufacturers and manufacturers' facilities are required to comply with extensive FDA and comparable foreign regulatory authority requirements, including ensuring that quality control and manufacturing procedures conform to cGMP regulations. As such, we and our contract manufacturers will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any NDA, other marketing application and previous responses to inspection observations. Accordingly, we and others with whom we work must continue to

expend time, money and effort in all areas of regulatory compliance, including manufacturing, production and quality control.

Any regulatory approvals that we receive for our product candidates may be subject to limitations on the approved indicated uses for which the product may be marketed or to the conditions of approval, or contain requirements for potentially costly post-marketing testing, including Phase 4 clinical trials and surveillance to monitor the safety and efficacy of the product candidate. The FDA may also require a REMS program as a condition of approval of our product candidates, which could entail requirements for long-term patient follow-up, a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. Comparable foreign regulatory authorities may also have programs similar to REMS. In addition, if the FDA or a comparable foreign regulatory authority approves our product candidates, we will have to comply with requirements including submissions of safety and other post-marketing information and reports and registration.

The FDA may impose consent decrees or withdraw approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with our product candidates, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical trials to assess new safety risks; or imposition of distribution restrictions or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of our products, withdrawal of the product from the market or voluntary or mandatory product recalls;
- fines, warning letters or holds on clinical trials;
- refusal by the FDA to approve pending applications or supplements to approved applications filed by us or suspension or revocation of license approvals;
- product seizure or detention or refusal to permit the import or export of our product candidates; and
- injunctions or the imposition of civil or criminal penalties.

The FDA strictly regulates marketing, labeling, advertising and promotion of products that are placed on the market. Products may be promoted only for the approved indications and in accordance with the provisions of the approved label. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses and a company that is found to have improperly promoted off-label uses may be subject to significant liability. However, physicians may, in their independent medical judgment, prescribe legally available products for off-label uses. The FDA does not regulate the behavior of physicians in their choice of treatments but the FDA does restrict manufacturer's communications on the subject of off-label use of their products. The policies of the FDA and of comparable foreign regulatory authorities may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability.

A Breakthrough Therapy designation by the FDA, even if granted for any of our product candidates, may not lead to a faster development or regulatory review or approval process and it does not increase the likelihood that our product candidates will receive marketing approval.

We may seek Breakthrough Therapy designation for our CFT7455 and CFT8634 product candidates and some or all of our future product candidates. A breakthrough therapy is defined as a drug that is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. For product candidates that have been designated as breakthrough therapies, interaction and communication between the FDA and the sponsor of the trial can help to identify the most efficient path for clinical development

while minimizing the number of patients placed in ineffective control regimens. Drugs designated as breakthrough therapies by the FDA may also be eligible for other expedited approval programs, including accelerated approval.

Designation as a breakthrough therapy is within the discretion of the FDA. Accordingly, even if we believe one of our product candidates meets the criteria for designation as a breakthrough therapy, the FDA may disagree and instead determine not to make such designation. In any event, the receipt of a Breakthrough Therapy designation for a product candidate may not result in a faster development process, review or approval compared to candidate products considered for approval under non-expedited FDA review procedures and does not assure ultimate approval by the FDA. In addition, even if one or more of our product candidates qualify as breakthrough therapies, the FDA may later decide that the product no longer meets the conditions for qualification. Thus, even though we intend to seek Breakthrough Therapy designation for CFT7455 and CFT8634 and some or all of our future product candidates for the treatment of various cancers, there can be no assurance that we will receive breakthrough therapy designation.

A Fast Track designation by the FDA, even if granted for CFT7455 and/or CFT8634, or any of our other current or future product candidates, may not lead to a faster development or regulatory review or approval process and does not increase the likelihood that our product candidates will receive marketing approval.

We may seek Fast Track designation for one or more of our future product candidates. If a drug is intended for the treatment of a serious or life-threatening condition and the drug demonstrates the potential to address unmet medical needs for this condition, the drug sponsor may apply for FDA Fast Track designation for a particular indication. We may seek Fast Track designation for CFT7455 and/or CFT8634 and certain of our future product candidates, but there is no assurance that the FDA will grant this status to any of our proposed product candidates. Marketing applications filed by sponsors of products in Fast Track development may qualify for priority review under the policies and procedures offered by the FDA, but the Fast Track designation does not assure any such qualification or ultimate marketing approval by the FDA. The FDA has broad discretion whether or not to grant Fast Track designation, so even if we believe a particular product candidate is eligible for this designation, there can be no assurance that the FDA would decide to grant it. Even if we do receive Fast Track designation, we may not experience a faster development process, review or approval compared to conventional FDA procedures, and receiving a Fast Track designation does not provide assurance of ultimate FDA approval. In addition, the FDA may withdraw Fast Track designation if it believes that the designation is no longer supported by data from our clinical development program. In addition, the FDA may withdraw any Fast Track designation at any time.

If we decide to seek Orphan Drug Designation for any of our current or future product candidates, we may be unsuccessful or may be unable to maintain the benefits associated with Orphan Drug Designation, including the potential for supplemental market exclusivity.

We may seek Orphan Drug Designation for one or more of our current or future product candidates. Regulatory authorities in some jurisdictions, including the United States and Europe, may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may grant orphan designation to a drug intended to treat a rare disease or condition, defined as a disease or condition with a patient population of fewer than 200,000 in the United States, or a patient population greater than 200,000 in the United States when there is no reasonable expectation that the cost of developing and making available the drug in the United States will be recovered from sales in the United States for that drug. In the United States, Orphan Drug Designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user-fee waivers. After the FDA grants Orphan Drug Designation, the generic identity of the drug and its potential orphan use are disclosed publicly by the FDA. Orphan Drug Designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval for a particular active ingredient for the disease for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications, including an NDA, to market the same drug for the same indication for seven years, except in limited circumstances such as a showing of clinical superiority to the product with orphan drug exclusivity or if the FDA finds that the holder of the orphan drug exclusivity has not shown that it can assure the availability of sufficient quantities of the orphan drug to meet the needs of patients with the disease or condition for which the drug was designated. As a result, even if one of our product candidates receives orphan exclusivity, the FDA can still approve other drugs that have a different active ingredient for use in treating the

same indication or disease. Further, the FDA can waive orphan exclusivity if we are unable to manufacture sufficient supply of our product.

We may seek orphan drug designation for CFT7455, CFT8634 and some or all of our other current or future product candidates in additional orphan indications in which there is a medically plausible basis for the use of these product candidates. Even when we obtain Orphan Drug Designation, exclusive marketing rights in the United States may be limited if we seek approval for an indication broader than the orphan designated indication and may be lost if the FDA later determines that the request for designation was materially defective or if we, through our manufacturer, are unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition. In addition, although we intend to seek orphan drug designation for other product candidates, we may never receive these designations. For example, the FDA has expressed concerns regarding the regulatory considerations for orphan drug designation as applied to tissue agnostic therapies, and the FDA may interpret the Federal Food, Drug and Cosmetic Act, and regulations promulgated thereunder, in a way that limits or blocks our ability to obtain orphan drug designation or orphan drug exclusivity, if our product candidates are approved, for our targeted indications.

Accelerated approval by the FDA, even if granted for CFT7455 and/or CFT8634, or any other current or future product candidates, may not lead to a faster development or regulatory review or approval process and it does not increase the likelihood that our product candidates will receive marketing approval.

We plan to seek accelerated approval of CFT7455 and CFT8634 and may seek approval of future product candidates using the FDA's accelerated approval pathway. A product may be eligible for accelerated approval if it treats a serious or life-threatening condition and generally provides a meaningful advantage over available therapies. In addition, it must demonstrate an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit. As a condition of approval, the FDA may require that a sponsor of a drug receiving accelerated approval perform adequate and well controlled post-marketing clinical trials. These confirmatory trials must be completed with due diligence. In addition, the FDA currently requires as a condition for accelerated approval pre-approval of promotional materials, which could adversely impact the timing of the commercial launch of the product. Even if we do receive accelerated approval, we may not experience a faster development or regulatory review or approval process. Further, receiving accelerated approval does not provide assurance of ultimate full FDA approval.

Our relationships with customers, physicians and third-party payors are subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, health information privacy and security laws and other healthcare laws and regulations. If we are unable to comply or have not fully complied with these laws, we could face substantial penalties.

Healthcare providers, physicians and third-party payors in the United States and elsewhere will play a primary role in the recommendation and prescription of any product candidates for which we obtain marketing approval. Our current and future arrangements with healthcare professionals, principal investigators, consultants, customers and third-party payors subject us to various federal and state fraud and abuse laws and other healthcare laws that may constrain the business or financial arrangements and relationships through which we research, sell, market and distribute our product candidates, if we obtain marketing approval. In particular, the research of our product candidates, as well as the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commission(s), certain customer incentive programs and other business or financial arrangements. The applicable federal, state and foreign healthcare laws and regulations laws that may affect our ability to operate include, but are not limited to those listed under the section titled "Business—Governmental Regulations" in this prospectus.

Ensuring that our business arrangements with third parties comply with applicable healthcare laws and regulations will likely be costly. It is possible that governmental authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participating in government funded healthcare programs, such as Medicare and Medicaid, additional reporting requirements and oversight if we become

subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, contractual damages, reputational harm and the curtailment or restructuring of our operations. The shifting compliance environment and the need to build and maintain robust and expandable systems to comply with multiple jurisdictions with different compliance or reporting requirements increases the possibility that a healthcare company may run afoul of one or more of the requirements.

If the physicians or other providers or entities with whom we expect to do business are found not to be in compliance with applicable laws, they may be subject to significant criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs. Even if resolved in our favor, litigation or other legal proceedings relating to healthcare laws and regulations may cause us to incur significant expenses and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common shares. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development, manufacturing, sales, marketing or distribution activities. Uncertainties resulting from the initiation and continuation of litigation or other proceedings relating to applicable healthcare laws and regulations could have an adverse effect on our ability to compete in the marketplace.

The successful commercialization of our product candidates in the United States will depend in part on the extent to which third-party payors, including governmental authorities and private health insurers, provide coverage and adequate reimbursement levels, as well as implement pricing policies favorable for our product candidates. Failure to obtain or maintain coverage and adequate reimbursement for our product candidates, if approved, could limit our ability to market those products and decrease our ability to generate revenue.

Significant uncertainty exists as to the coverage and reimbursement status of any products for which we may obtain regulatory approval. In the United States and in other countries, patients who are provided medical treatment for their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. The availability of coverage and adequacy of reimbursement for our products by third-party payors, including government health care programs (e.g., Medicare, Medicaid or TRICARE), managed care providers, private health insurers, health maintenance organizations and other organizations is essential for most patients to be able to afford medical services and pharmaceutical products such as our product candidates. Third-party payors decide which medications they will pay for and establish reimbursement levels.

In the United States, the principal decisions about reimbursement for new medicines are typically made by the Centers for Medicare & Medicaid Services, or CMS, an agency within the U.S. Department of Health and Human Services, or HHS. CMS decides whether and to what extent our products will be covered and reimbursed under Medicare and private payors tend to follow CMS to a substantial degree. Factors payors consider in determining reimbursement are based on whether the product is:

- a covered benefit under its health plan;
- safe, effective and medically necessary;
- appropriate for the specific patient;
- cost-effective; and
- neither experimental nor investigational.

Our ability to successfully commercialize our product candidates will depend in part on the extent to which coverage and adequate reimbursement for our products and related treatments will be available from third-party payors. Moreover, a payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. If coverage and adequate reimbursement is not available, or is available only to limited levels, we may not be able to successfully commercialize our product candidates. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow us to establish or maintain pricing sufficient to realize a sufficient return on our investment. A decision by a third-party payor not to cover or not to separately reimburse for our medical products or therapies using our products could reduce physician utilization of our products once approved. We cannot be sure that coverage and reimbursement in the United States will be available for our current or future product candidates or for any procedures using our current or future product candidates, and any reimbursement that may become available may not be adequate or may be decreased or eliminated in the future.

In the United States, no uniform policy for coverage and reimbursement for products exists among third-party payors. Therefore, coverage and reimbursement for our products can differ significantly from payor to payor. The process for determining whether a payor will provide coverage for a product may be separate from the process for setting the reimbursement rate that the payor will pay for the product. One payor's determination to provide coverage for a product does not assure that other payors will also provide coverage and reimbursement for the product. Third-party payors may also limit coverage to specific products on an approved list, or formulary, which might not include all of the FDA-approved products for a particular indication. We cannot be sure that coverage and reimbursement will be available for or accurately estimate the potential revenue from our product candidates or assure that coverage and reimbursement will be available for any product that we may develop.

Further, increasing efforts by third-party payors in the United States and abroad to cap or reduce healthcare costs may cause payor organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, they may not cover or provide adequate payment for our product candidates. In order to secure coverage and reimbursement for any product that might be approved for sale, we may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of our products, in addition to the costs required to obtain FDA or comparable regulatory approvals. Additionally, we may also need to provide discounts to purchasers, private health plans or government healthcare programs. Our product candidates may nonetheless not be considered medically necessary or cost-effective. If third-party payors do not consider a product to be cost-effective compared to other available therapies, they may not cover the product after approval as a benefit under their plans or, if they do, the level of payment may not be sufficient to allow a company to sell its products at a profit. We expect to experience pricing pressures from third-party payors in connection with the potential sale of any of our product candidates.

Lastly, in some foreign countries, the proposed pricing for a drug must be approved before it may be lawfully marketed. The requirements governing drug pricing vary widely from country to country. For example, countries in the EU Member States can restrict the range of medicinal products for which their national health insurance systems provide reimbursement and they can control the prices of medicinal products for human use. To obtain reimbursement or pricing approval, some of these countries may require the completion of clinical trials that compare the cost effectiveness of a particular product candidate to currently available therapies. An EU Member State may approve a specific price for the medicinal product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the medicinal product on the market. Approaches between EU Member States are diverging. For example, in France, effective market access will be supported by agreements with hospitals and products may be reimbursed by the Social Security Fund. The price of medicines is negotiated with the Economic Committee for Health Products. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favorable reimbursement and pricing arrangements for any of our product candidates. Historically, products launched in the European Union do not follow price structures of the United States and generally prices in the European Union tend to be significantly lower than prices in the United States.

Enacted and future healthcare legislation may increase the difficulty and cost for us to progress our clinical programs and obtain marketing approval of and commercialize our product candidates and may affect the prices we may set.

In the United States and other jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes and proposed changes to the healthcare system that could affect our future results of operations. In particular, there have been and continue to be a number of initiatives at the U.S. federal and state levels that seek to reduce healthcare costs and improve the quality of healthcare. For example, in March 2010, the Affordable Care Act, or the ACA, was enacted, which substantially changed the way healthcare is financed by both governmental and private insurers. Among the provisions of the ACA, those of greatest importance to the pharmaceutical and biotechnology industries include the following:

- an annual, non-deductible fee payable by any entity that manufactures or imports certain branded prescription drugs and biologic agents (other than those designated as orphan drugs), which is apportioned among these entities according to their market share in certain government healthcare programs;
- a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected;

- expansion of eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to certain individuals with income at or below 133% of the federal poverty level, thereby potentially increasing a manufacturer's Medicaid rebate liability;
- a licensure framework for follow-on biologic products;
- creation of a new Patient-Centered Outcomes Research Institute to oversee and conduct comparative clinical effectiveness research, as well as funding for such research; and
- establishment of a Center for Medicare & Medicaid Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending, potentially including prescription drug spending.

There remain judicial, Congressional and executive branch challenges to certain aspects of the ACA and we expect there will be additional challenges and amendments to the ACA in the future. While Congress has not passed comprehensive repeal legislation, it has enacted laws that modify certain provisions of the ACA such as removing penalties, starting January 1, 2019, for not complying with the ACA's individual mandate to carry health insurance and increasing the point-of-sale discount that is owed by pharmaceutical manufacturers who participate in Medicare Part D. Further, the 2020 federal spending package permanently eliminated, effective January 1, 2020, the ACA-mandated "Cadillac" tax on high-cost employer-sponsored health coverage and medical device tax and, effective January 1, 2021, also eliminates the health insurer tax. On December 14, 2018, a U.S. District Court Judge in Texas ruled that the ACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Cuts and Jobs Act. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit ruled that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. On March 2, 2020, the United States Supreme Court granted the petitions for writs of certiorari to review this case and has allotted one hour for oral arguments. It is unclear when oral arguments on this case are to be held and when a decision on this case might be made. It is also unclear how such litigation and other efforts to repeal and replace the ACA will impact the ACA and our business.

In addition, other legislative changes have been proposed and adopted in the United States since the ACA was enacted. In August 2011, the Budget Control Act of 2011, among other things, led to aggregate reductions of Medicare payments to providers of 2% per fiscal year. These reductions went into effect in April 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030 unless additional action is taken by Congress. However, pursuant to the CARES Act, these Medicare sequester reductions have been suspended from May 1, 2020 through December 31, 2020 due to the COVID-19 pandemic. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. Additionally, the Bipartisan Budget Act of 2018, or BBA, among other things, amended the ACA, effective January 1, 2019, by increasing the point-of-sale discount (from 50% under the ACA to 70%) that is owed by pharmaceutical manufacturers who participate in Medicare Part D and closing the coverage gap in most Medicare drug plans, commonly referred to as the "donut hole." These new laws or any other similar laws introduced in the future may result in additional reductions in Medicare and other health care funding, which could negatively affect our customers and accordingly, our financial operations.

Moreover, payment methodologies may be subject to changes in healthcare legislation and regulatory initiatives. For example, CMS may develop new payment and delivery models, such as bundled payment models. In addition, recently there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several U.S. Congressional inquiries and proposed and enacted federal legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare and review the relationship between pricing and manufacturer patient programs. The Trump administration's budget proposal for fiscal year 2021 includes a $135 billion allowance to support legislative proposals seeking to reduce drug prices, increase competition, lower out-of-pocket drug costs for patients and increase patient access to lower-cost generic and biosimilar drugs. On March 10, 2020, the Trump administration sent "principles" for drug pricing to Congress, calling for legislation that would, among other things, cap Medicare Part D beneficiary out-of-pocket pharmacy expenses, provide an option to cap Medicare Part D

beneficiary monthly out-of-pocket expenses and place limits on pharmaceutical price increases. On May 11, 2018, President Trump laid out his administration's "Blueprint" to lower drug prices and reduce out-of-pocket costs of prescription drugs that contained proposals to increase manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the out of pocket costs of drug products paid by consumers. HHS has solicited feedback on some of these measures and has implemented others under its existing authority. For example, in May 2019, CMS issued a final rule to allow Medicare Advantage plans the option to use step therapy for Part B drugs beginning January 1, 2020. This final rule codified CMS's policy change that was effective January 1, 2019. On July 24, 2020, President Trump signed four Executive Orders aimed at lowering drug prices. The Executive Orders direct the Secretary of HHS to: (1) eliminate protection under an Anti-Kickback Statute safe harbor for certain retrospective price reductions provided by drug manufacturers to sponsors of Medicare Part D plans or pharmacy benefit managers that are not applied at the point-of-sale; (2) allow the importation of certain drugs from other countries through individual waivers, permitting the re-importation of insulin products and prioritizing finalization of FDA's December 2019 proposed rule to permit the importation of drugs from Canada; (3) ensure that payment by the Medicare program for certain Medicare Part B drugs is not higher than the payment by other comparable countries (depending on whether pharmaceutical manufacturers agree to other measures); and (4) allow certain low-income individuals receiving insulin and epinephrine purchased by a Federally Qualified Health Center, or FQHC, as part of the 340B drug program to purchase those drugs at the discounted price paid by the FQHC. It is unclear if, when and to what extent the Executive Orders may be implemented. Although such measures may require additional authorization to become effective, Congress and the Trump administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs. We expect that additional U.S. federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that the U.S. federal government will pay for healthcare products and services, which could result in reduced demand for our product candidates or additional pricing pressures.

Individual states in the United States have also increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures and, in some cases, designed to encourage importation from other countries and bulk purchasing. Legally mandated price controls on payment amounts by third-party payors or other restrictions could adversely affect our business prospects, financial condition and results of operations. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. This could reduce the ultimate demand for our product candidates or put pressure on our product pricing.

We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the extent to which state and federal governments cover particular healthcare products and services and could limit the amounts that the federal and state governments will pay for healthcare products and services. This could result in reduced demand for any product candidate we develop or could result in additional pricing pressures.

In markets outside of the United States, reimbursement and healthcare payment systems vary significantly by country and many countries have instituted price ceilings on specific products and therapies. The price control regulations outside of the United States can have a significant impact on the profitability of a given market, and further uncertainty is introduced if and when these laws change. For example, in Canada, price control legislation for patented medicines is currently undergoing significant change that may have significant effects on profitability for companies selling products in Canada.

We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action in the United States or any other jurisdiction. It is possible that additional governmental action will be taken to address the COVID-19 pandemic. If we or any third parties we may engage are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we or these third parties are not able to maintain regulatory compliance, our product candidates may lose any regulatory approval that may have been obtained and we may not achieve or sustain profitability.

We may face potential liability under the applicable privacy laws if we obtain identifiable patient health information from clinical trials sponsored by us.

Most healthcare providers, including certain research institutions from which we may obtain patient health information, are subject to privacy and security regulations promulgated under the Health Insurance Portability and Accountability Act of 1966, or HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH. We are not currently classified as a covered entity or business associate under HIPAA and thus are not directly subject to its requirements or penalties. However, any person may be prosecuted under HIPAA's criminal provisions either directly or under aiding-and-abetting or conspiracy principles. Consequently, depending on the facts and circumstances, we could face substantial criminal penalties if we knowingly receive individually identifiable health information from a HIPAA-covered healthcare provider or research institution that has not satisfied HIPAA's requirements for disclosure of individually identifiable health information. In addition, in the future, we may maintain sensitive personally identifiable information, including health information, that we receive throughout the clinical trial process, in the course of our research collaborations and/or directly from individuals (or their healthcare providers) who may enroll in patient assistance programs if we choose to implement these types of programs. As a result, we may be subject to state laws requiring notification of affected individuals and state regulators in the event of a breach of personal information, which is a broader class of information than the health information protected by HIPAA.

The global data protection landscape is rapidly evolving and we may be or become subject to or affected by numerous federal, state and foreign laws and regulations, as well as regulatory guidance, governing the collection, use, disclosure, transfer, security and processing of personal data, such as information that we collect about participants and healthcare providers in connection with clinical trials. Implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, which may create uncertainty in our business, affect our or our service providers' ability to operate in certain jurisdictions or to collect, store, transfer use and share personal data, result in liability or impose additional compliance or other costs on us. Any failure or perceived failure by us to comply with federal, state or foreign laws or self-regulatory standards could result in negative publicity, diversion of management time and effort and proceedings against us by governmental entities or others. Recently, California passed the California Data Privacy Protection Act of 2018, or the CCPA, which went into effect in January 2020. The CCPA provides new data privacy rights for consumers and new operational requirements for companies, including placing increased privacy and security obligations on entities handling certain personal data of consumers or households. These requirements could increase our compliance costs and potential liability. The CCPA gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing and receive detailed information about how their personal information is used. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. While there is currently an exception for protected health information that is subject to HIPAA and clinical trial regulations, as currently written, the CCPA may impact certain of our business activities. The new California law may lead to similar laws in other U.S. states or at a national level, which could increase our potential liability and adversely affect our business, which exemplifies the vulnerability of our business to the evolving regulatory environment related to personal data and protected health information.

The EU General Data Protection Regulation, or GDPR, also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies and obtain compensation for damages resulting from violations of the GDPR. In addition, the GDPR includes restrictions on cross-border data transfers. The GDPR may increase our responsibility and liability in relation to personal data that we process where that processing is subject to the GDPR. In addition, we may be required to put in place additional mechanisms to ensure compliance with the GDPR, including GDPR requirements as implemented by individual countries. Compliance with the GDPR will be a rigorous and time-intensive process that may increase our cost of doing business or require us to change our business practices. Despite those efforts, there is a risk that we may be subject to fines and penalties, litigation and reputational harm in connection with our European activities.

European data protection laws also generally prohibit the transfer of personal data from Europe, including the European Economic Area, United Kingdom and Switzerland, to the United States and most other countries unless the parties to the transfer have implemented specific safeguards to protect the transferred personal data. One of the primary safeguards used for transfers of personal data from the European Union to the United States, namely, the

Privacy Shield framework administered by the U.S. Department of Commerce, was recently invalidated by a decision of the European Union's highest court. The same decision also cast doubt on the ability to use one of the primary alternatives to the Privacy Shield, namely, the European Commission's Standard Contractual Clauses, to lawfully transfer personal data from Europe to the United States and most other countries. At present, there are few if any viable alternatives to the Privacy Shield and the Standard Contractual Clauses. To the extent that we were to rely on the EU-U.S. Privacy Shield Framework or the Standard Contractual Clauses, we may not be able to do so in the future, which could increase our costs and limit our ability to process personal data from the European Union.

Further, Brexit has created uncertainty with regard to data protection regulation in the United Kingdom. In particular, while the Data Protection Act of 2018, that "implements" and complements the GDPR achieved Royal Assent on May 23, 2018 and is now effective in the United Kingdom, it is still unclear whether transfer of data from the EEA to the United Kingdom will remain lawful under the GDPR. During the period of "transition" (i.e., until December 31, 2020), EU law will continue to apply in the United Kingdom, including the GDPR, after which the GDPR will be converted into UK law. Beginning in 2021, the United Kingdom will be a "third country" under the GDPR. We may, however, incur liabilities, expenses, costs and other operational losses under the GDPR and applicable EU Member States and the UK privacy laws in connection with any measures we take to comply with them.

Further, certain health privacy laws, data breach notification laws, consumer protection laws and genetic testing laws may apply directly to our operations and/or those of our collaborators and may impose restrictions on our collection, use and dissemination of individuals' health information. Patients about whom we or our collaborators may obtain health information, as well as the providers who may share this information with us, may have statutory or contractual rights that limit our ability to use and disclose the information. We may be required to expend significant capital and other resources to ensure ongoing compliance with applicable privacy and data security laws. Claims that we have violated individuals' privacy rights or breached our contractual obligations, even if we are not found liable, could be expensive and time-consuming to defend and could result in adverse publicity that could harm our business.

If we or third-party CMOs, CROs or other contractors or consultants fail to comply with applicable federal, state/provincial or local regulatory requirements, we could be subject to a range of regulatory actions that could affect our or our contractors' ability to develop and commercialize our therapeutic candidates and could harm or prevent sales of any affected therapeutics that we are able to commercialize, or could substantially increase the costs and expenses of developing, commercializing and marketing our therapeutics. Any threatened or actual government enforcement action could also generate adverse publicity and require that we devote substantial resources that could otherwise be used in other aspects of our business. Increasing use of social media could give rise to liability, breaches of data security or reputational damage.

Additionally, we are subject to state and foreign equivalents of each of the healthcare laws described above, among others, some of which may be broader in scope and may apply regardless of the payor.

If we or our third-party manufacturers and suppliers fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have an adverse effect on the success of our business.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our research and development activities involve the use of biological and hazardous materials and produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials, which could cause an interruption of our commercialization efforts, research and development efforts and business operations, environmental damage resulting in costly clean-up and liabilities under applicable laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. Although we believe that the safety procedures utilized by our third-party manufacturers for handling and disposing of these materials generally comply with the standards prescribed by these laws and regulations, we cannot guarantee that this is the case or eliminate the risk of accidental contamination or injury from these materials. Upon an event of this nature, we may be held liable for any resulting damages and such liability could exceed our resources and state or federal or other applicable authorities

may curtail our use of certain materials and/or interrupt our business operations. Further, environmental laws and regulations are complex, change frequently and have tended to become more stringent. We cannot predict the impact of any changes of this nature and cannot be certain of our future compliance. In addition, we may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials or other work-related injuries, this insurance may not provide adequate coverage against potential liabilities. We do not carry specific biological waste or hazardous waste insurance coverage, workers compensation or property and casualty and general liability insurance policies that include coverage for damages and fines arising from biological or hazardous waste exposure or contamination.

We are subject to U.S. and certain foreign export and import controls, sanctions, embargoes, anti-corruption laws and anti-money laundering laws and regulations. Compliance with these legal standards could impair our ability to compete in domestic and international markets. We can face criminal liability and other serious consequences for violations, which can harm our business.

We are subject to export control and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Controls, the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act of 2001 and other state and national anti-bribery and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, contractors and other collaborators from authorizing, promising, offering or providing, directly or indirectly, improper payments or anything else of value to recipients in the public or private sector. We may engage third parties for clinical trials outside of the United States, to sell our products abroad once we enter a commercialization phase and/or to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We may also have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities and other organizations. We can be held liable for the corrupt or other illegal activities of our employees, agents, contractors and other collaborators, even if we do not explicitly authorize or have actual knowledge of these activities. Any violations of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm and other consequences.

Risks Related to Employee Matters, Managing Growth and Operational Matters

We are highly dependent on our key personnel and anticipate hiring new key personnel. If we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

Our ability to compete in the highly competitive biotechnology and pharmaceutical industries depends upon our ability to attract and retain highly qualified managerial, scientific, medical personnel, sales and marketing and other personnel. We are highly dependent on our management, scientific and medical personnel, including our President and Chief Executive Officer, our Chief Scientific Officer, our Chief Medical Officer, our Chief Financial Officer and our Chief Legal Officer. Presently, our President and Chief Executive Officer serves on an interim basis and we expect to recruit a permanent President and Chief Executive Officer. In addition, our Chief Financial Officer is presently a consultant. While we expect to engage in an orderly transition process as we integrate newly appointed officers and managers, we face a variety of risks and uncertainties relating to management transition, including diversion of management attention from business concerns, failure to retain other key personnel or loss of institutional knowledge. In addition, the loss of the services of any of our executive officers, other key employees and other scientific and medical advisors, and an inability to find suitable replacements could result in delays in product development and harm our business.

We conduct our operations at our facilities in Watertown, Massachusetts. The Massachusetts region is headquarters to many other biopharmaceutical companies and many academic and research institutions. Competition for skilled

personnel in our market is intense and may limit our ability to hire and retain highly qualified personnel on acceptable terms or at all. Changes to U.S. immigration and work authorization laws and regulations, including those that restrain the flow of scientific and professional talent, can be significantly affected by political forces and levels of economic activity. Our business may be materially adversely affected if legislative or administrative changes to immigration or visa laws and regulations impair our hiring processes and goals or projects involving personnel who are not U.S. citizens. For example, the president's Proclamation Suspending Entry of Aliens Who Present a Risk to the U.S. Labor Market Following the Coronavirus Outbreak, which was issued in June 2020, may adversely affect our ability to hire and retain highly qualified personnel who are not U.S. citizens or permanent residents.

To encourage valuable employees to remain at our company, in addition to salary and cash incentives, we have provided stock options that vest over time. The value to our employees of stock options that vest over time may be significantly affected by movements in our stock price that are beyond our control and may, at any time, be insufficient to counteract more lucrative offers from other companies. Despite our efforts to retain valuable employees, members of our management, scientific and development teams may terminate their employment with us on short notice. Although we have employment agreements with our executive employees, these employment agreements provide for at-will employment, which means that any of our executive employees could leave our employment at any time, with or without notice. Our success also depends on our ability to continue to attract, retain and motivate highly skilled junior, mid-level and senior managers, as well as junior, mid-level and senior scientific, medical and general and administrative personnel.

In addition, we have scientific and clinical advisors who assist us in formulating our development and clinical strategies. These advisors are not our employees and may have commitments to, or consulting or advisory contracts with, other entities that may limit their availability to us. In addition, our advisors may have arrangements with other companies to assist those companies in developing products or technologies that may compete with ours.

We will need to grow the size of our organization and we may experience difficulties in managing this growth, which could disrupt our operations.

As of June 30, 2020, we had 88 full-time employees, including 74 employees engaged in research and development. We also engage additional full-time equivalent researchers through our Indian CRO. We expect to experience significant growth in the number of our employees and the scope of our operations, particularly in the areas of drug development, manufacturing, regulatory affairs and, if any of our product candidates receives marketing approval, sales, marketing and distribution. In addition, in connection with our transition to being a publicly traded company, we expect to increase the size of our general and administrative teams to support the growth of our business and the requirements of being a publicly traded company. To manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Future growth would impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining and motivating additional employees;
- managing our internal development efforts effectively, including the clinical and FDA review process for CFT7455, CFT8634 and any other product candidates we develop, while complying with our contractual obligations to contractors and other third parties; and
- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to advance into clinical development and, if approved, commercialize CFT7455, CFT8634 and any of our other product candidates we develop will depend, in part, on our ability to effectively manage any future growth. Due to our limited financial resources and the limited experience of our management team in managing a company with this type of anticipated growth, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our business plans or disrupt our operations. Further, research at our Indian CROs also exposes us to various risks, including regulatory, economic and political instability, potentially unfavorable tax, import and export policies, fluctuations in foreign exchange and inflation rates, international and civil hostilities, terrorism, natural disasters and pandemics.

Our internal computer systems, or those of any of our collaborators, contractors or consultants, may fail or suffer security breaches, which could result in a material disruption of our product development programs.

Our internal computer systems and those of any collaborators, contractors or consultants are vulnerable to damage from computer viruses, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. While we have not experienced any material system failure, accidents or security breaches of this nature to date, if an event of this nature were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations, whether due to a loss of our trade secrets or other proprietary information or other similar disruptions. For example, the loss of clinical trial data from completed or future clinical trials could result in delays in our marketing approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach were to result in a loss of or damage to our data or applications or the inappropriate disclosure of confidential or proprietary information, we could incur liability, our competitive position could be harmed and the further development and commercialization of our product candidates could be delayed. Additionally, we may have data security obligations with respect to the information of third parties that we store. Unauthorized access or use of any third-party data or information of this nature could result in fines or other penalties that may impact our relationships with these third parties and our operations.

Our employees, independent contractors, vendors, principal investigators, CROs and consultants may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements and insider trading laws.

We are exposed to the risk that our employees, independent contractors, vendors, principal investigators, CROs and consultants may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include, among other things:

- intentional, reckless or negligent conduct or disclosure of unauthorized activities to us that violate the regulations of the FDA or similar foreign regulatory authorities;
- healthcare fraud and abuse laws and regulations in the United States and abroad;
- violations of United States federal securities laws relating to trading in our common stock; and
- failures to report financial information or data accurately.

In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations regulate a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Other forms of misconduct could involve the improper use of information obtained in the course of clinical trials or creating fraudulent data in our preclinical studies or clinical trials, which could result in regulatory sanctions and cause serious harm to our reputation. We intend to adopt, prior to the completion of this offering, a code of business conduct and ethics and implement other corporate governance and compliance documents, policies and charters applicable to all of our employees. However, it is not always possible to identify and deter misconduct by employees and other third parties. Further, the precautions we take to detect and prevent this type of activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. Additionally, we are subject to the risk that a person could allege such fraud or other misconduct, even if none occurred. If any actions of this nature are instituted against us and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings and curtailment of our operations, any of which could adversely affect our business prospects, financial condition and results of operations.

Risks Related to Our Common Stock and This Offering

If you purchase shares of common stock in this offering, you will suffer immediate dilution of your investment.

The initial public offering price per share of our common stock will be substantially higher than the as adjusted net tangible book value per share of our common stock. Based on an assumed initial public offering price of $

per share, which is the midpoint of the price range set forth on the cover page of this prospectus, you will experience immediate dilution of $ per share, representing the difference between our pro forma as adjusted net tangible book value per share, after giving effect to this offering, and the assumed initial public offering price. To the extent shares subsequently are issued under outstanding options, you will incur further dilution. In addition, purchasers of common stock in this offering will have contributed approximately % of the aggregate price paid by all purchasers of shares of our common stock but will own only approximately % of our common stock outstanding after this offering.

We may choose to raise additional capital in the future, depending on market conditions, strategic considerations and operational requirements. To the extent we raise additional capital through the sale and issuance of shares or other securities convertible into shares, our stockholders will be diluted. Future issuances of our common stock or other equity securities, or the perception that sales of this nature may occur, could adversely affect the trading price of our common stock and impair our ability to raise capital through future offerings of shares or equity securities. No prediction can be made as to the effect, if any, that future sales of common stock or the availability of common stock for future sales will have on the trading price of our common stock.

We do not know whether an active, liquid and orderly trading market will develop for our common stock or what the market price of our common stock will be and, as a result, it may be difficult for you to sell your shares of our common stock.

Prior to this offering, there was no public trading market for shares of our common stock. Although we have applied to list our common stock on The Nasdaq Global Market, an active trading market for our shares may never develop or be sustained following this offering. You may not be able to sell your shares quickly or at the market price if trading in shares of our common stock is not active. The initial public offering price for our common stock will be determined through negotiations with the underwriters and the negotiated price may not be indicative of the market price of the common stock after the offering. As a result of these and other factors, you may be unable to resell your shares of our common stock at or above the initial public offering price. Further, an inactive market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to enter into strategic partnerships or acquire companies or products by using our shares of common stock as consideration.

If securities or industry analysts do not publish research or reports about our business, or if they issue an adverse or misleading opinion regarding our stock, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us, our business or the targeted protein degradation space. We do not currently have and may never obtain research coverage by securities and industry analysts. If no or few securities or industry analysts commence coverage of us, the trading price for our common stock could be impacted negatively. In the event we obtain securities or industry analyst coverage, if any of the analysts who cover us were to issue an adverse or misleading opinion regarding us, our business model, our intellectual property or our stock performance, or if our preclinical studies and future clinical trials and results of operations fail to meet the expectations of any of these analysts, our stock price would likely decline. If one or more of these covering analysts were to cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause a decline in our stock price or trading volume.

The price of our common stock may be volatile and fluctuate substantially, which could result in substantial losses for purchasers of our common stock in this offering.

The trading price of shares of our common stock following this offering is likely to be volatile and subject to wide fluctuations in response to various factors, some of which we cannot control. The stock market in general, and the market for smaller biopharmaceutical companies in particular, have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, you may not be able to sell your common stock at or above the initial public offering price or at or above the price at which you acquired it. The market price for our common stock may be influenced by many factors, including:

- the degree of success of competitive products or technologies;
- results of preclinical studies and clinical trials of our product candidates or those of our competitors;
- regulatory or legal developments in the United States and other countries;
- developments or disputes concerning patent applications, issued patents or other proprietary rights;

- the recruitment or departure of key personnel;
- the level of expenses related to any of our product candidates or clinical development programs;
- the results of our efforts to discover, develop, acquire or in-license additional technologies or product candidates;
- actual or anticipated changes in estimates as to financial results, development timelines or recommendations by securities analysts;
- variations in our financial results or those of companies that are perceived to be similar to us;
- changes in the structure of healthcare payment systems;
- market conditions in the pharmaceutical and biotechnology sectors;
- effects of public health crises, pandemics and epidemics, such as COVID-19;
- general economic, industry and market conditions; and
- the other factors described in this “Risk Factors” section.

If any of the foregoing matters were to occur or if our operating results fall below the expectations of investors or securities analysts, the price of our common stock could decline substantially. In the past, following periods of volatility in the market price of a company’s securities, securities class-action litigation often has been instituted against that company. Litigation of this nature, if instituted against us, could cause us to incur substantial costs to defend these claims and divert management’s attention and resources, which could seriously harm our business, financial condition, results of operations and prospects. Further, our director and officer liability insurance cost may increase as a result of litigation of this nature and our insurance deductible may be significant before our insurers are required to provide any coverage to us.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

Our management will have broad discretion in the application of the net proceeds from this offering and could spend the proceeds in ways that do not improve our results of operations or enhance the value of our common stock. The failure by our management to apply these funds effectively could result in financial losses that could have an adverse effect on our business, cause the price of our common stock to decline and delay the development of our product candidates. Pending their use, we may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

After this offering, our executive officers, directors and principal stockholders will have the ability to control or significantly influence matters submitted to stockholders for approval.

Upon the closing of this offering, our executive officers and directors, combined with our stockholders who owned more than 5% of our outstanding common stock before this offering will, in the aggregate, beneficially own shares representing approximately % of our capital stock (assuming no exercise of the underwriters’ option to purchase additional shares, no exercise of outstanding options and no purchases of shares in this offering by any member of this group). As a result, these stockholders, if acting together, will continue to control matters submitted to our stockholders for approval, as well as our management and affairs. For example, these persons, if they choose to act together, would control the election of directors and approval of any merger, consolidation or sale of all or substantially all of our assets. This concentration of ownership control may:

- delay, defer or prevent a change in control;
- entrench our management and the board of directors; or
- impede a merger, consolidation, takeover or other business combination involving us that other stockholders may desire.

Anti-takeover provisions under our charter documents and Delaware law could delay or prevent a change of control, which could limit the market price of our common stock and may prevent or frustrate attempts by our stockholders to replace or remove our current management.

Our amended and restated certificate of incorporation and amended and restated bylaws, which are to become effective upon the closing of this offering, will contain provisions that could delay or prevent a change of control of our company or changes in our board of directors that our stockholders might consider favorable. Some of these provisions include:

- a board of directors divided into three classes serving staggered three-year terms, the result of which is that not all members of the board will be elected at one time;
- a prohibition on stockholder action through written consent, the result of which is that all stockholder actions will have to be taken at a meeting of our stockholders;
- a requirement that special meetings of stockholders be called only by the board of directors acting pursuant to a resolution approved by the affirmative vote of a majority of the directors then in office;
- advance notice requirements for stockholder proposals and nominations for election to our board of directors;
- a requirement that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of not less than two-thirds of all outstanding shares of our voting stock then entitled to vote in the election of directors;
- a requirement of approval of not less than two-thirds of all outstanding shares of our voting stock to amend any bylaws by stockholder action or to amend specific provisions of our certificate of incorporation; and
- the authority of the board of directors to issue preferred stock on terms determined by the board of directors without stockholder approval and which preferred stock may include rights superior to the rights of the holders of common stock.

In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporate Law, which may prohibit certain business combinations with stockholders owning 15% or more of our outstanding voting stock. These antitakeover provisions and other provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make it more difficult for stockholders or potential acquirers to obtain control of our board of directors or initiate actions that are opposed by the then-current board of directors and could also delay or impede a merger, tender offer or proxy contest involving our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing or cause us to take other corporate actions you desire. Any delay or prevention of a change of control transaction or changes in our board of directors could cause the market price of our common stock to decline.

A significant portion of our total outstanding shares are eligible to be sold into the market in the near future, which could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. Upon completion of this offering, we will have outstanding shares of common stock based on the number of shares outstanding as of June 30, 2020. This includes the shares that we are selling in this offering, which may be resold in the public market immediately without restriction, unless purchased by our affiliates. Of the remaining shares, shares are currently restricted as a result of securities laws or lock-up agreements but will become eligible to be sold at various times after the offering. Moreover, after this offering, holders of an aggregate of shares of our common stock will have rights, subject to specified conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. We also intend to register all shares of common stock that we may issue under our equity compensation plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates and the lock-up agreements described in the “Underwriting” section of this prospectus.

We are an "emerging growth company" and a "smaller reporting company," and we cannot be certain if the reduced reporting requirements applicable to emerging growth companies or smaller reporting companies will make our common stock less attractive to investors.

We are an "emerging growth company," or EGC, as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. We will remain an EGC until the earlier of: (1) the last day of the fiscal year in which we have total annual gross revenue of $1.07 billion or more; (2) the last day of 2025; (3) the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years; and (4) the date on which we are deemed to be a large accelerated filer under the rules of the SEC, which means the last day of the first year in which the market value of our common stock that is held by non-affiliates exceeds $700 million as of June 30. For so long as we remain an EGC, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not EGCs. These exemptions include:

- being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements, with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure in this prospectus;
- not being required to comply with the auditor attestation requirements in the assessment of our internal control over financial reporting;
- reduced disclosure obligations regarding executive compensation;
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved; and
- an exemption from compliance with the requirement of the Public Company Accounting Oversight Board regarding the communication of critical audit matters in the auditor's report on the financial statements.

We may choose to take advantage of some, but not all, of these available exemptions. We have taken advantage of reduced reporting requirements in this prospectus. In particular, we have not included all of the executive compensation information that would be required if we were not an EGC and we have presented only two years of audited financial statements and correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure. We cannot predict whether investors will find our common stock less attractive if we rely on certain or all of these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

In addition, the JOBS Act provides that an EGC may take advantage of an extended transition period for complying with new or revised accounting standards. This allows an EGC to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this exemption until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act.

We also are a "smaller reporting company," meaning that the market value of our stock held by non-affiliates plus the proposed aggregate amount of gross proceeds to us as a result of this offering is less than $700 million as of the prior June 30 and our annual revenue is less than $100 million during the most recently completed fiscal year. We may continue to be a smaller reporting company after this offering if either (i) the market value of our stock held by non-affiliates is less than $250 million as of the prior June 30 or (ii) our annual revenue is less than $100 million during the most recently completed fiscal year and the market value of our stock held by non-affiliates is less than $700 million as of the prior June 30. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a public company, and particularly after we are no longer an emerging growth company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002,

or Sarbanes-Oxley, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of The Nasdaq Stock Market LLC and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance and insurance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, which in turn could make it more difficult for us to attract and retain qualified members of our board of directors.

We are evaluating these rules and regulations and cannot predict or estimate the amount of additional costs we may incur or the timing of these costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

Pursuant to Section 404 of Sarbanes-Oxley, or Section 404, we will be required to furnish a report by our management on our internal control over financial reporting. However, while we remain an EGC, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. In the preparation of our consolidated financial statements to meet the requirements of this offering, we determined that a material weakness in our internal control over financial reporting existed as of December 31, 2019. The material weakness identified in our internal control over financial reporting arose because we did not maintain effective segregation of duties in the process and recording of journal entries. We are taking measures to remediate this material weakness during 2020, including implementing system controls that prevent one person from initiating and approving the same journal entry. However, we cannot assure you that these measures will be sufficient to prevent future material weaknesses or significant deficiencies in our internal control over financial reporting from occurring. If we identify one or more material weaknesses in the future, it could result in an adverse reaction in the financial markets and restrict our future access to the capital markets due to a loss of confidence in the reliability of our financial statements.

Our amended and restated bylaws, as will be effective upon the closing of this offering, designate the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our bylaws that will become effective upon the completion of this offering provide that, unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any state law claims for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers and employees to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws or (iv) any action asserting a claim that is governed by the internal affairs doctrine, in each case subject to the Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. This exclusive forum provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. In addition, our amended and restated bylaws will provide that any person or entity purchasing or otherwise acquiring any interest in shares of our common stock is deemed to have notice of and consented to the foregoing provisions. We recognize that the forum selection clause in our bylaws may impose additional litigation costs on stockholders in pursuing any claims of this nature, particularly if the stockholders do not reside in or near the State of Delaware. Additionally, the forum selection clause in our

amended and restated bylaws may limit our stockholders' ability to bring a claim in a forum that they find favorable for disputes with us or our directors, officers or employees, which may discourage such lawsuits against us and our directors, officers and employees even though an action, if successful, might benefit our stockholders. The Court of Chancery of the State of Delaware may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain.

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. In addition, the terms of our Credit Agreement with Perceptive Credit also preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future.

Unstable market and economic conditions may have serious adverse consequences on our business, financial condition and stock price.

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. For example, the global financial crisis caused extreme volatility and disruptions in the capital and credit markets. Similarly, the recent significant volatility associated with the COVID-19 pandemic has caused significant instability and disruptions in the capital and credit markets. A severe or prolonged economic downturn could result in a variety of risks to our business, including weakened demand for our product candidates, and could also impact our ability to raise additional capital when needed on acceptable terms, if at all. Our general business strategy may be adversely affected by any economic downturn of this nature, volatile business environment or continued unpredictable and unstable market conditions. If the current equity and credit markets deteriorate, or do not improve, it may make any necessary debt or equity financing more difficult, costly and dilutive.

Failure to secure any necessary financing in a timely manner and on favorable terms could have an adverse effect on our growth strategy, financial performance and stock price and could require us to delay or abandon clinical development plans. In addition, there is a risk that one or more of our current service providers, manufacturers and other partners may not survive these difficult economic times, which could directly affect our ability to attain our operating goals on schedule and on budget.

Historically, securities class action litigation has often been brought against a company following a decline in the market price of its securities. This risk is especially relevant for us because biotechnology and pharmaceutical companies have experienced significant stock price volatility in recent years. If we were to be sued, it could result in substantial costs and a diversion of management's attention and resources, which could adversely affect our business prospects, financial condition and results of operations.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the sections entitled “Prospectus Summary,” “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Business,” contains express or implied forward-looking statements that are based on our management’s belief and assumptions and on information currently available to our management. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future operational or financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Forward-looking statements in this prospectus include, but are not limited to, statements about:

- the initiation, timing, progress and results of our research and development programs, preclinical studies, any clinical trials and IND and other regulatory submissions;
- our ability to obtain and maintain regulatory approval for any of our current or future product candidates;
- our need to raise additional funding before we can expect to generate any revenues from product sales;
- the period over which we anticipate the proceeds of this offering, together with our existing cash and cash equivalents, will be sufficient to fund our operating expenses and capital expenditure requirements;
- our ability to identify and develop product candidates for treatment of additional disease indications;
- the potential attributes and benefits of our product candidates;
- the rate and degree of market acceptance and clinical utility for any product candidates we may develop;
- the effects of competition with respect to any of our current or future product candidates, as well as innovations by current and future competitors in our industry;
- the implementation of our strategic plans for our business, any product candidates we may develop and our TORPEDO platform;
- our ability to advance programs under our existing collaboration agreements with Roche, Biogen and Calico and enter into new collaboration agreements;
- the continuing effects of the novel coronavirus disease, COVID-19, on our business, including our preclinical studies and clinical trials;
- our belief that we are taking the appropriate measures to remediate the material weakness indentified in our internal control over financial reporting;
- our intellectual property position, including the scope of protection we are able to establish, maintain and enforce for intellectual property rights covering our product candidates and TORPEDO platform;
- our ability to use the proceeds of this offering in ways that increase the value of your investment;
- our financial performance and our ability to effectively manage our anticipated growth; and
- our estimates regarding the market opportunities for our product candidates.

In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “continue” or the negative of these terms or other comparable terminology. These statements are only predictions. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under the section titled “Risk Factors” and elsewhere in this prospectus. If one or more of these risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance. You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus forms a part, completely and with the understanding that our actual future results may be materially different from any future results expressed or implied by these forward-looking statements.

The forward-looking statements in this prospectus represent our views as of the date of this prospectus. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. You should therefore not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this prospectus.

MARKET, INDUSTRY AND OTHER DATA

This prospectus also contains estimates, projections and other information concerning our industry, our business and the markets for our product candidates. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from our own internal estimates and research as well as from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources. While we are not aware of any misstatements regarding any third-party information presented in this prospectus, their estimates, in particular, as they relate to projections, involve numerous assumptions, are subject to risks and uncertainties and are subject to change based on various factors, including those discussed under the section titled “Risk Factors” and elsewhere in this prospectus. You are cautioned not to give undue weight to any such information, projections and estimates.

USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of shares of our common stock in this offering will be $ million, or $ if the underwriters exercise their option to purchase additional shares in full, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by $ million, assuming no change in the assumed initial public offering price per share, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We do not expect that a change in the offering price or the number of shares by these amounts would have a material effect on our intended uses of the net proceeds from this offering, although it may impact the amount of time prior to which we may need to seek additional capital.

As of , 2020, we had cash and cash equivalents of $ million. We currently intend to use the net proceeds from this offering, together with our existing cash resources, as follows:

- approximately $ million to fund the Phase 1 portion of our planned first-in-human Phase 1/2 clinical trials of CFT7455 for patients with MM or NHLs, such as PTCL and MCL, and fund portions of planned expansion clinical trials in these indications;
- approximately $ million to fund the Phase 1 portion of our planned first-in-human Phase 1/2 clinical trials of CFT8634 for patients with synovial sarcoma or solid tumors with SMARCB1 loss and fund portions of planned later-stage expansion and confirmatory clinical trials in these indications;
- approximately $ million to conduct IND-enabling studies with respect to BRAF V600E and RET and to fund portions of our planned first-in-human Phase 1/2 clinical trials of these product candidates; and
- the remaining proceeds for continued development of our TORPEDO platform and identification of additional targets and development candidates, hiring of additional personnel, capital expenditures, costs of operating as a public company and other general corporate purposes.

Based on our current plans, we believe our existing cash and cash equivalents, together with the net proceeds from this offering, will be sufficient to fund our operations and capital expenditure requirements through .

This expected use of the net proceeds from this offering represents our intentions based upon our current plans and business conditions, which could change in the future as our plans and business conditions evolve. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the net proceeds to be received upon the closing of this offering or the amounts that we will actually spend on the uses set forth above. The amounts and timing of our actual expenditures and the extent of clinical development may vary significantly depending on numerous factors, including the timing and progress of our development, the status of and results from preclinical studies or clinical trials we may commence in the future, as well as any collaborations that we may enter into with third parties for our product candidates or strategic opportunities that become available to us and any unforeseen cash needs. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering.

Pending our use of proceeds from this offering, we intend to invest the net proceeds in a variety of capital preservation instruments, including short-term, investment-grade, interest-bearing instruments and U.S. government securities.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain any future earnings to fund the development and expansion of our business and therefore we do not anticipate paying cash dividends on our common stock in the foreseeable future.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of June 30, 2020:

- on an actual basis;
- on a pro forma basis to give effect to (i) the sale and issuance of 4,285,714 shares of our Series B preferred stock for gross proceeds of $4.5 million subsequent to June 30, 2020, (ii) the automatic conversion of all outstanding shares of our preferred stock into an aggregate of shares of common stock upon the closing of this offering and (iii) the filing and effectiveness of our amended and restated certificate of incorporation, which will occur upon the closing of this offering; and
- on a pro forma as-adjusted basis to give further effect to the sale and issuance by us of shares of our common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table below with our consolidated financial statements and the related notes appearing elsewhere in this prospectus and the "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of this prospectus.

	AS OF JUNE 30, 2020		
	ACTUAL	PRO FORMA	PRO FORMA AS ADJUSTED
	(In thousands, except share and per share data)		
Cash and cash equivalents	$	$	$
Preferred stock (Series Seed, Series A and Series B), $0.0005 par value; 264,000,000 shares authorized and shares issued and outstanding, actual; 264,000,000 shares authorized, no shares issued or outstanding, pro forma; no shares authorized, issued or outstanding, pro forma as adjusted	$	$ —	$ —
Stockholders' deficit:			
Preferred stock, $0.0005 par value; no shares authorized, issued or outstanding, actual; shares authorized, no shares issued or outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, $0.0001 par value; 370,000,000 shares authorized, shares issued and outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted			
Additional paid-in capital			
Accumulated other comprehensive loss			
Total stockholders' equity (deficit)			
Total capitalization	$	$	$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted

amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by $ million, assuming the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The table above excludes the following as of June 30, 2020:

- shares of common stock issuable upon exercise of options outstanding under our 2015 Plan, at a weighted-average exercise price of $ per share, and shares of common stock issuable upon exercise of options outstanding outside the 2015 Plan, at a weighted-average exercise price of $ per share;
- shares of common stock issuable upon the exercise of warrants to purchase common stock at an exercise price of $ per share. These warrants are currently exercisable for shares of our Series B preferred stock at an exercise price of $ per share, but will automatically convert into warrants to purchase common stock upon the effectiveness of the registration statement of which this prospectus forms a part;
- shares of common stock to be reserved for future issuance under our 2020 Stock Option and Incentive Plan to be effective upon the effectiveness of the registration statement of which this prospectus forms a part; and
- shares of common stock to be reserved for future issuance under our 2020 Employee Stock Purchase Plan to be effective upon the effectiveness of the registration statement of which this prospectus forms a part.

DILUTION

If you invest in our common stock in this offering, your ownership interest will be diluted immediately to the extent of the difference between the initial public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock after this offering. As of June 30, 2020, our historical net tangible book value (deficit) was $ million, or $ per share of common stock. Our historical net tangible book value (deficit) is the amount of our total tangible assets less our total liabilities and the carrying value of our preferred stock, which is not included in stockholders' deficit. Historical net tangible book value (deficit) per share represents historical net tangible book value (deficit) divided by shares of common stock outstanding as of June 30, 2020.

Our pro forma net tangible book value as of June 30, 2020 was $ million, or $ per share of common stock, after giving effect to the issuance and sale of 4,285,714 shares or our Series B preferred stock for gross proceeds of $4.5 million subsequent to June 30, 2020 and the automatic conversion of all outstanding shares of our preferred stock into an aggregate of shares of our common stock upon the closing of this offering. Pro forma net tangible book value per share represents pro forma net tangible book value divided by the total number of shares outstanding as of June 30, 2020, after giving effect to the pro forma adjustments described above.

After giving further effect to our issuance and sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of June 30, 2020 would have been $ million, or $ per share of common stock. This represents an immediate increase in pro forma as adjusted net tangible book value of $ per share to existing stockholders and an immediate dilution of $ in pro forma as adjusted net tangible book value per share to new investors purchasing common stock in this offering. Dilution per share to new investors is determined by subtracting pro forma as adjusted net tangible book value per share after this offering from the assumed initial public offering price per share paid by new investors. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$
Historical net tangible book value (deficit) per share as of June 30, 2020	$	
Increase per share attributable to issuance of Series B and conversion of preferred stock		
Pro forma net tangible book value per share as of June 30, 2020, before giving effect to this offering		
Increase in pro forma as adjusted net tangible book value per share attributable to new investors purchasing common stock in this offering		
Pro forma as adjusted net tangible book value per share after giving effect to this offering		
Dilution in pro forma as adjusted net tangible book value per share to new investors purchasing common stock in this offering		$

The dilution information discussed above is illustrative only and will depend on the actual initial public offering price and other terms of this offering determined at pricing. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted net tangible book value by $ per share and the dilution to investors purchasing common stock in this offering by $ per share, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase of 1,000,000 shares in the number of shares offered by us in this offering would increase the pro forma as adjusted net tangible book value by $ per share and would decrease the dilution per share to new investors purchasing common stock in this offering by $ per share, assuming no change in the assumed initial public offering price

of $ per share, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A decrease of 1,000,000 shares in the number of shares offered by us, as set forth on the cover page of this prospectus, would decrease our pro forma as adjusted net tangible book value after this offering by $ per share and increase the dilution to new investors purchasing common stock in this offering by $ per share, assuming no change in the assumed initial public offering price and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares in full, our pro forma as adjusted net tangible book value per share after this offering would be $, representing an immediate increase in pro forma as adjusted net tangible book value per share of $ to existing stockholders and immediate dilution in pro forma as adjusted net tangible book value per share of $ to new investors purchasing common stock in this offering, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, on the pro forma as adjusted basis described above as of June 30, 2020, the total number of shares of common stock purchased from us on an as converted basis, the total consideration paid or to be paid and the average price per share paid or to be paid by existing stockholders and by new investors in this offering, based on the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover of this prospectus before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	SHARES PURCHASED		TOTAL CONSIDERATION		AVERAGE PRICE
	NUMBER	PERCENT	AMOUNT	PERCENT	PER SHARE
Existing stockholders		%	$	%	$
New investors					$
Total		100%	$	100%	

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors by $ million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by percentage points, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) of 1,000,000 shares in the number of shares offered by us in this offering would increase (decrease) the total consideration paid by new investors in this offering by $ million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by percentage points, assuming the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The table above assumes no exercise of the underwriters' option to purchase additional shares in this offering. If the underwriters exercise their option to purchase additional shares of our common stock in full, the number of shares of our common stock held by existing stockholders would be reduced to % of the total number of shares of our common stock outstanding after this offering.

The foregoing tables and calculations exclude as of June 30, 2020:

- shares of common stock issuable upon exercise of options outstanding under our 2015 Plan, at a weighted-average exercise price of $ per share, and shares of common stock issuable upon exercise of options outstanding outside the 2015 Plan, at a weighted-average exercise price of $ per share;

- shares of common stock issuable upon the exercise of warrants to purchase common stock at an exercise price of $ per share. Such warrants are currently exercisable for shares of our Series B preferred stock at an exercise price of $ per share, but will automatically convert into warrants to purchase common stock upon the effectiveness of the registration statement of which this prospectus forms a part;
- shares of common stock to be reserved for future issuance under our 2020 Stock Option and Incentive Plan to be effective upon the effectiveness of the registration statement of which this prospectus forms a part; and
- shares of common stock to be reserved for future issuance under our 2020 Employee Stock Purchase Plan to be effective upon the effectiveness of the registration statement of which this prospectus forms a part.

To the extent that outstanding stock options or warrants are exercised, new stock options are issued, or we issue additional shares of common stock in the future, there will be further dilution to new investors. In addition, we may choose to raise additional capital because of market conditions or strategic considerations even if we believe that we have sufficient funds for our current or future operating plans. If we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

SELECTED CONSOLIDATED FINANCIAL DATA

You should read the following selected consolidated financial data together with our consolidated financial statements and the related notes appearing elsewhere in this prospectus and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of this prospectus. We have derived the consolidated statement of operations data for the years ended December 31, 2018 and 2019 and the consolidated balance sheet data as of December 31, 2018 and 2019 from our audited consolidated financial statements appearing elsewhere in this prospectus. The consolidated statement of operations data for the six months ended June 30, 2019 and 2020 and the balance sheet data as of June 30, 2020 are derived from our unaudited financial statements included elsewhere in this prospectus and have been prepared on the same basis as the audited financial statements. In the opinion of management, the unaudited data reflects all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the financial information in those statements. You should read this data together with our financial statements and related notes included elsewhere in this prospectus and the information under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations." Our historical results are not necessarily indicative of the results that may be expected in the future, and our results for any interim period are not necessarily indicative of results that may be expected for any full year.

	YEAR ENDED DECEMBER 31,		SIX MONTHS ENDED JUNE 30,	
	2018	2019	2019	2020
	(in thousands, except share and per share data)			
Consolidated statement of operations data:				
Revenue from collaboration agreements	$ 19,364	$ 21,381	$	$
Operating expenses:				
General and administrative	7,161	8,774		
Research and development	28,592	48,059		
Total operating expenses	35,753	56,833		
Operating loss	(16,389)	(35,452)		
Other income, net:				
Interest income	685	1,832		
Other (expense) income, net	(7)	325		
Total other income, net	678	2,157		
Loss before income taxes	(15,711)	(33,295)		
Income taxes	—	(804)		
Net loss	(15,711)	(34,099)		
Other comprehensive gain:				
Unrealized gain on investments	46	—		
Comprehensive loss	(15,665)	(34,099)		
Accrual of preferred stock dividends	(8,396)	(8,468)		
Net loss attributable to common stockholders	$ (24,107)	$ (42,567)	$	$
Net loss per share attributable to common stockholders—basic and diluted (1)	$ (2.21)	$ (3.67)	$	$
Weighted-average common shares outstanding—basic and diluted (1)	10,905,492	11,603,366		

(1) See Note 11 to our consolidated financial statements appearing elsewhere in this prospectus for details on the calculation of basic and diluted net loss per share attributable to common stockholders.

	AS OF DECEMBER 31,		AS OF JUNE, 30
	2018	2019	2020
	(in thousands)		
Consolidated balance sheet data:			
Cash and cash equivalents	$ 36,311	$ 90,549	$
Working capital (1)	99,581	63,126	
Total assets	146,491	118,260	
Total liabilities	115,246	119,228	
Redeemable convertible preferred stock	110,995	110,995	
Accumulated deficit	(83,389)	(117,488)	
Total stockholders' equity (deficit)	(79,750)	(111,963)	

(1) We define working capital as current assets less current liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion and analysis of our financial condition and results of operations together with the "Selected Consolidated Financial Data" section of this prospectus and our consolidated financial statements and related notes appearing elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in the "Risk Factors" section of this prospectus, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

We are a biopharmaceutical company focused on transforming the treatment of cancer, serious neurodegenerative conditions and other diseases by developing novel therapeutic candidates engineered to harness the body's natural regulation of protein levels to target and eliminate disease-causing proteins. We leverage our proprietary technology platform, TORPEDO (Target ORiented ProtEin Degrader Optimizer), to synthesize a new class of small molecule protein degraders that selectively and efficiently eliminate disease-causing proteins. We are using our TORPEDO platform to build a robust pipeline of orally administered protein degradation drug candidates, with an initial focus on oncology indications. Our approach to medicine harnesses the innate machinery of the cell to attack disease and potentially bring deep and durable responses to patients.

We commenced operations in October 2015, and our operations to date have been limited to organizing and staffing our company, business planning, raising capital, establishing development collaborations with Roche, Biogen and Calico, conducting discovery and research activities, filing patent applications, identifying potential product candidates, undertaking preclinical studies and establishing arrangements with third parties for the manufacture of initial quantities of our product candidates. To date, we have not generated any revenue from product sales and have financed our operations primarily through sales of our equity interests and proceeds from our collaborations. Through December 31, 2019, we had raised approximately $78.5 million in gross proceeds from the sale of Series seed and Series A redeemable convertible preferred stock and an aggregate of $146.4 million in payments from collaboration partners.

Our ability to generate revenue from product sales sufficient to achieve profitability will depend heavily on the successful development and eventual commercialization of one or more of our product candidates. Since inception, we have incurred significant operating losses. We expect to continue to incur significant expenses and increasing operating losses for at least the next several years. Our net losses were $15.7 million and $34.1 million for the years ended December 31, 2018 and 2019, respectively. As of December 31, 2019, we had an accumulated deficit of $117.5 million.

Our total operating expenses were $35.8 million and $56.8 million for the years ended December 31, 2018 and 2019, respectively. We anticipate that our expenses will increase substantially due to costs including those associated with the following:

- our preclinical activities for our lead product candidates and the advancement of these candidates into first-in-human Phase 1/2 clinical trials in the United States, which we expect to initiate in for CFT755 and in for CFT8634;
- development activities associated with our other product candidates;
- research activities in oncology, neurological and other disease areas to expand our pipeline;
- hiring additional personnel in research, clinical trials, quality and other functional areas;
- increased activities by our CMOs to supply us with product for our preclinical studies and clinical trials;
- the management of our intellectual property portfolio; and
- operating as a public company after this offering.

We will not generate any revenue from product sales unless and until we successfully complete clinical development and obtain regulatory approval for one or more of our product candidates. If we obtain regulatory approval for any of

our product candidates, to the extent we decide to commercialize that product ourselves, we would expect to incur significant expenses related to developing our internal commercialization capability to support product sales, marketing and distribution.

As a result, we will need substantial additional funding to support our operating activities as we advance our product candidates through clinical development, seek regulatory approval and prepare for and, if any of our product candidates are approved, proceed to commercialization. Until such time as we can generate significant revenue from product sales, if ever, we expect to finance our operating activities through a combination of equity offerings, debt offerings, reimbursements and potential milestones earned under our existing collaboration agreements and potential license and development agreements with third parties, including but not limited to our existing collaboration partners. Adequate funding may not be available to us on acceptable terms, or at all.

If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, reduce or eliminate our research, product development or future commercialization efforts, relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. Although we continue to pursue these plans, there is no assurance that we will be successful in obtaining sufficient funding on terms acceptable to us to fund continuing operations, if at all.

As of December 31, 2019, we had cash and cash equivalents of $90.5 million. In June and July 2020, we closed a Series B redeemable convertible preferred stock financing, or the Series B Financing, for aggregate net proceeds of $145.5 million and, in June 2020, we secured a $20.0 million debt facility, from which we drew down $12.5 million, or $12.0 million net of costs. We believe that our cash and cash equivalents as of June 30, 2020 of $ million, combined with anticipated payments from collaboration partners and the proceeds from this offering, will be sufficient to fund our operating expenses and capital expenditure requirements into .

The impact of the COVID-19 coronavirus outbreak on our financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental advisories and restrictions. There are multiple causes of these delays, including laboratory closures, reluctance of patients to enroll or continue in trials for fear of exposure to COVID-19, local and regional shelter-in-place and work from home orders and regulations that discourage, hamper or prohibit patient visits, healthcare providers and health systems shifting away from clinical trials toward the acute care of COVID-19 patients and the FDA and other regulators making product candidates for the treatment of COVID-19 a priority over product candidates unrelated to the pandemic.

In terms of the impact on our operations, we have seen increased risk of delays in production of components used to manufacture our lead degrader candidates due to previous delays at one of our China-based manufacturers, and one of our CROs in India was forced to temporarily shut down due to local lockdown orders. In addition, we temporarily closed the office and laboratory spaces at our corporate headquarters in Watertown, Massachusetts, and we transitioned our employees to work from home. We are working closely with our CROs, manufacturers, investigators and preclinical and clinical trial sites to assess the full impact of the COVID-19 pandemic on the timelines and expected costs for each of our programs. While the ongoing impact of the pandemic is uncertain, we believe our CRO redundancies in China, India and Boston and the transition of the majority of our employees to remote work arrangements have mitigated the impact of these types of disruptions on our business.

We are not aware of any of our directors or employees being infected with coronavirus, but the virus can remain asymptomatic for a significant period of time and methods and availability of testing are continuing to evolve. It is possible our directors or employees or their family members could become infected.

We note the high level of difficulty in projecting the effects of COVID-19 on our programs and our company, given the rapid and dramatic evolution in the course and impact of the pandemic and the societal and governmental response to it.

Financial Operations Overview

Revenues

To date, we have not generated any revenue from product sales and do not expect to generate any revenue from the sale of products for the foreseeable future. Our revenues to date have been generated through research collaboration

and license agreements. We recognize revenue over our expected performance period under each agreement. We expect that our revenue for the next several years will be derived primarily from our current collaboration agreements and any additional collaborations that we may enter into in the future. To date, we have not received any royalties under any of our existing collaboration agreements.

Roche Collaboration and License Agreement

In March 2016, we entered into a collaboration and license agreement, or the Original Roche Agreement, with Roche, whereby Roche provided us with a non-refundable upfront payment of $15.0 million, which was creditable against our target initiation fees of either $1.0 million or $4.0 million, depending on the compound selected. Pursuant to the terms of the Original Roche Agreement, we collaborated on research activities to develop novel treatments in the field of targeted protein degradation using our degrader technology. We initially developed therapeutics that utilize degrader technology for up to ten target proteins. On a target-by-target basis, after successful completion of a defined preclinical development phase, Roche had an exclusive option to pursue a license from us for further clinical development and commercialization.

On December 22, 2018, we amended and restated the Original Roche Agreement, or the Restated Roche Agreement. Under the Restated Roche Agreement, we have a more active role in the manufacturing and commercialization of the targets included in the collaboration, whereby if we opt into certain co-development and co-detailing rights, the parties will split future development costs in return for our having rights to a larger share of future earnings from commercialization of the relevant target. The target structure was revised to six potential targets, three of which had been nominated as of the execution of the Restated Roche Agreement and represent continuations of the initial preclinical research and development efforts begun under the Original Roche Agreement, and three additional targets that were not nominated as of the date of execution of the Restated Roche Agreement. At the time of entry into the Restated Roche Agreement, Roche maintained its option rights to license and commercialize these six targets.

Under the Restated Roche Agreement, we received additional upfront consideration of $40.0 million from Roche. Roche will make annual research plan payments of $1.0 million for each active research plan. Finally, adjustments were made to the option exercise fees, whereby targets that have progressed through GLP toxicology studies at the time of exercise now have option exercise fees of $7.0 million to $12.0 million and those progressed through Phase 1 trials have option exercise fees of $20.0 million.

For certain targets, Roche is required to pay us fees of $2.0 million and $3.0 million upon the identification of a lead series and the commencement of GLP toxicology studies, respectively. For each target option exercised by Roche, we are eligible to receive up to $275 million in research, development and commercial milestone payments per target. Roche is also required to pay us up to $150 million per target in one-time sales-based payments if the target achieves certain levels of net sales. Roche is also required to pay us royalties, at percentages from the mid-single digits to the low double-digits, on a licensed product-by licensed product basis, on worldwide net product sales.

Biogen Collaboration Research and License Agreement

On December 28, 2018, we entered into a Collaboration Research and License Agreement or the Biogen Agreement, with Biogen MA, Inc. or Biogen, whereby we agreed to collaborate on research and development efforts for up to five targets to discover and develop potential new treatments for neurological conditions, such as Alzheimer’s disease and Parkinson’s disease. The Biogen Agreement also has an option for Biogen to nominate additional targets and extend the Biogen Agreement. We granted Biogen a non-exclusive research license under our intellectual property to perform research activities, select and optimize degraders and develop products including the degraders, as well as a commercial license to manufacture and commercialize the targets once the initial research and development work is complete. The research under the Biogen Agreement will take place over a 54-month research term with Biogen having an option to extend the Biogen Agreement for up to four additional years. If Biogen elects to extend the term of the Biogen Agreement, Biogen would be required to make an additional payment of $62.5 million and would be entitled to nominate up to five additional targets.

The Biogen Agreement provides for three initial targets, with Biogen having the right to initiate up to an additional two targets and to control all post-discovery activities. Biogen paid us a nonrefundable upfront payment of

$45.0 million for access to our technology and research services through the discovery research phase. The nonrefundable upfront cash payment of $45.0 million is not creditable against any of the target development milestone fees.

Following the achievement of development candidate criteria, prior to any IND-enabling study, for any target, Biogen will bear all costs and expenses of and will have sole discretion and decision-making authority with respect to the performance of further activities with respect to any degrader under development under the Biogen Agreement and all products that incorporate that degrader. Biogen is also required to pay us up to $35.0 million per target in development milestones and $26.0 million per target in one-time sales-based payments for the first product to achieve certain levels of net sales. In addition, Biogen is required to pay us royalties on a licensed product-by-licensed product basis, on worldwide net product sales, at percentages in the mid-single digits. All milestone and sales-based payments are made after we have met the defined criteria in the joint research plan for that target, at which time Biogen will have control of the targets for commercialization; the receipt of these payments is contingent on the further development of the targets to commercialization by Biogen, without any additional research and development efforts from us.

Biogen also has the option to fund additional discovery activities, whereby we will perform discovery-type research at Biogen's election to develop other potential targets that may be used as replacement targets for the initially nominated targets or two additional targets under the Biogen Agreement. Revenues earned under this option, if initiated, will be recognized as services are performed and are not included in the transaction price at the outset of the arrangement. These research activities will be reimbursed on an FTE basis at specified market rates. These additional discovery activities can be purchased up to a maximum amount by Biogen on an à la carte basis at an amount consistent with standalone selling price. If Biogen were to exercise these options, we would recognize revenue as those options are exercised.

As of December 31, 2019, three initial targets had been initiated under the Biogen Agreement and no options had been exercised under the Biogen Agreement.

Calico License Agreement

On March 13, 2017, we entered into a Collaboration and License Agreement, or the Calico Agreement, with Calico whereby we agreed to collaborate on research and development efforts for a set number of targets. We provided Calico with a non-exclusive research license under our intellectual property to perform research activities and select and optimize degraders and develop products including the degraders. We also granted Calico a commercial license for any licensed products resulting from the development candidates supplied by us. We are required to perform research and development activities for the nominated targets over the research term, with the intent to provide a development candidate for each target to Calico once the agreed-upon research is complete.

Calico is obligated to reimburse our research and development activities for each target at specified levels through the identification of a development candidate, after which Calico shall assume full responsibility for candidate development.

After the initiation of each target, the Calico Agreement does not contain any options for Calico to license the individual targets; once we complete the initial research and development activities required, Calico controls and directs the targets with no additional work required to be performed by us. There is no exercise price or incremental fee payable to us to progress the research further, though Calico is required to pay an initiation fee with the commencement of each research plan. Once Calico nominates a target and pays the applicable target initiation fee, we will commence research and development activities for that target. The Calico Agreement provides for up to five initial targets. Research activities performed are reimbursed at specified levels for the five-year term of the Calico Agreement.

Under this agreement, Calico paid us a nonrefundable upfront amount and certain annual payments. Upon our completion of the required discovery research and development services on any target, Calico is entitled to pursue commercial development of that target. For each target, we are eligible to receive potential research, development and commercial milestone payments aggregating up to $132.0 million. Calico is also required to pay one-time sales-based payments aggregating up to $65.0 million for the first product to achieve certain levels of net sales. In addition, Calico is required to pay us royalties, on a licensed product-by-licensed product basis, on worldwide net

product sales, at percentages in the mid-single digits. All milestone and sales-based payments are made after we have met the defined criteria in the joint research plan for that target, at which time Calico will have control of the targets for commercialization; the receipt of these payments by us is contingent on the further development of the targets to commercialization by Calico, without any additional research and development efforts required by us.

Operating Expenses

Our operating expenses since inception have consisted solely of research and development costs and general and administrative costs.

Research and Development Expenses

Research and development expenses consist primarily of costs incurred for our research activities, including our discovery efforts and the development of our product candidates, and include:

- salaries, benefits and other related costs, including stock-based compensation expense, for personnel engaged in research and development functions;
- expenses incurred under agreements with third parties, including contract research organizations and other third parties that conduct research and preclinical activities on our behalf as well as third parties that manufacture our product candidates for use in our preclinical and potential future clinical trials;
- costs of outside consultants, including their fees, unit-based compensation and related travel expenses;
- the costs of laboratory supplies and acquiring materials for preclinical studies and clinical trials;
- facility-related expenses, which include direct depreciation costs of equipment and allocated expenses for rent and maintenance of facilities and other operating costs; and
- third-party licensing fees.

We expense research and development costs as incurred. Costs for external development activities are recognized based on an evaluation of the progress to completion of specific tasks using information provided to us by our vendors. Payments for these activities are based on the terms of the individual agreements, which may differ from the pattern of costs incurred, and are reflected in our consolidated financial statements as prepaid or accrued research and development expenses. Nonrefundable advance payments for goods or services to be received in the future for use in research and development activities are recorded as prepaid expenses and expensed as the related goods are delivered or the services are performed.

Research and development activities are central to our business model. We expect that our research and development expenses will continue to increase for the foreseeable future as we continue to discover and develop additional product candidates and advance our lead product candidates into clinical trials, including our first-in-human Phase 1/2 trials. If any of our product candidates enter into later stages of clinical development, they will generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. We cannot reasonably estimate or determine with certainty the duration and costs of future clinical trials of CFT7455, CFT8634 or any other product candidate we may develop or if, when or to what extent we will generate revenue from the commercialization and sale of any product candidate for which we obtain marketing approval. We may never succeed in obtaining marketing approval for any product candidate.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and other related costs, including stock-based compensation, for personnel in our executive, finance, business development and administrative functions. General and administrative expenses also include legal fees relating to intellectual property and corporate matters; professional fees for accounting, auditing, tax and consulting services; insurance costs; travel expenses; and facility-related expenses, which include direct depreciation costs and allocated expenses for rent and maintenance of facilities and other operating costs.

We expect that our general and administrative expenses will increase in the future as we increase our personnel headcount to support our growing operations. We also expect to incur increased expenses associated with being a public company, including higher costs of accounting, audit, legal, regulatory and tax-related services associated with maintaining compliance with Nasdaq and SEC requirements, director and officer insurance costs and investor and public relations costs.

Interest Income

Interest income consists of interest income earned on our cash and cash equivalents.

Other (Expense) Income, Net

Other (expense) income, net primarily consists of accretion of discount on short-term investments.

Results of Operations

Comparison of Years Ended December 31, 2018 and 2019

The following table summarizes our results of operations for the years ended December 31, 2018 and 2019 (in thousands):

	YEAR ENDED DECEMBER 31,	
	2018	2019
Revenue from collaboration agreements	$ 19,364	$ 21,381
Operating expenses:		
General and administrative	7,161	8,774
Research and development	28,592	48,059
Total operating expenses	35,753	56,833
Operating loss	(16,389)	(35,452)
Other income, net:		
Interest income	685	1,832
Other (expense) income, net	(7)	325
Total other income, net	678	2,157
Loss before income taxes	(15,711)	(33,295)
Income taxes	—	(804)
Net loss	$ (15,711)	$ (34,099)

Revenue

Revenue for the year ended December 31, 2018 was $19.4 million, compared with $21.4 million for the year ended December 31, 2019. The increase in revenue of $2.0 million primarily stems from the recognition of revenue for collaboration efforts conducted pursuant to the Restated Roche Agreement, Biogen Agreement and Calico Agreement.

In 2018, we recognized $9.1 million of revenue under the Original Roche Agreement and $10.3 million under the Calico Agreement. We executed the Restated Roche Agreement and Biogen Agreement in December 2018 and the upfront payments of $40.0 million and $45.0 million, respectively, were recorded as accounts receivable and deferred revenue on our consolidated balance sheet as of December 31, 2018, as the amounts were not received until 2019 and no research was performed under those agreements in 2018. We concluded that the Restated Roche Agreement was a modification of the Original Roche Agreement, and unrecognized revenue under the Original Roche Agreement of $6.4 million was added to the transaction price for the Restated Roche Agreement, which included $40.0 million from the upfront payments and estimated research plan support payments of $13.5 million, for a total of $59.9 million to be recognized over the performance period of the Restated Roche Agreement.

In 2019, we began recognizing revenue under the Restated Roche Agreement and Biogen Agreement, in addition to the Calico Agreement. We recorded revenue of $6.4 million under the Restated Roche Agreement, $1.9 million under the Biogen Agreement and $12.5 million under the Calico Agreement in 2019. In addition, we recorded revenue of $0.5 million related to discovery services under the Biogen Agreement.

Research and Development Expenses

The following table summarizes our research and development expenses for the years ended December 31, 2018 and 2019 (in thousands):

	YEAR ENDED DECEMBER 31,		INCREASE
	2018	2019	(DECREASE)
Personnel expenses	$ 9,734	$ 14,085	$ 4,351
Preclinical and development expenses	9,158	23,182	14,024
Facilities and supplies	7,885	8,933	1,048
Legal and professional fees	1,380	1,392	12
Other expenses	435	467	32
	$ 28,592	$ 48,059	$ 19,467

Research and development expenses for the year ended December 31, 2018 were $28.6 million, compared with $48.1 million for the year ended December 31, 2019. The increase of $19.5 million was primarily due to an increase of $14.0 million in preclinical studies and external CRO costs attributable to an increase in the volume of animal models and drug metabolism and PK studies for our product candidates and an increase of $4.4 million in compensation and related personnel costs attributable to an increase in headcount.

General and Administrative Expenses

The following table summarizes our general and administrative expenses for the years ended December 31, 2018 and 2019 (in thousands):

	YEAR ENDED DECEMBER 31,		INCREASE
	2018	2019	(DECREASE)
Personnel expenses	$ 3,949	$ 5,587	$ 1,638
Facilities and supplies	471	454	(17)
Legal and professional fees	2,019	2,036	17
Other expenses	722	697	(25)
	$ 7,161	$ 8,774	$ 1,613

General and administrative expenses were $7.2 million for the year ended December 31, 2018, compared with $8.8 million for the year ended December 31, 2019. The increase of $1.6 million was primarily due to an increase in stock-based compensation of $0.8 million and other increased personnel expenses of $0.8 million.

Other Income, Net

Other income, net was $0.7 million for the year ended December 31, 2018, compared with $2.2 million for the year ended December 31, 2019. The increase of $1.5 million was primarily due to increased interest income resulting from a higher average cash balance.

Income Taxes

Since our inception in 2015, we have not recorded any U.S. federal or state income tax benefits for the net losses we have incurred in any year. As of December 31, 2019, we had no remaining federal net operating loss carryforwards and $8.2 million in state net operating loss carryforwards, which begin to expire in 2038. As of December 31, 2019, we also had federal and state research and development tax credit carryforwards of $0.4 million and $0.1 million, respectively, which begin to expire in 2039.

We have provided a valuation allowance against the full amount of the deferred tax assets since, in the opinion of management, based upon our earnings history, it is more likely than not that the benefits will not be realized.

Liquidity and Capital Resources

Sources of Liquidity

We do not currently have any approved products and have never generated any revenue from product sales. To date, we have financed our operations primarily through the sale of preferred stock and through payments from collaboration partners. Through December 31, 2019, we raised approximately $78.5 million in gross proceeds from the sale of series Seed and Series A redeemable convertible preferred stock and have received an aggregate of $146.4 million in payments from collaboration partners.

In June 2020 and July 2020, we closed a portion of our Series B Financing with both existing and new investors. As part of the Series B Financing, we issued 142,857,142 shares of redeemable convertible Series B preferred stock, or Series B Preferred Stock, at a purchase price of $1.05 per share, for aggregate gross proceeds of $150.0 million. In addition, we secured a $20.0 million credit arrangement with Perceptive Credit Holdings III, LP, or Perceptive Credit, an affiliate of one of the Series B Financing investors, whereby we borrowed $12.5 million at closing and have the opportunity to draw down another $7.5 million subject to the satisfaction of certain milestones relating to the filing of an IND for certain of our pipeline targets. In connection with the Credit Agreement, we issued Perceptive Credit warrants to purchase 2,857,142 shares of Series B Preferred Stock exercisable for $1.05 per share. The loans extended under the Credit Agreement will be repaid beginning in December 2022 in monthly installments through June 2024 at an interest rate of 2.0%. We paid a closing fee of $0.3 million related to the loan and have the right to prepay the loan in its entirety prior to the maturity date by paying the applicable prepayment fee. If we do not prepay the loan, the entire unpaid principal balance becomes due on the maturity date, June 5, 2024. We are also subject to customary financial covenants in the Credit Agreement that dictate accelerated repayment upon the occurrence of certain events of default, none of which are expected to occur based on our current liquidity.

Cash Flows

Our cash, cash equivalents and restricted cash totaled $38.9 million and $93.1 million as of December 31, 2018 and 2019, respectively.

The following table summarizes our sources and uses of cash for the period presented (in thousands):

	YEAR ENDED DECEMBER 31,	
	2018	2019
Net cash (used in) provided by operating activities	$ (16,981)	$ 55,614
Net cash provided by (used in) investing activities	36,921	(1,620)
Net cash provided by financing activities	1,961	244
Net increase in cash and cash equivalents and restricted cash	$ 21,901	$ 54,238

Operating Activities

Net cash used in operating activities for the year ended December 31, 2018 was $17.0 million, primarily consisting of our net loss of $15.7 million and an increase of $84.9 million in accounts receivable, offset by an increase of $81.0 million in deferred revenue. The increase in deferred revenue stemmed from $85.0 million in up-front payments due to us under the Restated Roche Agreement and the Biogen Agreement, both of which were recorded as accounts receivable and deferred revenue as of December 31, 2018.

Net cash provided by operating activities for the year ended December 31, 2019 was $55.6 million, primarily consisting of our net loss of $34.1 million and a decrease in deferred revenue of $3.2 million, which were offset by a decrease in accounts receivable of $81.8 million. The decrease in deferred revenue was due to the recognition of revenue under our collaboration agreements in 2019 and the $81.8 million decrease in accounts receivable was related to the collection of up-front payments from our collaboration partners, which were received in 2019.

Cash provided by operating activities for the year ended December 31, 2019 was also impacted by changes in operating assets and liabilities, including increases in accounts payable and accrued expenses of $8.0 million, stemming from increased research and development efforts to advance our product candidates in 2019.

Investing Activities

Net cash provided by investing activities for the year ended December 31, 2018 was $36.9 million, attributable to the maturities and sales of marketable securities of $44.6 million, partially offset by the purchase of new marketable securities of $5.0 million and the purchases of property and equipment of $2.7 million.

Net cash used in investing activities for the year ended December 31, 2019 was $1.6 million, attributable to net purchases of property and equipment of $1.3 million and net purchases and sales of marketable securities of $0.3 million.

Financing Activities

Net cash provided by financing activities for the year ended December 31, 2018 was $2.0 million, primarily attributable to the net proceeds received from the issuance of Series A redeemable convertible preferred stock in December 2018, offset by repurchases of common stock issued upon the exercise of stock options of less than $0.1 million.

Net cash provided by financing activities for the year ended December 31, 2019 was $0.2 million, primarily attributable to $0.3 million from the issuance of common stock in conjunction with the exercise of stock options, offset by repurchases of common stock issued upon the exercise of stock options of less than $0.1 million.

Funding Requirements

Since our inception, we have incurred significant operating losses. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future as we advance the preclinical and clinical development of our product candidates. In addition, upon the closing of this offering, we expect to incur additional costs associated with operating as a public company.

Specifically, we anticipate that our expenses will increase substantially in the future, if and as we:

- initiate planned first-in-human Phase 1/2 trials of our lead product candidates, CFT7455 and CFT8634;
- Advance additional product candidates into preclinical and clinical development;
- continue to invest in our proprietary TORPEDO platform;
- expand, maintain and protect our intellectual property portfolio;
- hire additional clinical, regulatory and scientific personnel;
- add operational, financial and management information systems and personnel to support our ongoing research, product development, potential future commercialization efforts, operations as a public company and general and administrative roles;
- seek marketing approvals for any product candidates that successfully complete clinical trials; and
- ultimately establish a sales, marketing and distribution infrastructure and scale up external manufacturing capabilities to commercialize any products for which we may obtain marketing approval.

We believe that our cash and cash equivalents as of June 30, 2020 of $ million, combined with the proceeds from the Series B Financing, the proceeds from the debt facility we drew down on, anticipated payments from collaboration partners and the proceeds from this offering, will be sufficient to fund our operating expenses and capital expenditure requirements into . We have based this estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect. Our future capital requirements will depend on many factors, including:

- the progress, costs and results of our planned first-in-human Phase 1/2 trials for our lead product candidates and any future clinical development of those lead product candidates;
- the scope, progress, costs and results of preclinical and clinical development for our other product candidates and development programs;
- the number and development requirements of other product candidates that we pursue;
- the success of our collaborations with Roche, Biogen and Calico, including whether or not we receive additional research support or milestone payments from our collaboration partners upon the achievement of milestones;

- the costs, timing and outcome of regulatory review of our product candidates;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims;
- our willingness and ability to establish additional collaboration arrangements with other biotechnology or pharmaceutical companies on favorable terms, if at all, for the development or commercialization of current or additional future product candidates;
- the costs and timing of future commercialization activities, including product manufacturing, marketing, sales and distribution, for any of our product candidates for which we receive marketing approval; and
- the revenue, if any, received from commercial sales of our product candidates for which we receive marketing approval.

As a result of the anticipated expenditures described above, we will need to obtain substantial additional financing in connection with our continuing operations. Until such time, if ever, as we can generate substantial revenue from product sales, we expect to finance our cash needs through a combination of equity offerings, debt offerings, collaborations, strategic alliances and marketing, distribution or licensing arrangements. Although we may receive potential future milestone and royalty payments under our collaborations with Roche, Biogen and Calico, we do not currently have any committed external source of funds other than an additional $7.5 million under our Credit Agreement. Adequate additional funds may not be available to us on acceptable terms, or at all. If we are unable to raise capital when needed or on attractive terms, we may be required to delay, limit, reduce or terminate our research, product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

To the extent that we raise additional capital through the sale of equity securities, each investor's ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a common stockholder. Preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as making acquisitions or capital expenditures or declaring dividends.

If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us.

Contractual Obligations

The following is a summary of our significant contractual obligations as of December 31, 2019 (in thousands):

	PAYMENTS DUE BY PERIOD				
	TOTAL	LESS THAN 1 YEAR	1 TO 3 YEARS	4 TO 5 YEARS	MORE THAN 5 YEARS
Operating lease commitments (1)	$20,544	$ 2,206	$7,022	$5,039	$ 6,277
Total	$20,544	$ 2,206	$7,022	$5,039	$ 6,277

(1) Represents future minimum lease payments under our operating leases and equipment for office and lab space in Watertown, Massachusetts that expires in April 2028.

We enter into contracts in the normal course of business with third-party CROs for clinical trials, preclinical studies, manufacturing and other services and products for operating purposes. These contracts generally provide for termination following a certain period after notice and therefore we believe that our non-cancelable obligations under these agreements are not material and they are not included in the table above. We have not included milestone or royalty payments or other contractual payment obligations in the table above if the timing and amount of such obligations are unknown or uncertain.

Critical Accounting Policies and Use of Estimates

This management's discussion and analysis of financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with generally accepted accounting

principles in the United States. The preparation of our consolidated financial statements and related disclosures requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues, costs and expenses and the disclosure of contingent assets and liabilities in our consolidated financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are described in more detail in the notes to our consolidated financial statements appearing at the end of this prospectus, we believe that our policy for recognizing revenue associated with our collaboration agreements is the most critical to the judgments and estimates used in the preparation of our consolidated financial statements.

Revenues from Contracts

As discussed in Note 2 to our consolidated audited financial statements appearing at the end of this prospectus, we account for our revenue in accordance with Accounting Standards Codification, or ASC, 606, *Revenue from Contracts with Customers*.

Our revenue is generated through research collaboration and license agreements with pharmaceutical partners. The terms of these agreements contain multiple goods and services which may include (i) licenses, (ii) research and development activities and (iii) participation in joint research and development steering committees. The terms of these agreements may include non-refundable upfront license or option fees, payments for research and development activities, payments upon the achievement of certain milestones and royalty payments based on product sales derived from the collaboration. Under ASC 606, we evaluate whether the license agreement, research and development services and participation in research and development steering committees, represent separate or combined performance obligations.

The research collaboration and license agreements typically include contingent milestone payments related to specified preclinical and clinical development milestones and regulatory milestones. These milestone payments represent variable consideration that are not initially recognized within the transaction price as they are fully constrained under the guidance in ASC 606. We will continue to assess the probability of significant reversals for any amounts that become likely to be realized prior to recognizing the variable consideration associated with these payments within the transaction price.

Revenue is recognized over our expected performance period under each respective arrangement. We make our best estimate of the period over which we expect to fulfill our performance obligations, which includes access to technology through the license agreement and research activities. Given the uncertainties of these collaboration arrangements, significant judgment is required to determine the duration of and estimated costs to be incurred during the performance period.

For the years ended December 31, 2018 and 2019, we recognized revenues under the Biogen Agreement and Calico Agreement by allocating the transaction price to a single combined performance obligation for each. For the Biogen Agreement, we recognized the transaction price over the estimated performance period, which was determined to be the contractual term, using an input method according to costs incurred as related to the research and development activities and the costs expected to be incurred in the future to satisfy the performance obligation. For the Calico Agreement, we amortized the upfront fee received on a straight-line basis over the period services are available to the counterparty (i.e. the contractual term). Straight-line amortization of the upfront payment was considered the best measure of progress because the customer has access to research and development services throughout the period. Incremental fees for research and development services are paid at agreed upon full-time equivalent employee rates and recognized in the period incurred. For the arrangement with Roche, we identified twelve performance obligations, including three research services performance obligations, six material rights for the options to purchase a commercial license for six targets and three material rights for the option to initiate research services for the uninitiated three targets as of the outset of the arrangement. We allocated the total consideration for the identified performance obligations utilizing an expected cost plus a margin approach based on our estimate of the expected costs to fulfill the performance obligations. We recognize revenue for six of our performance obligations, representing

a combined license and services deliverable, based on an input method, according to costs incurred as related to the research and development activities for each individual program and the costs expected to be incurred in the future to satisfy the performance obligation, as the costs under the arrangement were not expected to be incurred ratably and the agreement has no defined term. Revenue allocated to the remaining six performance obligations stemming from material rights is deferred until Roche exercises the underlying option or the option expires.

Our contracts may also call for certain sales-based milestone and royalty payments upon successful commercialization of a target. In accordance with ASC 606, we recognize revenues from sales-based milestone and royalty payments at the later of (i) the occurrence of the subsequent sale; or (ii) the performance obligation to which some or all of the sales-based milestone or royalty payments has been allocated has been satisfied (or partially satisfied). We anticipate recognizing these milestone and royalty payments if and when subsequent sales are generated by the licensee from the use of the technology. To date, no revenue from these sales-based milestone and royalty payments has been received or recognized for any periods.

Amounts received prior to satisfying the above revenue recognition criteria are recorded as a contract liability in our accompanying consolidated balance sheets.

Stock Options

We account for all stock-based compensation awards granted to employees and non-employees as stock-based compensation expense at fair value. Our stock-based payments include stock options and grants of common stock, including common stock subject to vesting. The measurement date for awards is the date of grant, and stock-based compensation costs are recognized as expense over the requisite service period, which is generally the vesting period, on a straight-line basis. Stock-based compensation expense is classified in the accompanying statements of operations based on the function to which the related services are provided. We recognize stock-based compensation expense for the portion of awards that have vested. Forfeitures are recorded as they occur. The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option-pricing model. The Black-Scholes option pricing model includes various assumptions, including the expected life of award, the expected volatility and the expected risk-free interest rate. The fair value of the underlying common stock represents the exercise price utilized in the Black-Scholes option pricing model. These assumptions reflect our best estimates, but they involve inherent uncertainties based on market conditions generally outside our control. As a result, if other assumptions had been used, stock-based compensation cost could have been materially impacted. Furthermore, if we use different assumptions for future grants, stock-based compensation cost could be materially impacted in future periods.

As there has been no public market for our common stock to date, the estimated fair value of our common stock has been determined by our board of directors as of the date of each stock award, with input from management, considering our most recently available third-party valuations of common stock. Valuations are updated when facts and circumstances indicate that the most recent valuation is no longer valid, such as changes in the stage of our development efforts, various exit strategies and their timing, and other scientific developments that could be related to the valuation of our company or, at a minimum, annually. Third-party valuations were performed in accordance with the guidance outlined in the American Institute of Certified Public Accountants' Accounting and Valuation Guide, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation.* Our common stock valuations in 2018 and 2019 were prepared using a market approach, specifically the guideline public company method, which "back-solves" to a common stock price. We allocated equity value to our common stock and shares of our redeemable convertible preferred stock, using either an option-pricing method, or OPM, or a hybrid method, which is a hybrid between the OPM and the probability-weighted expected return method. The hybrid method estimates the probability-weighted value across multiple scenarios. In addition to the OPM, the hybrid method considers liquidity scenarios in which the shares of our redeemable convertible preferred stock are assumed to convert into common stock. The future value of the common stock in the applicable scenario is discounted back to the valuation date at an appropriate risk-adjusted discount rate. In the hybrid method, the present value indicated for each scenario is probability-weighted to arrive at an indication of value for the common stock.

Our board of directors determined the fair market value of our common stock to be $0.58 as of May 31, 2018, $0.77 as of December 31, 2018, $0.79 as of September 30, 2019 and $0.59 as of June 5, 2020. The reduction

in fair market value of our common stock as of June 5, 2020 was primarily due to the dilution attributable to the Series B Financing. Fair value estimates of our common stock will no longer be necessary to determine the fair value of new equity awards once our common stock begins trading in the public market.

The following table sets forth, by grant date, the number of shares subject to options granted from January 1, 2019 through December 31, 2019, the exercise price per share of the options, the fair value per share on each grant date and the estimated per share fair value of the options:

GRANT DATE	NUMBER OF SHARES OF COMMON STOCK SUBJECT TO OPTIONS GRANTED	EXERCISE PRICE PER SHARE	FAIR VALUE PER SHARE AT GRANT DATE	ESTIMATED PER-SHARE FAIR VALUE OF OPTIONS
April 9, 2019	4,116,734	$ 0.77	$ 0.77	$ 0.48
July 17, 2019	3,106,092	$ 0.77	$ 0.77	$ 0.48
July 17, 2019	1,453,033	$ 0.77	$ 0.77	$ 0.51
December 4, 2019	357,000	$ 0.79	$ 0.79	$ 0.54

In July 2020, we granted options to purchase 12,376,257 shares at an exercise price of $0.59 per share.

New Accounting Pronouncements

For information on new accounting standards, see Note 2 to our consolidated audited financial statements appearing at the end of this prospectus.

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements and do not have any holdings in variable interest entities.

Internal control over financial reporting

In the preparation of our consolidated financial statements to meet the requirements of this offering, we determined that a material weakness in our internal control over financial reporting existed as of December 31, 2019. The material weakness identified in our internal control over financial reporting arose because we did not maintain effective segregation of duties in the process and recording of journal entries. We are taking measures to remediate the material weakness during 2020, including engaging system controls that prevent one person from initiating and approving the same journal entry. However, we cannot assure you that these measures will be sufficient to prevent future material weaknesses or significant deficiencies in our internal control over financial reporting from occurring. See "Risk Factors—*We will incur increased costs as a result of operating as a public company and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices*."

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities. Our interest-earning assets consist of cash and cash equivalents. Interest income earned on these assets was $0.6 million in 2018 and $1.8 million in 2019. Our interest income is sensitive to changes in the general level of interest rates, primarily U.S. interest rates. At December 31, 2019, our cash equivalents consisted of bank deposits and money market funds. We did not hold any marketable securities as of December 31, 2018 or 2019, but we made purchases and sales of marketable securities during both periods that included interest-earning securities. These interest-earning instruments carry a degree of interest rate risk; however, historical fluctuations in interest income have not been significant for us.

Emerging Growth Company Status

As an "emerging growth company," the JOBS Act allows us to delay adoption of new or revised accounting standards applicable to public companies until such standards are made applicable to private companies. We have elected to avail ourselves of this extended transition period for complying with new or revised accounting standards until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of this extended transition period. Accordingly, the information contained herein may be different from the

information you receive from other public companies that are not emerging growth companies. in which you hold stock.

In addition, as an emerging growth company, we may take advantage of specified reduced disclosure and other requirements that are otherwise applicable generally to public companies. These provisions include:

- being permitted to only provide two years of audited financial statements in addition to any required unaudited interim financial statements with correspondingly reduced “Management’s Discussion and Analysis of Financial Condition and Results of Operations” disclosure;
- reduced disclosure about the compensation paid to our executive officers;
- not being required to submit to our stockholders’ advisory votes on executive compensation or golden parachute arrangements; and
- an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002.

We may take advantage of these exemptions for up to the last day of 2025 or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company on the date that is the earliest of (1) the last day of the fiscal year in which we have total annual gross revenues of $1.07 billion or more; (2) the last day of 2025; (3) the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years; or (4) the date on which we are deemed to be a large accelerated filer under the rules of the Securities and Exchange Commission. We may choose to take advantage of some but not all of these exemptions.

BUSINESS

Overview

We are a biopharmaceutical company focused on harnessing the body's natural regulation of protein levels to develop novel therapeutic candidates to target and eliminate disease-causing proteins for the treatment of cancer, neurodegenerative conditions and other diseases. We leverage our proprietary technology platform, TORPEDO (Target ORiented ProtEin Degrader Optimizer), to synthesize a new class of small molecule protein degraders that are designed to selectively and efficiently eliminate disease-causing proteins, including targets previously considered to be undruggable. Our degraders are designed with a focus on catalytic degradation to optimize targeted protein degradation and an ability to use multiple routes of administration, which we believe offer many potential advantages over existing therapeutic modalities, including improved potency, faster response, higher selectivity and avoidance of known toxicities. We are using our TORPEDO platform to build a robust pipeline of oral protein degradation drug candidates, with our lead product candidates focused on oncology indications. One of our lead product candidates, CFT7455, is an orally bioavailable degrader targeting IKZF1/3 for multiple myeloma, or MM, and non-Hodgkin lymphomas, or NHLs, including peripheral T-cell lymphoma, or PTCL, and mantle cell lymphoma, or MCL, and we expect to submit an investigational new drug application, or IND, for this product candidate to the U.S. Food and Drug Administration, or the FDA, in and begin a first-in-human Phase 1/2 clinical trial for this product candidate in . We are also developing CFT8634, an orally bioavailable degrader of a protein target called BRD9, for synovial sarcoma and SMARCB1-delete solid tumors, and we expect to submit an IND for this product candidate to the FDA in .

We use our TORPEDO platform to synthesize a new class of targeted small molecule protein degraders, which employ a natural protein disposal system, specifically the E3 ligases of the ubiquitin-proteasome system, to catalyze the destruction of target proteins. The E3 ligases targeted by our degraders are a family of proteins that identify and tag proteins for degradation. Our approach is designed to optimize overall catalytic efficiency—rather than specific steps in the catalytic cycle—so that our degraders eliminate target proteins as quickly as possible. Our robust chemistry engine and proprietary analytic models of pharmacokinetics, or PK, and pharmacodynamics, or PD, enable us to efficiently design and synthesize degraders for a selected target that are optimized for overall catalytic efficiency and properties such as solubility, permeability and oral bioavailability. These PK/PD models allow us to predict the depth and duration of target degradation *in vivo* and select candidate degraders with confidence. We believe this approach maximizes our potential to create effective drugs across many targets. Another aspect of our TORPEDO platform is that we have developed a rich toolkit of 14 novel, structurally distinct binders targeting Cereblon, the only clinically validated E3 ligase for targeted protein degradation. Notably, Cereblon is widely expressed across tissues, potentially allowing for Cereblon-mediated targeted protein degradation in a wide variety of clinical settings.

CFT7455 is an orally bioavailable degrader targeting IKZF1/3 for the treatment of MM and NHLs, including PTCL and MCL. We have selected IKZF1/3 as our initial targets because they have a strong mechanistic rationale and well defined biology and targeting them with a novel degrader may address a significant unmet need. In our preclinical studies, CFT7455 has demonstrated potent and selective protein degradation with favorable pharmacological properties. We believe that the differentiated pharmacology of CFT7455, including its high potency, may translate into improved clinical outcomes over the current standard-of-care agents in each of the indications we are pursuing. We expect to file an IND for CFT7455 in and expect to dose the first patient in . Our planned first-in-human Phase 1/2 trial is designed as an open-label dose escalation trial of CFT7455 in approximately 18 to 30 subjects with MM and NHL. The trial will primarily investigate the safety and tolerability of CFT7455, and key secondary endpoints will be to characterize its PK/PD profile and anti-tumor activity. We expect the results from this clinical trial will help us better understand the disease characteristics of those patients who may derive benefit from CFT7455, which will enable us to design future clinical trials more effectively for the drug.

CFT8634 is an orally bioavailable degrader targeting BRD9 for the treatment of synovial sarcoma and SMARCB1-deleted solid malignancies. BRD9 has been considered an undruggable target using currently available modalities. BRD9 is a component of the non-canonical BAF complex, or ncBAF, that plays a role in regulating gene transcription. In normal cells, this complex is not required for cell survival. However, some tumors, including synovial sarcoma, encode genetic mutations that render the ncBAF complex—and thus BRD9—essential for tumor growth. CFT8634 has shown potent anti-tumor activity in synovial sarcoma cell lines, but does not appear to affect normal cells.

Further, CFT8634 has shown *in vivo* activity in synovial sarcoma xenograft models when dosed orally. We expect to file an IND for CFT8634 with the FDA in and dose the first patient in a first-in-human Phase 1/2 clinical trial of this product candidate in . We expect to design our first-in-human Phase 1/2 clinical trial for this product candidate to be an open-label dose escalation/expansion study in both synovial sarcoma and solid tumors with SMARCB1 loss.

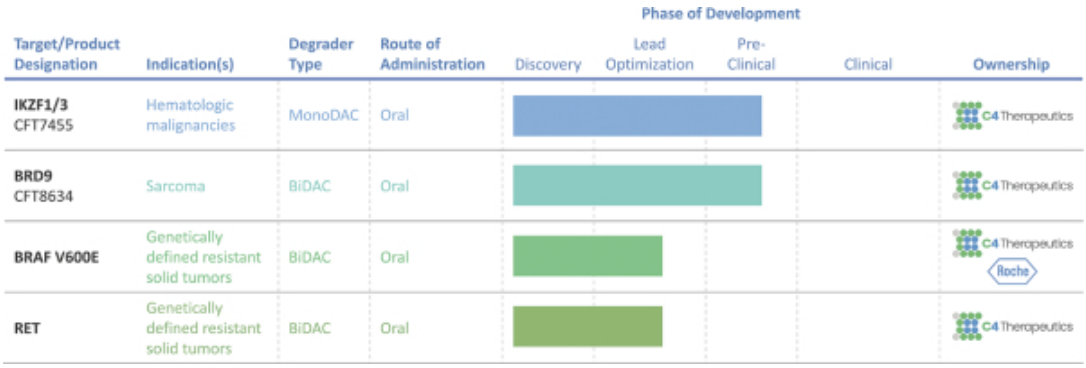
In addition to our lead product candidates, we are also developing degraders specifically targeting V600E mutant BRAF to treat melanoma, non-small cell lung cancer, or NSCLC, colorectal cancer and other solid malignancies that harbor this mutation, as well as degraders targeting RET to treat lung cancer, sporadic medullary thyroid cancers and other solid malignancies that harbor oncogenic RET lesions. We expect to have our lead product candidates, CFT7455 and CFT8634, in the clinic by , and product candidates from our two other lead programs, BRAF V600E and RET, in the clinic by . Beyond these four initial product, candidates, we are further diversifying our pipeline by developing new degraders against targets where we believe degradation offers potential advantages over existing therapeutic modalities such as the treatment of neurodegenerative diseases. As part of these efforts, we have engineered degraders that have successfully achieved blood-brain barrier penetration in preclinical studies, which is a key step in developing drugs with the potential to treat neurodegenerative diseases. We also believe there are many other therapeutic areas and indications where leveraging our TORPEDO platform to develop novel degraders may be advantageous.

We have been a pioneer in the field of targeted protein degradation since our founding in 2015. Our technology originated from research at the Dana-Farber Cancer Institute by Jay Bradner, M.D., Ken Anderson, M.D. and Nathanael Gray, Ph.D., leading researchers in the field of protein degradation who co-founded our company along with our Executive Chairman, Marc A. Cohen. We have assembled a scientific team with extensive knowledge and translational medicine expertise in the protein degradation field. Our management team draws on experience in all phases of drug discovery and development gained at large pharmaceutical and biotechnology companies. In addition, we have entered into key strategic collaborations with each of F. Hoffman-La Roche Ltd., or Roche, Biogen, Inc., or Biogen, and Calico, Inc., or Calico, that help us address targets across multiple therapeutic areas. Through these collaborations we have received upfront and milestone payments in an aggregate of $150 million. In addition, we have secured additional funding from a strong group of investors, including Cobro Ventures, Perceptive Advisors, Adage Capital Management, Axil Capital, Bain Capital Life Sciences, Commodore Capital, 3E Bioventures Capital, HBM Healthcare Investments, Lightchain Capital, Logos Capital, Mizuho Securities Principal Investment, Nextech, RA Capital, RTW Investments, Sphera Funds Management, Taiwania Capital, Yonjin Venture and funds and accounts managed by T. Rowe Price and Janus Henderson.

Our Product Pipeline

We have leveraged our TORPEDO platform to generate a robust pipeline of orally available, potent and selective protein degradation drug candidates that may be capable of treating diseases in a wide range of organ systems and tissues. Our pipeline focus is on establishing clear clinical proof-of-concept for targets with well established biology and a defined regulatory pathway. As shown in the table below, we currently have four preclinical programs in development. We anticipate our CFT7455 and CFT8634 product candidates will be in the clinic by , and our BRAF V600E and RET programs will be in the clinic by . We have also secured three strategic collaborations with partners that provide additional pipeline optionality and an expansion of our potential targets for protein degradation.

We are advancing two types of protein degraders. We refer to the first type of degrader as MonoDACs, which are Monofunctional Degradation Activating Compounds. MonoDACs function by binding to E3 ligases and creating a new surface on the E3 ligases that enhances the binding of the E3 ligases to target proteins. We refer to our second type of degrader as BiDACs, which are Bifunctional Degradation Activating Compounds. BiDACs are designed so that one end of the molecule binds to the disease-causing target protein and the other end binds to the E3 ligase. Each of these types of degrader is intended to result in the same end point: the specific degradation of the target proteins of interest. These two approaches have complementary requirements for target engagement: BiDACs utilize specific binding sites where chemical binding moieties, which are portions of a molecule, can be identified, which enables a rational drug discovery approach, while MonoDACs, in contrast, rely on ligase-to-target protein surface interactions to drive the ubiquitination process, which is the process by which an E3 ligase tags a target protein for degradation using a molecular tag called ubiquitin, rather than specific compound-binding sites.



In addition to the programs identified above and our early-stage development collaborations with Roche, Biogen and Calico, we are conducting exploratory research and development work on various other targets.

Our Strategy

We are committed to transforming the treatment of cancer, neurodegenerative conditions and other diseases through the discovery, development and commercialization of novel therapies that eliminate disease-causing proteins.

Key elements of our strategy are to:

- **Continue rapid progression toward clinical development of our lead programs developed with our TORPEDO platform.** Our two lead product candidates are CFT7455, targeting IKZF1/3, and CFT8634, targeting BRD9. We expect to initiate a Phase 1/2 open-label trial for CFT7455 in patients with relapsed or refractory MM or NHLs such as PTCL and MCL in , and we expect to initiate a Phase 1/2 open-label trial for CFT8634 in patients with synovial sarcoma and SMARCB1-deleted solid tumors in . Using our proprietary TORPEDO platform, we have generated novel product candidates for the treatment of cancer and we believe favorable trial results from our lead programs would offer important validation for both our platform and those programs themselves. Based on the results of these planned Phase 1/2 trials, we will work with the FDA to discuss potential expedited development and accelerated approval pathways for the product candidates in these lead programs. Additionally, we will leverage the knowledge gained from our lead programs to strengthen and improve our TORPEDO platform for our other pipeline candidates.
- **Rapidly advance our late-stage discovery programs to generate product candidates.** In addition to our lead product candidates, we have progressed programs targeting BRAF V600E, in collaboration with our partner Roche, and RET. We are also pursuing several other earlier-stage research programs. We believe that our platform and approach are broadly applicable to address unmet medical needs in a variety of indications and we aim to continue expanding and advancing our pipeline.
- **Leverage our TORPEDO platform to generate discovery programs for previously undruggable or challenging targets.** We believe that we can apply the principles and approaches used to advance our lead programs more broadly to develop novel degraders for diseases where traditional small molecule inhibitors and other therapeutic approaches have been unsuccessful. We believe our degraders offer potential broad tissue distribution, oral delivery, relative ease of manufacturing and well established development and regulatory pathways, which are all critical characteristics across disease areas. Additionally, our targeted protein degradation approach has the potential to address many protein targets that are currently considered undruggable, as our degraders can theoretically eliminate proteins using any available conserved binding site, including low-affinity binding sites or non-functional binding sites, bringing biological utility to ligands that would otherwise be inactive. We are focusing our current programs on selected oncology indications, but we believe our platform has broad applicability beyond cancer that we plan to capitalize on in the future.
- **Strategically invest in our TORPEDO platform.** To date we have invested significant time and resources into the experimental and analytical components of our TORPEDO platform. This platform enables us to quickly develop novel protein degraders. We will continue to invest in the latest experimental tools to improve our

capabilities and continue to enhance our proprietary computational and predictive models. We believe that this investment will support our continued discovery and development of degraders against technically challenging and high-value targets. Additionally, we plan to continue expanding our intellectual property portfolio, including through the identification and optimization of additional binders with unique and desirable drug-like properties.

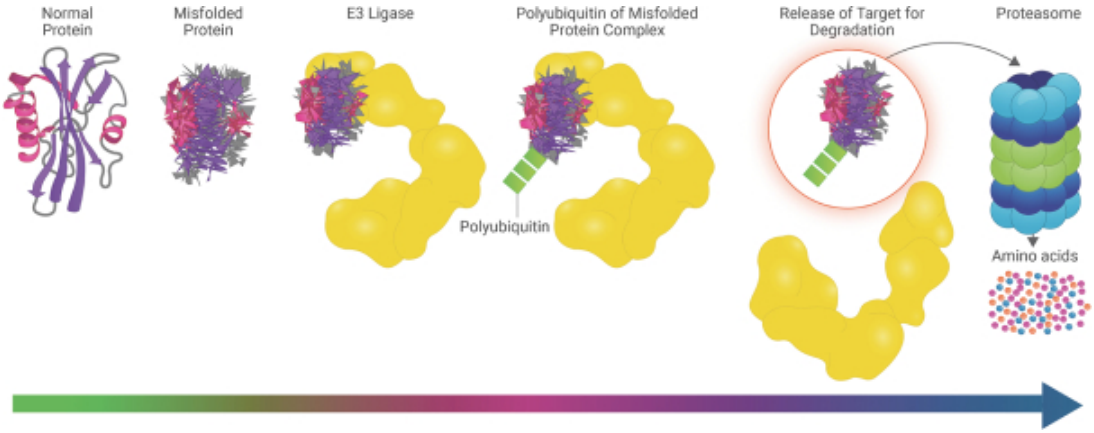
- **Engage with strategic partners to accelerate program development and maximize the potential of our TORPEDO platform.** We have entered into strategic collaborations with Roche, Biogen and Calico, under which we are working to identify and develop novel degraders across multiple therapeutic areas. These collaborations provide us with access to the resources of larger biopharmaceutical companies and expertise that enable us to further develop and maximize the potential of our TORPEDO platform. In the future, we may opportunistically enter into additional strategic partnerships around certain targets, product candidates and disease areas, which could advance and accelerate our development programs, allow us to access additional capabilities and expand the utility of our TORPEDO platform.
- **Maximize the potential of our product candidates with selective use of commercial partnerships.** We retain worldwide commercial rights to CFT7455, CFT8634 and our RET program. In the future, we intend to selectively evaluate commercialization partnerships for our drug candidates with partners whose capabilities complement our own while retaining meaningful commercial rights in key geographic territories. We evaluate potential partnerships based not solely upon their ability to generate additional revenue streams for us, but also based on how they might increase our ability to reach a broader set of patients in our targeted disease areas or expand the breadth of indications that our product candidates are approved to treat.

Overview of Protein Degradation

Protein Degradation

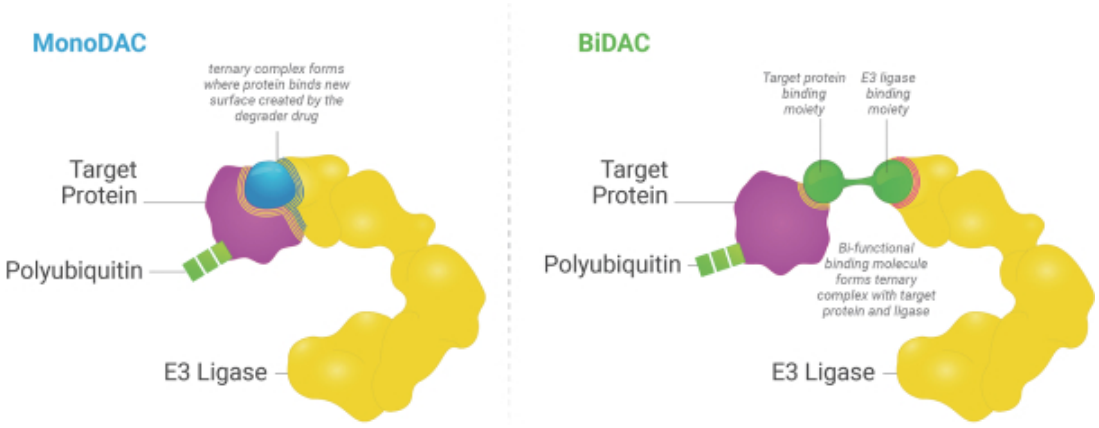
Proteins are large, complex molecules that play many critical roles in the human body. Due to their central role in biological function, protein interactions control the mechanisms leading to healthy and diseased states. Diseases are often caused by mutations that alter the normal function of proteins and in turn lead to protein dysfunction and then disease. Recent scientific advances continue to implicate the role of specific proteins in multiple disease states.

As proteins age or are damaged, the human body has a highly conserved homeostasis system, which maintains a stable equilibrium, and relies on protein degradation machinery to identify and break down proteins into their component amino acids. This protein homeostasis process is mediated in part by E3 ligases. The primary role of E3 ligases is to act as a quality control inspector by identifying proteins that are old, damaged, misfolded or otherwise deemed ready for degradation. When an E3 ligase identifies a target protein for degradation, it attaches a molecular tag called ubiquitin in a process called ubiquitination. This ubiquitination process typically continues until the target protein is tagged with multiple ubiquitin proteins, known as poly-ubiquitination. Once the target protein is poly-ubiquitinated, it is released by the E3 ligase and is then quickly recognized by a proteasome, which is the cell's recycling plant. The proteasome degrades poly-ubiquitinated proteins into their component amino acids, and these amino acids can then be recycled to form new proteins or can be excreted by the cell. This process is illustrated in the following graphic.

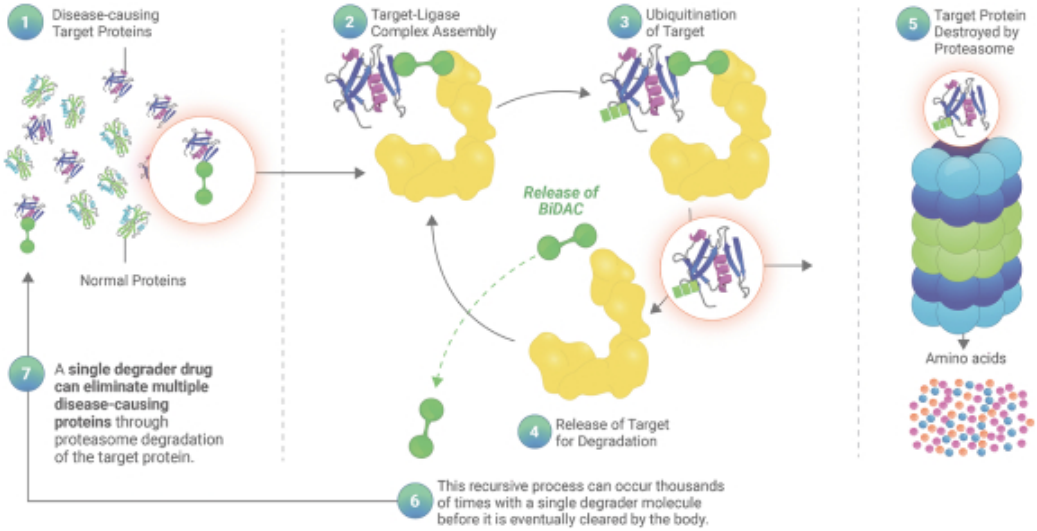


Approximately 5% of the human genome is dedicated to the ubiquitin-proteasome system. In addition, many proteins of therapeutic interest are often regulated by E3 ligases, which normally function to achieve rapid control of protein concentration across multiple steady states. Collectively, these factors underscore the essential role E3 ligases play in normal cellular function and how they can be leveraged against therapeutic protein targets.

Our approach represents a novel modality that seeks to harness this natural degradation machinery to destroy disease-causing target proteins. Both our MonoDACs and BiDACs follow the same catalytic process, with the first step being the formation of a complex between the native E3 ligase, degrader and target protein, which we refer to as the ternary complex. Formation of an appropriate ternary complex that can undergo ubiquitination results in poly-ubiquitination of the target and then degradation of the target protein by the proteasome. Degraders eliminate disease-causing proteins through a catalytic process that recycles the degrader molecule so that it may degrade multiple target proteins.

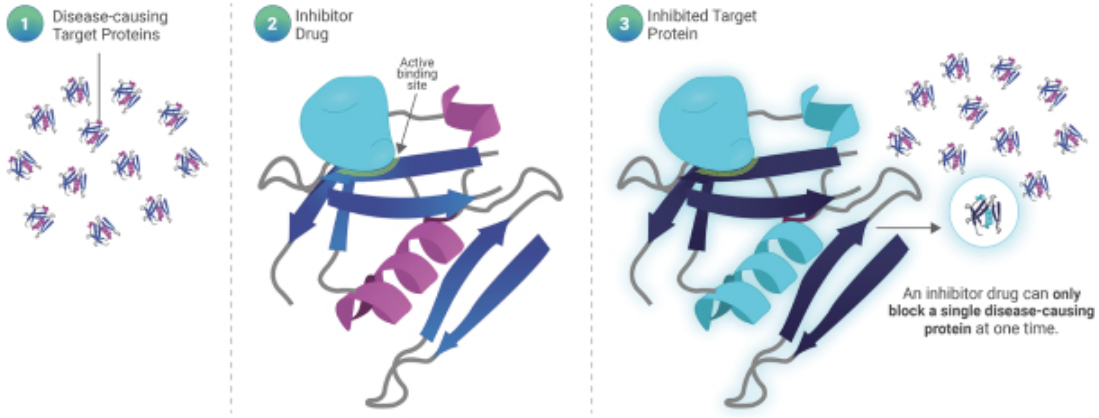


Importantly, both the natural protein degradation process and the targeted protein degradation mediated by our degraders occur rapidly, on the order of milliseconds from initial target-ligase encounter to poly-ubiquitination and release for degradation by the proteasome. The process of targeted protein degradation mediated by our degraders is illustrated in the following graphic.



Once the targeted protein degradation process occurs for one molecule of a target protein, the degrader is released and the process can be repeated with the same degrader molecule. This recursive process—binding the target protein, ternary complex formation with the E3 ligase, ubiquitination and release for degradation—can occur thousands of times with a single degrader molecule before it is eventually cleared by the body. We refer to this process as the catalytic cycle and it is a crucial differentiator between degraders and traditional protein inhibitors, which must remain bound to the target protein to remain effective.

Many current targeted therapies are based on small molecules that inhibit the biological function of a protein of interest. One of the main limitations of inhibitor-based treatments is that high doses of the inhibitor are often needed for adequate, sustained target occupancy levels that are required for efficacy. Since the pharmacological effect is driven by the drug exposure profile, the overall timing and duration of drug action is dependent on drug absorption, distribution and elimination. These exposures can be challenging to achieve and may increase the likelihood of significant off-target side effects. A further limitation of this approach is the requirement to find compounds that bind to specific active sites on the protein that result in functional inhibition. However, there are many sites on a target protein where small molecules can bind, but have no effect on the overall function. The following figure illustrates the use of a small molecule inhibitor to block the function of a targeted disease-causing protein.



Advantages of Targeted Protein Degradation Over Traditional Protein Inhibitors

We believe targeted protein degradation is a novel modality that could offer significant potential benefits over traditional small molecule inhibitor approaches, including improved and sustained potency, fast and recursive catalytic effect, high selectivity and an expansive target landscape.

Improved and Sustained Potency

Degraders offer a many-fold amplification of effect because a single degrader molecule can exert its effect recursively on a large number of target proteins, thereby boosting the catalytic cycle, known as catalytic amplification. In contrast, traditional protein inhibitors rely on one-to-one binding of an inhibitor molecule with a target protein, with the protein only deactivated while the inhibitor is bound. This means that much higher concentrations of a protein inhibitor drug are needed to achieve the same level of therapeutic effect as a protein degrader.

In addition to requiring significantly less drug than a protein inhibitor, the catalytic amplification of degraders means that targeted protein degradation is able to achieve a level of potency necessary for a therapeutic effect in situations that may otherwise be impossible with traditional protein inhibitors. The effect of rapidly-reversible traditional inhibitors on target protein is transient and the target protein typically resumes its disease-causing activity as soon as the inhibitor is no longer bound to the target protein. In contrast, because targeted protein degradation leads to destruction of disease-causing proteins into their component amino acids, the effect of a degrader can persist well after the degrader is cleared from the body because it takes a period of time for the cell to resynthesize disease-causing proteins. Additional potency amplifications can result for target proteins that form complexes with other cellular proteins, since removal of the target protein disrupts the overall complex, not just a specific functional activity of the target protein. In these cases, cellular recovery from the degrader effect requires not only re-synthesis of the target protein, but also its incorporation into a larger molecular complex. This effect can be observed even in cases where the target protein complexes are as small as two proteins, or dimers, as well as larger multi-protein complexes. This means that degraders may help to achieve a more durable biological effect and better clinical outcomes.

Fast and Recursive Catalytic Effect

One degrader molecule can rapidly degrade many target proteins. Each catalytic cycle initiated by our degraders and ending with degradation of a disease-causing target protein occurs in a matter of milliseconds. The speed of the catalytic cycle combined with the catalytic amplification of our degraders could result in clinical impact on the disease mechanism that cannot be achieved with traditional inhibitors.

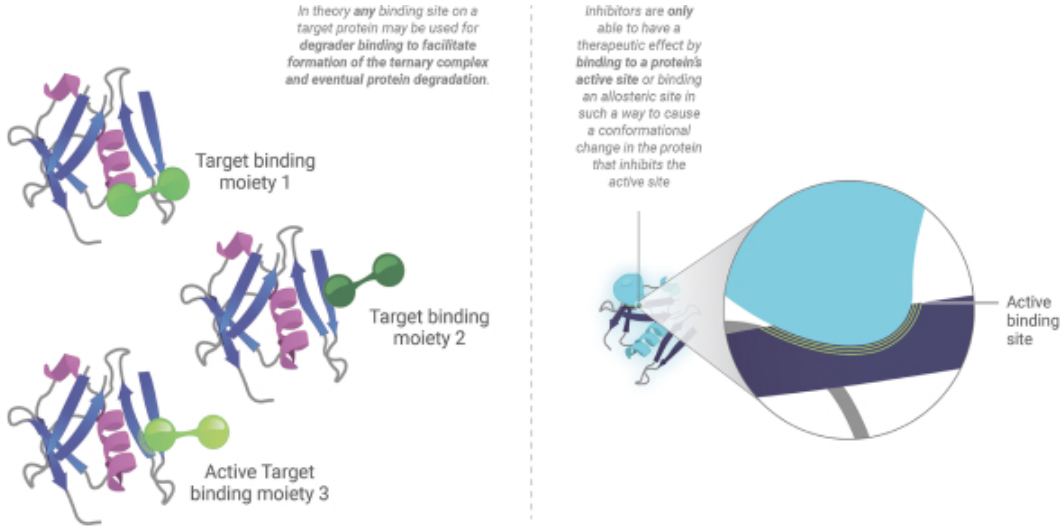
High Selectivity

One of the primary challenges of protein inhibition is attempting to identify and develop molecules that only target cancerous cells or mutant proteins without having deleterious effects on normal cells or proteins, commonly referred to as off-target effects. We believe degraders combine the advantages of small molecule therapies with the potential of gene therapies. Degraders have drug-like properties, including oral bioavailability, and are easier to manufacture than other therapeutic modalities involving complex macromolecules, such as antibodies and genetic material. Similar to gene therapies and gene editing strategies, degraders can eliminate the presence of a pathogenic protein. However, treatment with degraders may be halted at any time, in contrast to the long-lasting effects of gene therapies.

Each step in the protein degradation cycle requires specific positioning of the target protein and E3 ligase to progress through the catalytic cycle, and these positioning requirements can serve as filters to increase selectivity of a degrader molecule so that only the target protein is ultimately degraded, even if the molecule binds to multiple proteins. For example, degraders are created with the shape, or conformation, of the target protein in mind because a degrader and its target protein must assume a conformation amenable to forming a ternary complex with an E3 ligase. As a result, even if a degrader were to bind to a non-target protein, the resulting ternary complex may not have a conformation that is appropriate to facilitate ubiquitination and subsequent degradation. We are able to leverage these intrinsic properties of the ubiquitin-proteasome protein degradation pathway to design degraders to be highly selective for disease-causing target proteins.

Expansive Target Landscape

Since targeted protein degradation does not function by inhibiting the target protein's active site, in theory any conserved binding site on a target protein may be used for degrader binding to facilitate formation of the ternary complex and eventual protein degradation. In contrast, inhibitors are only able to have a therapeutic effect either by binding directly to a protein's active site or by binding to an allosteric site in such a way to cause a conformational change in the protein that inhibits the active site. This inherently limits the number of druggable targets addressable with traditional inhibitors, as many drug binding sites are physically inaccessible or weakly bind with small molecules. Additionally, whereas an inhibitor requires high affinity and a strong bond to the binding site to remain active, degraders can bind with weak affinity for only a short amount of time and still enable ubiquitination and destruction of the protein. Specifically, less than 15% of proteins are considered druggable with traditional small molecule inhibitors because of limitations, including lack of accessible active binding sites, while targeted protein degradation fundamentally enables access to a high proportion of the potential target proteins that are currently considered undruggable.

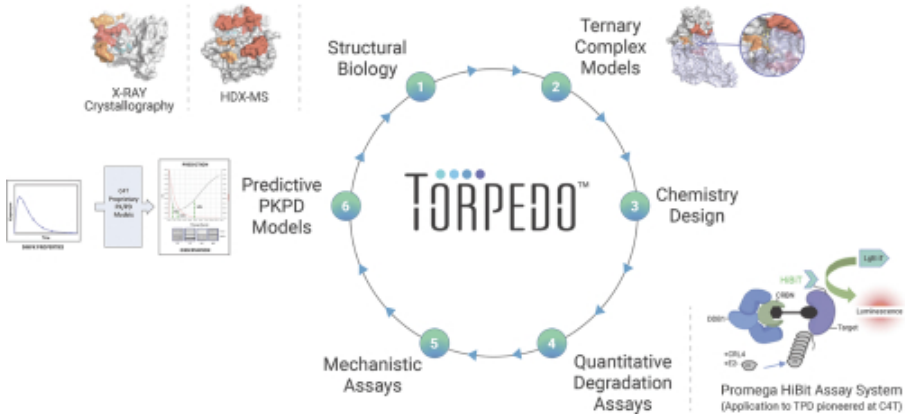


Our Approach

We employ a comprehensive approach to product candidate selection and development to maximize the potential therapeutic benefit of our protein degraders. We seek out indications with high value protein targets that may benefit the most from degraders, with catalytic degradation turnover as the key metric by which to assess protein degradation. To that end, we have invested heavily in experimental tools, computational and predictive models and team expertise to analyze and optimize the catalytic ability of our degraders through our TORPEDO platform. Additionally, we leverage our platform to optimize the ability of our degraders to initiate the ubiquitin-proteasome protein degradation cycle and predict their function *in vivo*. Due to the rapid optimization allowed by our TORPEDO platform and the ability of our platform to predict degrader effects *in vivo*, we are able to quickly and efficiently advance programs from target identification to the candidate development stage.

Our oral, small molecule targeted protein degraders leverage the body's natural degradation machinery and repurpose it to recognize disease-causing proteins and tag them for destruction by the proteasome. Both our MonoDAC and BiDAC protein degrader approaches are complementary and this provides us with additional flexibility to design degraders for each application and specific target. Since our degraders are fundamentally small molecules, we are able to deliver them through any route of administration available to traditional small molecules, including oral, intravenous and subcutaneous. Furthermore, our approach emphasizes the value of rapid catalytic degradation to increase the rate with which degradation of disease-causing target proteins occurs. Our approach focuses on minimizing biology and toxicity risk and pursuing diseases with significant unmet medical need and defined regulatory pathways.

Our TORPEDO Platform



Our proprietary platform, TORPEDO, allows for informed and efficient drug design and discovery through a robust chemistry engine and proprietary assays, culminating in predictive models that enable us to maximize catalytic turnover and predict *in vivo* performance. Key elements of the platform include:

- **Structural biology and ternary complex model development:** We have invested heavily in structure-based approaches, such as x-ray crystallography and Hydrogen-Deuterium Exchange Mass Spectrophotometry, or HDX-MS, to evaluate degrader binding interactions and enable structure-based design in both the solid-state and solution. These approaches enable, among other things, the ability to dissect the distribution of ternary complexes formed by degrader complexes, allowing us to quickly evaluate and optimize prospective compounds. Our proprietary ternary complex model library incorporates target structure, Cereblon E3 ligase structure and chemistry data to provide insight into differences in activity between degraders and drive the medicinal chemistry optimization process.
- **Purpose-built chemistry engine:** Our TORPEDO chemistry engine is designed to facilitate development of degraders with drug-like properties, leveraging structural insights generated by the platform and our deep drug development expertise. Traditionally, small molecule inhibitor optimization has often been guided by an emphasis on specific property enhancements, such as the Lipinkski “rule of 5,” which stipulates limits on the molecular weight and hydrogen bond donors and acceptors to ensure drug-like properties. Degraders often fall well outside of these traditional boundaries and therefore require a reevaluation of these guidelines, commonly referred to as the “beyond-rule-of-5” space. By applying these principles in our chemistry designs, we are able to improve drug-like properties, including permeability, solubility and oral bioavailability, while maintaining potency and *in vivo* activity.
- **Enabling quantitative degradation assays:** We have developed high-throughput cellular degradation assays that produce quantitative data showing the relationship between degrader concentration and target protein degradation. This approach, along with similar robust cellular assay systems, allows protein degradation quantitation with greater precision and higher throughput than traditional western-blot approaches. The application of our experimental data to our robust and proprietary models then allows us to predict protein degradation kinetics, and the high throughput of both approaches allows us to rapidly iterate and improve on degrader candidates and design for properties that optimize catalytic degradation turnover.
- **Predictive pharmacology founded on an enzymology framework:** We have established an enzymology framework that assesses and balances the relationship between degrader concentration, time and target protein degradation to identify the key kinetic parameters of degrader induced protein degradation. We have extended this framework to proprietary PK/PD models, which integrate these kinetic parameters with metabolism and PK exposure profiles to predict *in vivo* degrader performance. Our predictions of degrader performance are routinely validated through *in vivo* PD experiments with measurements of target degradation from tumor samples using standard western blot assays. We have observed that these models linking cellular assays with predicted *in vivo* performance have significantly accelerated our discovery

process, and we believe that this will increase the likelihood of successfully transitioning from preclinical models to the clinic.

These features help focus our platform on the creation of candidates that we believe will present minimized biology and toxicity risk and address unmet treatment needs.

Minimizing Biology and Toxicity Risk

We place a significant emphasis on minimizing risk in our current and planned programs by focusing on candidates with well established biology and toxicology profiles, which allows us to select degraders that we believe have the best chance of being successful clinically. To reduce biology risk, we pursue targets that have been clinically validated or that have strong preclinical data suggesting that successful target degradation would result in therapeutic benefit. To reduce toxicity risk, we seek to minimize predictable preclinical safety liabilities early in the drug development process. In furtherance of these objectives, we consider the following during program development:

Ligase selection: Our lead degraders exclusively utilize Cereblon as the E3 ligase. There are over 600 E3 ligases in the human proteome, of which the biology has been well characterized in no more than 50 of them. To our knowledge, only a limited number of E3 ligases, including Cereblon, VHL, MDM2, IAPs and ß-TRCP, are currently suitable for targeted protein degradation. We have chosen to focus on Cereblon as the E3 ligase target of our protein degradation approach for several reasons:

- Extensive clinical experience exists with approved drugs that use Cereblon to effect target degradation, including thalidomide, lenalidomide and pomalidomide, which have harnessed Cereblon effectively and safely. Lenalidomide and pomalidomide are both approved drugs that have served as part of the standard of care for the treatment of MM for the last 15 and seven years, respectively.
- We have developed methods to obtain high resolution structural data with Cereblon bound to novel chemical binders, which allows us to rationally design improved binders with unique chemical features.
- Cereblon is widely expressed across tissues and is present in all of the cellular compartments, including the cytoplasm and nucleus, potentially allowing for Cereblon-mediated targeted protein degradation across a wide variety of clinical settings and potential targets.
- We have developed multiple distinct, proprietary Cereblon binders that we have designed for improved drug-like properties, such as enhanced oral bioavailability, solubility, permeability and stability, and all of our product candidates and programs benefit from these properties of our proprietary Cereblon binders.

Our library of Cereblon binders offers a proprietary and powerful toolkit for degrader discovery. This Cereblon binder toolkit enables a more modular approach to identifying and optimizing degraders, as each of these binder classes encode distinct drug-like properties and, importantly, unique “exit trajectories” from the Cereblon surface following protein degradation, which can promote better target degradation turnover.

Minimizing target toxicity and maximizing potential degradation: We select target proteins where we believe degradation of the target in adult humans will likely be tolerable, often by selecting target proteins that have already been targeted by traditional inhibitors with good tolerability. Three of our lead targets, IKZF1/3, BRAF V600E and RET, have been previously targeted clinically with inhibitors, and their inhibition has been tolerated. One of our lead programs, BRAF V600E, specifically targets only the mutant disease-causing protein that is found only in cancer cells, which means that on-target protein degradation should only impact cancer cells. We also aim to limit on-target toxicity risk by specifically targeting proteins that are only critical in the setting of genetically driven cancer but not normal cells, as is the case with BRD9 and proteins that are minimally expressed in healthy adult cells, such as RET.

Degrader design: We seek to optimize catalytic degradation turnover and high selectivity, while also managing safety risk, by focusing our analytical techniques and predictive models on the relationship between degrader properties and ultimate protein degradation. Our degraders activate the E3 ligase and facilitate target protein binding and ubiquitination, resulting in rapid overall target degradation. The ability of our degraders to repeat this process recursively with many copies of the target protein with the same single degrader molecule allows us to optimize our product candidates for catalytic degradation turnover and, as a result, create candidates that have the potential to provide a greater therapeutic effect. Our MonoDACs and BiDACs need to achieve sufficient binding affinity to initiate

brief ternary complex formation, but, unlike traditional inhibitors, they do not need to achieve prolonged stable binding to achieve desired physiological effects. In fact, even weaker binders can still result in very efficient degraders since they may allow for higher rates of catalytic degradation turnover, which is something we prioritize to achieve potentially greater activity. This catalytic property can enable much lower binding threshold requirements to initiate targeted protein degradation and allows us to effectively target disease-causing proteins to which traditional inhibitors have been unable to sufficiently bind. Moreover, in some instances we are able to repurpose molecules developed for traditional inhibitor approaches as the target-protein-binding end of our degraders and improve upon their biologic properties by incorporating them into a BiDAC.

We address toxicity driven by degradation of proteins other than the intended target, or off-target toxicity, by developing degraders with high selectivity. We confirm selectivity by global protein expression studies and validate the results through standard good laboratory practice, or GLP, toxicity studies. We also minimize the risk of toxicity driven by the chemical matter making up our MonoDAC and BiDAC molecules that is independent of the specific toxicities described above, or molecule-related toxicity, with high quality chemical matter optimized to minimize known chemical and metabolic liabilities.

Focus on High Unmet Medical Need

We currently focus on indications where there is a clear and high unmet medical need. Given the broad potential applicability of our approach, we believe it is important to prioritize treating diseases where traditional therapeutic modalities have failed or had a suboptimal therapeutic impact. In some cases of significant unmet need, there can be opportunities for expedited product development and a path to accelerated regulatory approval. Pursuing these types of accelerated pathways is a focus of our approach and provides the potential to address patients' needs expediently while also validating our platform. We believe our platform has broad applicability beyond cancer that we plan to address in the future.

Leveraging our Differentiated Platform and Approach

We believe that these features differentiate our platform from other drug development approaches, including those of others in the targeted protein degradation space. We believe these differentiating features, as exemplified in our four lead programs, will help us succeed in developing novel degraders of disease-causing proteins to address unmet medical need.

Our four lead programs will be delivered orally because, in these indications, against these targets, oral delivery provides potential therapeutic and commercial advantages. Also, oral delivery helps mitigate the risk of adverse events associated with intravenous or intramuscular administration, including pain or extravasation, or leakage into the extravascular tissue, at the infusion site. By focusing on targets with reduced biology and toxicity risk and pursuing conditions with high unmet medical need, we have selected four preclinical programs to advance into the clinic.

Our Product Candidates—Highly Selective Protein Degraders

We currently have four preclinical product candidates in development. We anticipate that our CFT7455 and CFT8634 product candidates will be in the clinic by , and that our BRAF V600E and RET programs will be in the clinic by . These programs are directed towards targets that remain inadequately treated with available therapies or are undruggable.

CFT7455: A IKZF1/3 Degrader for Multiple Myeloma, Peripheral T-Cell Lymphoma and Mantle Cell Lymphoma

We are developing CFT7455, an orally bioavailable degrader targeting IKZF1/3, for the treatment of MM and NHLs, including PTCL and MCL. We have chosen IKZF1/3 as our initial targets for degradation because of their strong mechanistic rationale and well defined biology. In preclinical studies, CFT7455 has shown robust activity in MM, PTCL and MCL subcutaneous xenograft mouse models, providing preclinical proof of concept. Specifically in MM, we have observed in preclinical studies that CFT7455 remains active in *in vivo* and *in vitro* models that are relatively insensitive to standard of care agents that have a similar mechanism of action, such as pomalidomide. We believe that the differentiated pharmacology of CFT7455, including its high potency, may translate into significantly improved clinical outcomes over current standard-of-care agents in each of the indications in which we are pursuing its development. Additionally, our first-in-human Phase 1/2 clinical trial is designed to capitalize on potential opportunities for expedited product development and accelerated approval in MM, PTCL and MCL.

IKZF1/3 Is a Well Understood Biological Target for Certain Blood Cancers

IKZF1 and IKZF3 are transcription factors central to the differentiation of lympho-myeloid multipotent progenitor cells through mature immune cells, including T cells and plasma cells, such as B cells. In particular, by preventing the maturation of B cells there is an antiproliferative effect in B-cell driven blood cancers, such as MM, B-cell lymphomas and myelodysplastic syndrome. In addition to these cell-intrinsic dependencies on IKFZ1/3 for B cell maturation, degradation of IKZF1 and IKZF3 has been shown in third-party research to lead to enhanced IL-2 expression in T cells, meaning IKZF1/3 degradation also induces T cell activity and may exert anti-cancer effects. IKZF1/3 has been previously validated as a target in clinical practice. Lenalidomide and pomalidomide primarily target IKZF1/3 as their mechanism of action.

Multiple Myeloma

In the United States, MM represents nearly 1.8% of all new cancer cases. The National Cancer Institute estimates that there will be 32,270 new cases of MM in the United States and 12,830 deaths from the disease in 2020. Although overall outcomes for patients with MM have improved substantially over the past several decades, patients with MM have a poor prognosis and the predicted five-year relative survival rate is only 53.9%. As such, there remains a significant unmet need.

Most patients with MM will have an initial response to treatment. Based on fluorescence in situ hybridization, or FISH, studies on bone marrow, patients are stratified into high-risk or standard-risk categories. High-risk patients eligible for hematopoietic cell transplantation receive induction therapy with a combination regimen, often including an IKZF1/3 targeting drug like lenalidomide, to reduce the number of tumor cells prior to stem cell collection. Alternatively, patients who are ineligible for hematopoietic cell transplantation immediately receive a combination regimen, often with three to four classes of drugs, including an IKZF1/3 targeting-drug and a steroid, typically dexamethasone, until progression or unacceptable toxicity.

However, current therapies are not curative, and most patients will ultimately progress. Despite the likelihood of an initial remission, there is a significant unmet need because most patients experience serial relapse and will be treated with most available agents at some point during their disease course. In our clinical program, we will initially focus on treating patients with relapsed/refractory MM who have received at least two lines of specified prior therapy, including lenalidomide, pomalidomide, two proteasome inhibitors and/or an anti-CD38 monoclonal antibody, or mAb. Ultimately, our intention is to seek approval in earlier lines of therapy, replacing or complementing current IKZF1/3 targeting-drugs. We believe that the high potency and activity we have seen *in vivo* has the potential to translate into a meaningful benefit for patients.

Peripheral T-cell lymphomas

PTCLs are a heterogenous and typically aggressive group of NHLs. The Surveillance, Epidemiology and End Results Program or SEER Program, of the National Institutes of Health, or NIH, estimates that there will be 77,240 new cases of NHL in the United States and 19,940 deaths from the disease in 2020. PTCLs comprise approximately 4% of all NHLs in the United States and Europe, with an incidence that increased from 0.1 cases per 100,000 in 1992 to 0.4 cases per 100,000 in 2006, potentially reflecting improved diagnostic methods. The five-year relative survival of patients with PTCL is 50%.

PTCL is a heterogeneous malignancy with many subtypes. The outcomes in these subtypes vary, but many patients with PTCL do poorly. In patients with PTCL in whom no subtype is defined, which is often referred to as PTCL not otherwise specified or PTCL-NOS, the 5-year overall survival is approximately 20% to 32%. In other subtypes, outcomes vary greatly, though most patient with these subtypes do poorly. For instance, patients with angioimmunoblastic, natural killer/T-cell lymphoma, adult T-cell leukemia/lymphoma, hepatosplenic, enteropathy type or ALK-peripheral T-cell lymphoma all have a five-year overall survival of less than 50%. Although initial overall response rates for chemotherapy are approximately 40% to 75%, most patients either relapse or fail to achieve remission. Median progression free survival or PFS, following chemotherapy is 12 to 14 months with a five-year survival rate of approximately 20% to 30%. There is a significant unmet need for relapsed/refractory disease as there is no accepted standard of care for this population. Lenalidomide has been tested clinically in PTCL in a Phase 2 trial and shown to have an overall response rate of 22% to 26%. Cereblon modulators, such as lenalidomide, also known as IMiDs, are not widely used nor approved for treating PTCL. Based on our preclinical data, we believe CFT7455 has the potential to create a meaningful benefit for these patients.

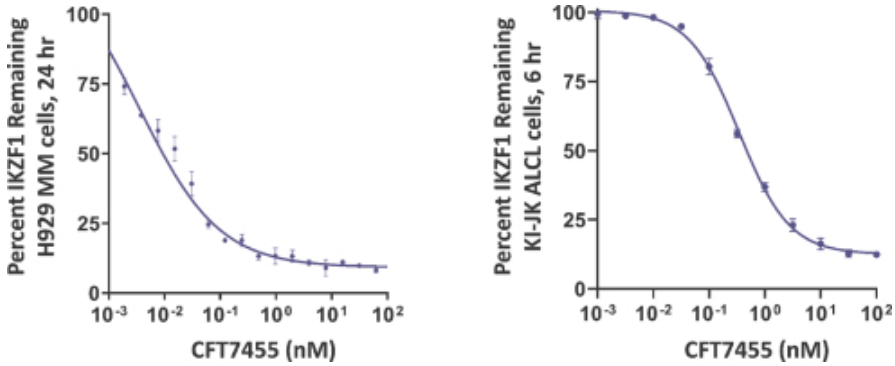
Mantle Cell Lymphoma

MCL is one of the mature B-cell NHLs. MCL comprises approximately 7% of adult NHLs in the United States and Europe with an incidence of approximately 0.8 cases per 100,000 persons per year according to recent SEER Program estimates. Median overall survival for patients receiving intensive therapy is four to five years. There is no universally accepted standard of care for MCL. Outside of agents being tested in clinical trials, treatment options typically include some combination of conventional chemoimmunotherapy, rituximab and radiation therapy. Most patients with MCL experience serial relapse and are treated with various agents, including IKFZ1/3-targeting drugs, BTK inhibitors or the BH-3 mimetic venetoclax. Lenalidomide is approved for use in patient with MCL whose disease has relapsed or progressed after two prior therapies, one of which included bortezomib, based in part on an observed overall response rate of approximately 26%. However, lenalidomide is not widely used to treat MCL. Accordingly, we believe that CFT7455 has the potential to meaningfully improve outcomes and become an established standard of care for these patients.

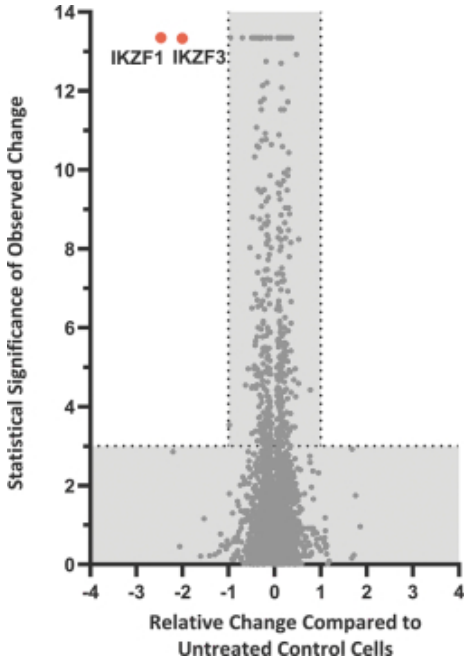
Preclinical Development

We have conducted a comprehensive preclinical program across multiple mouse models to study CFT7455 as a potential treatment for MM, PTCL and MCL. We are preparing to submit an IND to initiate clinical development in and intend to initiate a Phase 1/2 first-in-human trial in .

We performed an *in vitro* analysis of CFT7455 at varying doses in cells lines across MM and PTCL. The figure below on the left depicts CFT7455, in a MM model, degrading up to approximately 90% of the IKZF1 target protein within 24 hours in a dose-dependent fashion. The figure below on the right depicts CFT7455, in a PTCL model, dose dependently degrading up to approximately 90% of IKZF1 in six hours.

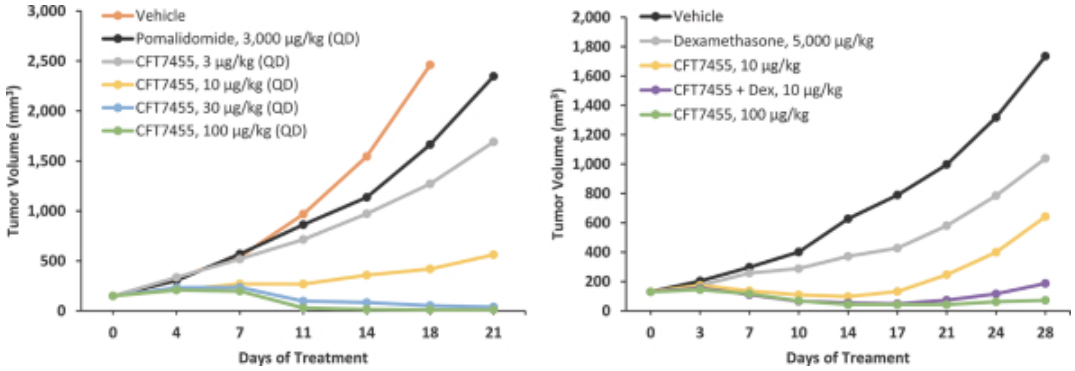


CFT7455 is a highly selective degrader of IKZF1 and IKZF3, as demonstrated by the figure below. The figure depicts the standard method for determining degrader selectivity is a global proteomics experiment, which utilizes mass spectrometry to quantify cellular protein levels in human blood mononuclear cells following drug treatment. Specifically, the total cellular protein pool is extracted and processed from cells treated with a degrader, then each protein is individually identified and its level quantified. Using this process, we analyzed the effect of CFT7455 on over 8,000 proteins. These data were then compared to control samples from cells treated with the dosing solution alone, or vehicle, to provide the relative level changes for each protein in the entire cellular protein pool. The x-axis in the graph represents the relative level of proteins in the treated cells compared to control samples, and the y-axis shows the level of statistical confidence in the difference in relative levels of each protein. The figure below depicts cells treated with CFT7455 degrading only a small subset of the cellular proteins with statistical confidence, which are the proteins highlighted in red falling outside of the shaded area. This analysis shows that CFT7455 is a highly selective degrader of IKZF1 and IKZF3.

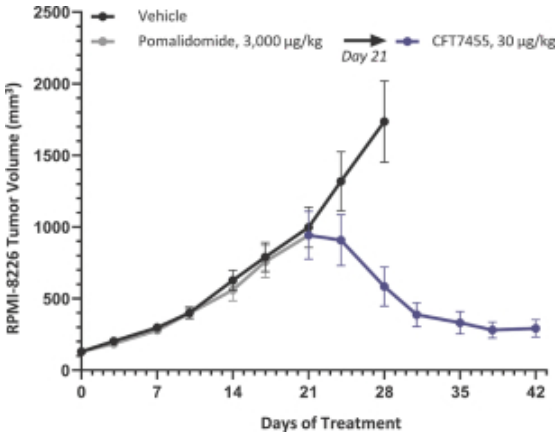


Further, we have profiled known Cereblon targets of pomalidomide and lenalidomide, including GSPT1, GSPT2 and SALL4, using target-specific assays. We observed that CFT7455 has no detectable activity against GSPT1 or GSPT2, but it does degrade SALL4, which is not expressed in the cell line used in the analysis reflected in the figure above, and accordingly, its downregulation is not detected in this assay.

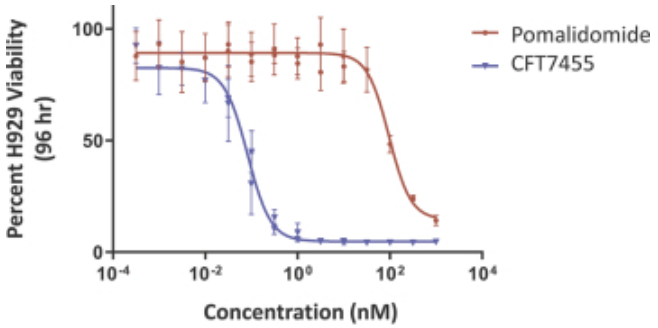
In addition to IKZF1 and IKZF3 degradation and selectivity, we have observed potent activity *in vitro* across a panel of relevant cell lines. In multiple subcutaneous xenograft mouse models of MM, PTCL and other NHLs, CFT7455 treatment resulted in near complete regression at doses that we believe could be clinically active, as shown in the graphs below. Significantly, 30 µg/kg of CFT7455 administered once daily, or QD, demonstrated near complete regression and clear dose responsiveness in a widely used MM xenograft model, H929, as shown in the graph on the left below. Additionally, in the RPMI-8226 MM xenograft model, a MM model that is relatively insensitive to treatment with pomalidomide, CFT7455 demonstrated tumor regression and dose responsiveness, as shown in the graph on the right below, and the combination of dexamethasone and CFT7455 resulted in increased activity compared to either CFT7455 or dexamethasone alone.

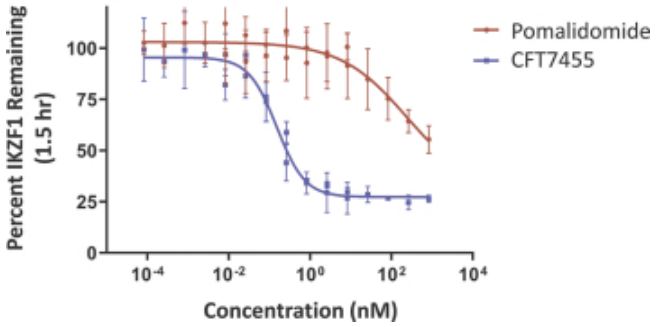


In the RPMI-8226 MM xenograft, we observed that pomalidomide at the clinically relevant dose of 3,000 mg/kg was indistinguishable from treatment with the vehicle as shown in the graphic below. A low dose of CFT7455, 30 mg/kg, was active in the model, even when administered to large tumors that had grown despite treatment with 3,000 mg/kg of pomalidomide for 21 days and were insensitive to pomalidomide and then were switched to treatment with CFT7455.

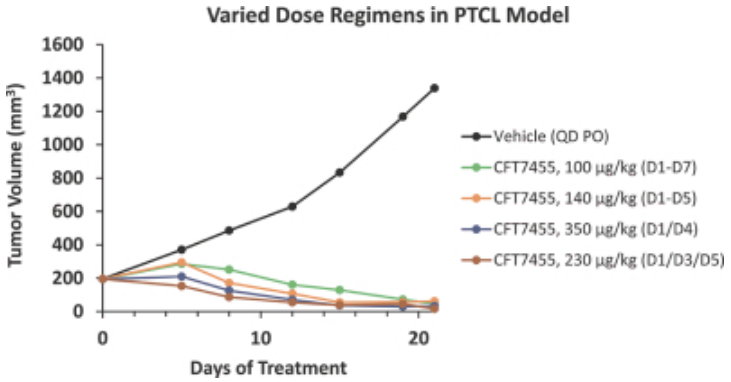


As shown in the figures below, in preclinical studies evaluating various doses of CFT7455 and pomalidomide in MM H929 cells, CFT7455 was up to 10,000-fold more potent than pomalidomide, as measured by impact on cell viability after 96 hours. Further, CFT7455 exhibited a high catalytic turnover rate, as measured by CFT7455's cellular degradation rate of up to 75% at 1.5 hours.





Based on its pharmacological properties, we believe CFT7455 may have a favorable therapeutic index and has the potential to replace or follow existing standard of care therapies. We have also evaluated varied dose regimens, as shown in the figure below, which suggest the possibility of intermittent dosing of CFT7455. This could further increase the therapeutic index if adverse events are observed, by incorporating drug holidays in the dosing schedule. Preliminary data from 28-day oral toxicity studies conducted in rats and monkeys demonstrated that exposures well above the modeled efficacious exposures in humans have been tolerated. Definitive GLP-toxicity studies are ongoing.



Our Planned First-in-Human Phase 1/2 Trial

We expect to file an IND for CFT7455 in and expect to dose the first patient in a clinical trial of this product candidate in . Our planned Phase 1/2 trial is designed as a dose escalation trial of CFT7455 in approximately 18 to 30 subjects with MM and NHL. We have designed the trial to identify a discrete maximum tolerable dose and a recommended dose for expansion in patients with MM, compared to patients with NHL for two reasons: first, it has been observed in prior clinical experience that patients with MM may tolerate a higher dose of IKZF1/3 targeting agents than do NHL patients; second, in MM, the addition of dexamethasone to CFT7455 may increase the clinical activity or therapeutic index of CFT7455. This trial will primarily investigate the safety and tolerability of CFT7455, and key secondary endpoints will be to characterize its PK/PD and anti-tumor activity. We expect the Phase 1/2 results will help us better understand the disease characteristics of those patients who may derive benefit from CFT7455, which will enable us to design future clinical trials for this product candidate more effectively. The initial cohort will enroll three to six subjects with relapsed/refractory MM or NHL and we will administer CFT7455 over a 28-day cycle, evaluating the window for any potential dose-limiting toxicity. We anticipate Phase 1/2 initial topline safety and PK results approximately one year after the first patient is dosed. In the expansion stage, we expect to enroll an additional 30 patients with relapsed/refractory MM, 20 patients with MCL and 20 patients with PTCL.

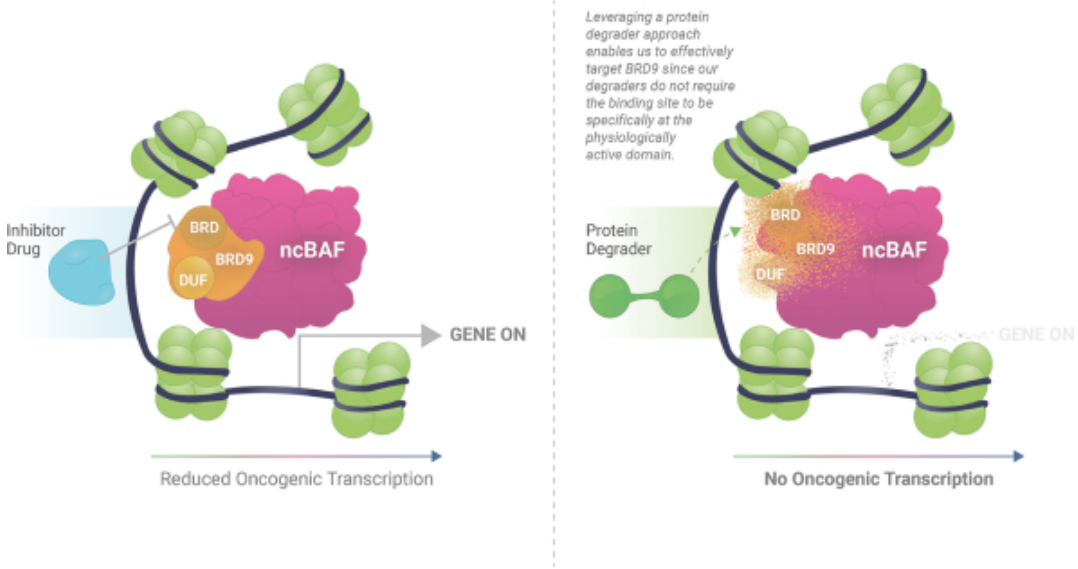
CFT8634: A Novel BRD9 Degrader for Synovial Sarcoma

We are developing CFT8634, an orally bioavailable protein degrader targeting BRD9 for the treatment of synovial sarcoma and SMARCB1-deleted solid malignancies. We have chosen BRD9 as a target for our approach because of the strong mechanistic rationale, the well defined biology, the unique opportunity to target BRD9 with a degrader (traditional protein inhibitors are infective in this setting) and a significant unmet need in these patient populations. We plan to initially pursue development in synovial sarcoma, which is defined by a gene translocation SS18-SSX that results in dependency on BRD9 and is therefore potentially addressable by a BRD9 degrader. There are currently no clinical stage molecules targeting BRD9, as BRD9 has been considered an undruggable target with standard modalities. There is limited benefit of existing treatments for metastatic or locally advanced synovial sarcoma, with patients having a median survival of approximately 18 months. We believe that the ability of our degrader CFT8634 to drug BRD9 has the potential to offer a benefit over currently available therapies for patients with synovial sarcoma.

BRD9 Is a Well Characterized Driver of Cancer with No Currently Available Targeted Therapies

BRD9 is a component of the ncBAF, which is one of three types of BAF complexes in human cells. The BAF complexes, also known as SWI/SNF complexes, are responsible for regulating gene transcription. Critically, BRD9 and the ncBAF complex of which it is a component, is not required for cell survival. Normal cells rely on another complex, cBAF, for cellular growth, and BRD9 is not a member of this complex. However, in certain genetic settings, ncBAF drives malignancy and these tumors are dependent on BRD9. Importantly, genetic settings in which BRD9 is critical share the same feature: the function of the cBAF complex is compromised because SMARCB1, a critical component for normal function of the cBAF complex, is removed from the complex. This situation, referred to as BAF perturbation, is seen in both cancers in which SMARCB1 is deleted, such as malignant rhabdoid tumors, or MRTs, and epithelioid sarcoma, as well as when a pathogenic fusion protein referred to as SS18-SSX results in the ejection of SMARCB1 from the BAF complex. This SS18-SSX fusion protein is the defining genetic lesion that drives synovial sarcoma. In each of these settings, BAF perturbation results in a central dependency on the ncBAF complex for tumor growth. This is an example of synthetic lethality, in which the cancer cell has a specific vulnerability to BRD9 degradation in the setting of the underlying genetic lesion. In contrast, normal cells, which do not harbor this genetic lesion, are relatively unaffected by the degradation of BRD9. Thus, BRD9 is a critical dependency of the cancer in these genetic settings, and depriving the cancer cell of BRD9 effectively stops tumor growth.

BRD9 has previously been considered undruggable because of the inability to design a protein inhibitor that can properly bind to the critical domain of unknown function, or DUF. Inhibitors targeting the pharmacologically inactive bromodomain have been reported, but these molecules have not shown preclinical activity in synovial sarcoma and have not been tested clinically. We believe that our approach to targeted protein degradation of BRD9 has the potential to offer a major benefit over currently available therapies and improve clinical outcomes.



Synovial Sarcoma

Synovial sarcoma is an aggressive tumor that accounts for approximately 900 cases in the United States each year, or approximately 10% of all soft tissue sarcomas. While it is prevalent in patients over a wide range of ages, it is more common in younger adult patients, with a median age of onset of 36 years. Like many sarcomas, synovial sarcoma is characterized by recurrent chromosomal arrangements and is referred to as a fusion gene driven malignancy. Specifically, nearly all synovial sarcomas contain a fusion of the SS18 gene on chromosome 18 to the SSX1, SSX2 or SSX4 gene on the X chromosome. This type of mutation is referred to as a t(X;18) chromosomal rearrangement, or an SS18-SSX fusion.

SMARCB1-deleted Tumors

SMARCB1 is a key member of the BAF chromatin-remodeling complex and assists in the control of gene transcription. The function of SMARCB1 and the BAF complex in cancer has only recently been established. SMARCB1 is a tumor suppressor gene, meaning any decrease in function could potentially result in tumor proliferation. The inactivation of both alleles of SMARCB1 has been shown to result in several types of tumors, including malignant rhabdoid tumors, or MRTs, as well as epithelioid sarcoma, renal medullary carcinoma, undifferentiated pediatric sarcomas, a subset of hepatoblastomas and others.

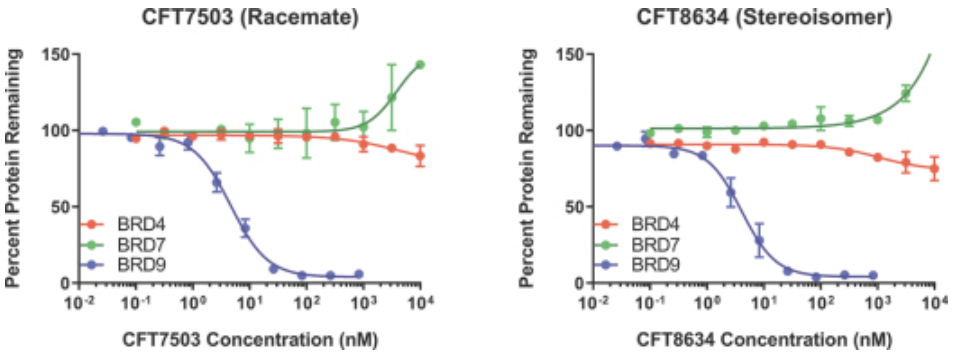
MRTs typically present in infancy or early childhood and are often aggressive. If the MRT is found in the central nervous system, MRTs are referred to as atypical teratoid/rhabdoid tumors, or AT/RT. Whether the tumor is classified as MRT or AT/RT, the vast majority of these tumors are characterized by the loss of function of the SMARCB1 subunit of the BAF complex.

BRD9 has been shown to be an attractive target in pediatric MRTs because the loss or inactivation of the SMARCB1 subunit of the BAF complex leads to a dependency on BRD9. Mechanistically, SMARCB1 loss results in the reprogramming of the cBAF complex and makes the ncBAF complex essential, a similar mechanism to that which drives synovial sarcoma. As a result, this suggests that the survival of SMARCB1-mutant rhabdoid tumors is dependent on the BRD9-containing ncBAF complex, and that by degrading BRD9, this dependency can be effectively targeted. We believe that reduction of aberrant BAF function by our BRD9 degrader could reduce tumor cell proliferation and improve patient outcomes.

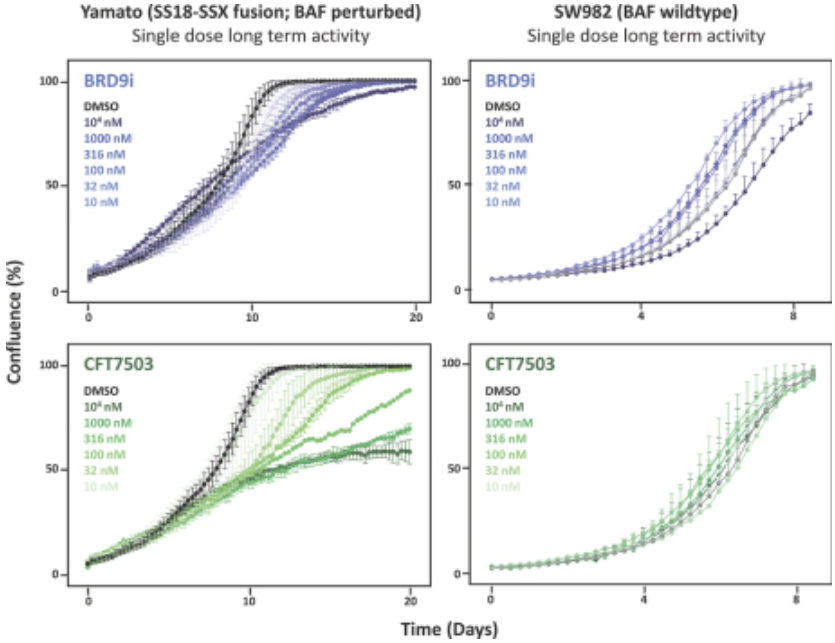
Intensive, multimodality treatment approaches have improved the clinical outcome of these young patients in a stepwise manner. However, their prognosis remains poor even on these treatment approaches and the median duration of survival in clinical trials does not exceed nine to 17 months. Thus, new therapeutic strategies are urgently needed and we believe CFT8634 may have a potentially meaningful clinical impact in these patients.

Preclinical Development

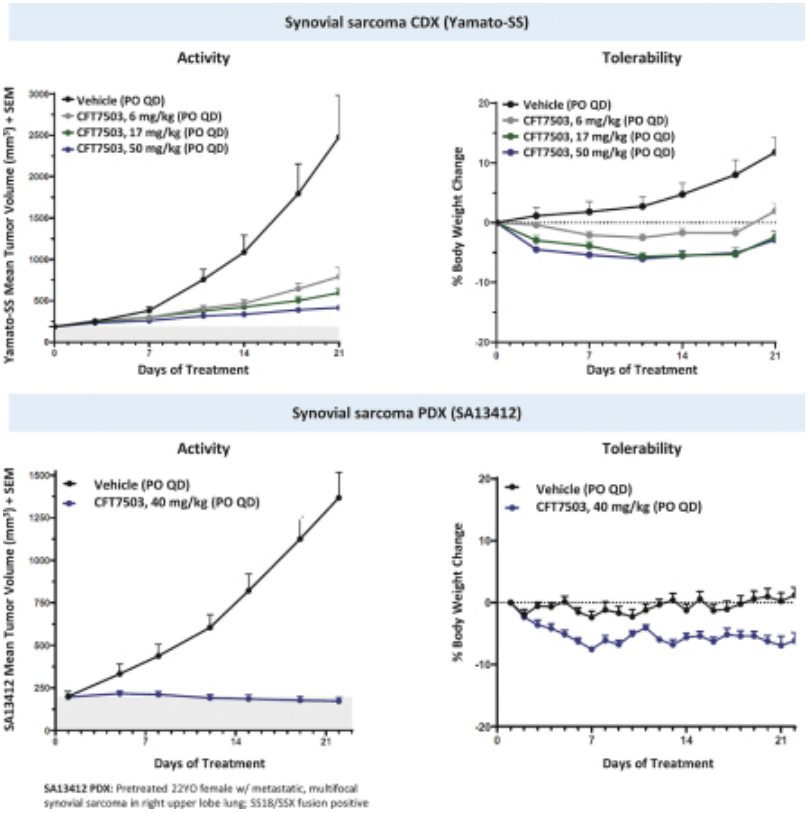
We have conducted preclinical studies of CFT7503 in two mouse models. CFT7503 is the parent racemic mixture of our lead product candidate, CFT8634. In these studies, we have observed comparability between CFT7503 and CFT8634 in terms of cellular potency, selectivity and *in vivo* activity. Further, both CFT7503 and CFT8634 are highly selective for BRD9 relative to other bromodomain containing proteins, including BRD7 and BRD4, as shown in the dose dependency of target degradation in H293T cell lines expressing the individual proteins, as reflected in the graphs below.



We have also observed meaningful *in vitro* dose-dependent inhibition of cell proliferation of synovial sarcoma cell lines over time. Cell proliferation is measured by analyzing the occupied area of cells in a sample over time and densely packed cells are considered confluent. Cell growth inhibition is evidenced in cultures that show a growth plateau below 100%. The figure below on the left shows the effect of CFT7503 on BAF perturbed Yamato cell lines, which is a mouse xenograft model of synovial sarcoma, compared to the effect of a BRD9 inhibitor, shown as BRD9i or the vehicle, dimethylsulfoxide, or DMSO, which were ineffective. CFT7503 had little impact on the growth of a BAF wildtype SW982 cell line, as shown in the graph on the right, showing that its effect was limited to cells with BAF perturbation.



The below graphic shows CFT7503 was active and tolerated when dosed orally in a mouse xenograft model of synovial sarcoma (Yamato) and a PDX model (SA13412), with dose dependency observed between 6 mg/kg and 50 mg/kg QD for Yamato, and between 6 mg/kg and 40 mg/kg QD for PDX, with all doses being generally tolerated, indicated by limited weight loss.



Our Planned First-in-Human Phase 1/2 Clinical Trial

We expect to file an IND for CFT8634 with the FDA in and dose the first patient in a first-in-human Phase 1/2 clinical trial in . We expect to design our Phase 1/2 trial to be an open-label dose escalation trial in approximately 12 to 18 patients with synovial sarcoma or a solid tumor with SMARCB1 loss. The Phase 1 portion of the trial will primarily investigate the safety and tolerability of CFT8634. If a well tolerated dose is identified for further development, we expect to enroll two expansion cohorts, one which will include 30 patients who are known to have synovial sarcoma and a second with patients having solid tumors harboring SMARCB1 loss. Assuming CFT8634 has a favorable profile in these early clinical trials, we initially intend to pursue approval in patients with synovial sarcoma after failure of first-line therapy. Depending on the results of the Phase 1/2 trials, we will work with the FDA to discuss potential accelerated approval pathways for this product candidate.

BRAF V600E Degrader Program

We are developing orally bioavailable degraders of BRAF V600E as part of our ongoing strategic partnership with Roche. We have chosen BRAF V600E as a target for our approach due to strong mechanistic rationale, well defined biology and unmet need. We plan to initially pursue development in locally advanced or metastatic melanoma and NSCLC, in which approximately 50% and 2%, respectively, of cancers are driven by BRAF V600E mutation. In these patients, there remains a high unmet need for those who relapse after, or do not respond to, approved BRAF inhibitors. BRAF V600E mutations also occur in 10% to 20% of colorectal cancer patients, so we may pursue development of our BRAF V600E programs in other indications in parallel with, or sequentially to, development in our lead indications of relapsed/refractory BRAF V600E-positive melanoma and NSCLC. We believe that a mutant-

specific BRAF V600E degrader could offer a significant mechanistic benefit over currently available BRAF V600E inhibitors and could have the potential to confer significant improvements in clinical outcomes.

BRAF V600E is a Common and Well Understood Oncogenic Mutation

BRAF is one of several protein kinases involved in a signaling cascade to initiate cell proliferation, known as the mitogen-activated protein kinase, or MAPK, pathway. The MAPK pathway conducts extracellular proliferative signals to the nucleus of cells, signaling them to proliferate. Many cancers are characterized by activating mutations in components of this MAPK pathway, including BRAF V600E mutations, which confer constitutive activation of the MAPK pathway and promote oncogenic transformation and can cause tumor growth.

Single base substitutions for the amino acid valine at codon 600 in the BRAF gene are known as V600 or Class I mutations, and when those V600 mutations result in substitution of glutamic acid for valine, they are referred to as V600E mutations. Approximately 90% of BRAF V600 mutations are V600E mutations and occur in 8% of cancers. Melanomas have been shown to contain a particularly high prevalence of BRAF mutations at 50%, of which greater than 90% are driven by a V600E mutation.

BRAF V600E mutants activate the MAPK pathway constitutively, meaning that cell proliferation is activated without receiving the extracellular proliferative signals necessary to activate the pathway normally. Constitutive activation occurs because BRAF V600E mutants are able to signal as a single protein, or monomer, while wild type BRAF proteins must form a complex of two proteins, or a dimer, before downstream signaling can occur. This constitutive activation leads to overactivation of the MAPK cell proliferation pathway, causing oncogenic cell proliferation and tumor growth. Approved small molecule inhibitors of BRAF V600E—vemurafenib, dabrafenib and encorafenib—block the constitutive activation of the MAPK pathway by the mutant BRAF monomer. However, BRAF inhibition with these molecules can lead to an alternative activation of the MAPK pathway, known as paradoxical activation. Under these conditions, BRAF inhibitors bind and inhibit BRAF V600E, but this inhibited form can form a protein dimer with other RAF proteins, including both wild type BRAF and BRAF mutants, activating the second molecule for signaling. This BRAF driven paradoxical activation activates, rather than inhibits, the MAPK pathway. BRAF inhibitors are frequently used in combination with MEK inhibitors, a protein downstream of BRAF in the MAPK pathway, which improves response rates and clinical outcomes. However, patients frequently do not respond sufficiently or they develop resistance to this approach. Many known mechanisms of resistance to approved BRAF inhibitors result in the promotion of BRAF dimerization, and in these settings the BRAF inhibitors are ineffective.

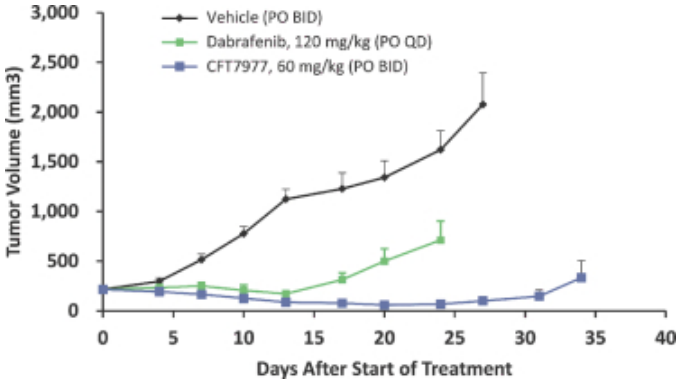
We believe that targeted protein degradation of BRAF V600E offers the potential for a fundamental improvement over current BRAF inhibitors due to the advantages of degraders over inhibitors in general and because degrading mutant BRAF removes the possibility of incorporation into a BRAF dimer and subsequent paradoxical activation.

Melanoma

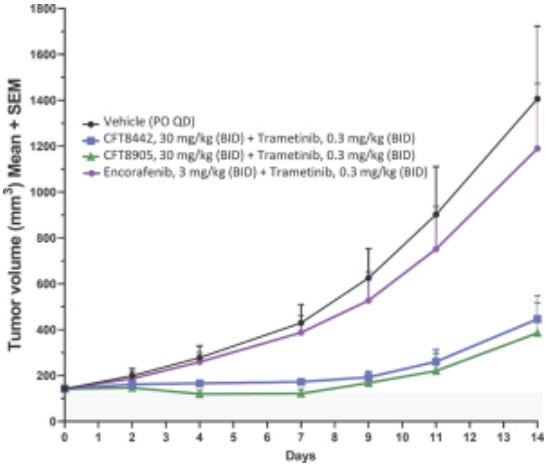
According to the National Cancer Institute, approximately 100,000 patients will be diagnosed with melanoma in 2020, and approximately 13% of those cases, or about 13,000 patients per year, will have locally advanced or metastatic disease. Moreover, approximately 50% of late stage melanoma patients carry BRAF mutations, and approximately 90% of those are BRAF V600E mutations. Taken together, we estimate that there are over 5,000 incidents of newly diagnosed melanoma patients per year with BRAF V600E-mutated locally advanced or metastatic disease.

The recommended first-line treatment for patients with BRAF V600E-mutated unresectable or metastatic melanoma is anti-PD-1 monotherapy, such as pembrolizumab or nivolumab, or combination therapy with a BRAF inhibitor, such as dabrafenib, vemurafenib or encorafenib and a MEK inhibitor, such as astrametinib, cobimetinib or binimetinib. However, a significant number of patients undergoing this combination therapy do not sufficiently respond or have a durable response as resistance to the therapy occurs. Specifically, across several double-blind randomized controlled trials conducted by others evaluating BRAF and MEK inhibitor combination therapy in patients with previously untreated locally advanced or metastatic melanoma, median PFS has ranged from 9.9 to 14.9 months. After each of these lines of therapy is used, there are no approved single-agent therapies that effectively target BRAF. In preclinical models of resistance to BRAF inhibition, our degraders remained active when dosed in combination with a MEK inhibitor, in contrast to the approved BRAF inhibitor, encorafenib, which is inactive in this setting. Thus, a BRAF V600E degrader may be active clinically in the setting of resistance to approved BRAF inhibitors.

In preclinical studies, in the A375 BRAF V600E melanoma model, we have observed that one of our BRAF V600E degraders, CFT7977, showed deeper and more sustained response in comparison to the standard of care BRAF inhibitor, dabrafenib, as shown in the figure below.



In addition, two or our BRAF V600E degraders, CRT8442 and CFT8905, showed sustained activity in the A375 model encoding the NRAS Q61K activating mutation, in combination with the MEK inhibitor, trametinib, which is shown in the following figure. The NRAS Q61K activating mutation is a clinically observed mechanism of resistance to BRAF inhibitors. Both BRAF V600E degraders, in combination with trametinib, also showed improved activity compared to trametinib in combination with the BRAF V600E inhibitor, encorafenib.



We believe that our BRAF V600E degraders have the potential to improve upon current clinical outcomes, as our novel protein degraders could offer a potent and selective mechanism to degrade V600E-mutant BRAF and prevent constitutive activation and oncogenic cell proliferation. Furthermore, degrading BRAF V600E may offer a fundamental improvement over inhibiting BRAF V600E because degrading the mutant proteins with our approach may avoid the possibility of paradoxical activation.

RET Degrader Program

We are developing orally bioavailable degrading compounds of RET for the treatment of NSCLC, sporadic medullary thyroid cancers and other solid cancer indications. We have chosen RET because of its well defined biology and the known drawbacks of RET protein inhibitors that we believe our degrader approach will be able to overcome. Our initial target population is relapsed/refractory patients with RET-altered cancers after treatment with RET inhibitors and we plan subsequently to pursue first-line treatment of RET-driven cancers. We believe our RET degrader has the potential to overcome resistance to standard of care RET inhibitors to effect deeper and more durable responses due to the unique advantages of protein degradation.

RET is a Well Characterized Protein Target for Oncology with Known Resistance Mechanisms

RET is a receptor tyrosine kinase that activates multiple downstream pathways involved in cell proliferation and survival. RET typically plays a role in normal development, but when mutated it can cause cancers, including NSCLC, medullary thyroid cancer and other solid tumors. Two RET-specific inhibitors have been developed to target these malignancies. Eli Lilly's selpercatinib was recently approved, and Blueprint Medicines has filed a new drug application, or NDA, with the FDA for pralsetinib, both as RET-specific kinase inhibitors to treat RET-altered NSCLC and medullary thyroid cancer. While these molecules showed in their Phase 2 trials that they are effective in the majority of the patients treated and generally well tolerated, some patients are observed to relapse, at which point there are currently no approved targeted therapies.

The goal of our RET program is to design a degrader that covers the full landscape of observed and anticipated resistance mutants to current and emerging RET therapies in these relapsed/refractory patients. In particular, we have identified compounds that exhibit activity against the wild-type RET fusions and fusions encoding gatekeeper mutations, as well as similar potency and activity against a solvent front resistant mutant, or G810R, which is a mechanism of resistance to selpercatinib. We believe there may be an opportunity for our RET degrader as a viable alternative in front line therapy where we hope the RET degrader will effect deeper and more durable responses due to the advantages of a degrader over a standard protein inhibitor.

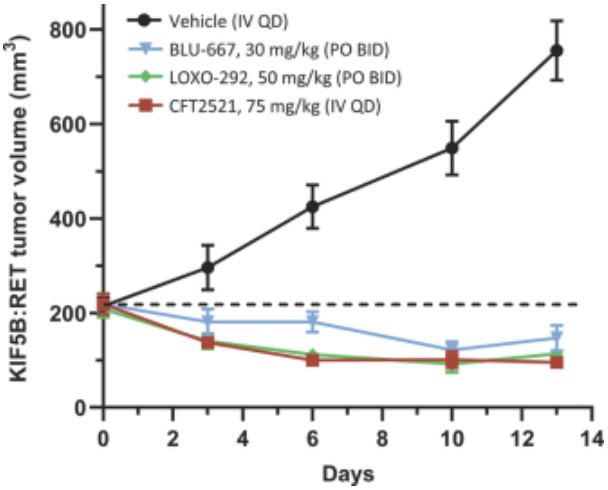
Non-Small-Cell Lung Cancer

Lung cancer, in particular NSCLC, is often driven by alterations in a single driver oncogene, making these tumors well suited for precision therapies. One such example is RET translocation, which is present in 1% to 2% of NSCLC.

NSCLC patients with mutated or rearranged oncogene drivers can be treated with first-line selective inhibitors and achieve fairly high response rates and longer survival than with chemotherapy. However, in some cases, resistance develops to clinical RET inhibitors, due to mechanisms including new RET mutations that make the inhibitors inactive. Our RET degraders are designed to overcome these types of mutations. We believe that our RET degraders have the potential to improve upon current clinical outcomes, as they could offer an alternative to RET inhibition that is less susceptible to resistance mechanisms and potentially able to achieve similar efficacy in front-line settings with an improved pharmacodynamic profile.

Preclinical Development

We have conducted preclinical experiments to characterize the activity profile of our RET degraders and have observed that they inhibit tumor growth comparably to the leading RET inhibitors, selpercatinib and pralsetinib, and retain activity in the setting of the solvent front mutation, G810R. As shown in the figure below, one of our RET degraders, CFT2521, with daily intravenous, or IV, dosing, has comparable activity to both selpercatinib and pralsetinib dosed orally twice a day, or BID, in the KIF5B:RET fusion murine xenograft model. We are working to identify RET degraders with similar activity using oral dosing.



We intend to identify a drug candidate and file an IND with the FDA in patients with RET-altered tumors by .

Our Other Discovery Programs

In addition to the programs discussed above, we are also progressing several other early stage pipeline programs. In line with our strategy, we assess on a target-by-target basis whether our degraders would provide a compelling and differentiated approach over standard of care or other approaches to the same disease and are consistent with our focus on minimizing biology and toxicity risk and focusing on high unmet medical need, including rare diseases. These early stage programs include compounds that have already shown the ability to cross the blood-brain barrier in preclinical models, and we are also evaluating degraders for additional oncology targets and rare diseases. Our discovery programs are a combination of internal programs, over which we have full control and ownership, and programs in collaboration with our partners.

Collaborations and License Agreements

Roche Amended and Restated License Agreement

In March 2016, we entered into a license agreement with Roche, which was amended in June 2016 and amended further in March 2017. We further amended and restated that agreement (as so amended) in December 2018. We refer to this amended and restated agreement as the Roche Agreement. Under the Roche Agreement, we agreed to collaborate with Roche in the research, development, manufacture and commercialization of target-binding small molecules using our proprietary TORPEDO platform for the treatment of cancers and other indications.

Under the terms of the Roche Agreement, we are responsible for conducting preclinical research and development activities for a number of targets selected by Roche in accordance with a target selection and replacement procedure set forth in the agreement. We are also responsible for conducting Phase I clinical trials for products directed to certain targets and for manufacturing activities in connection with the applicable research plans, subject to Roche's right to assume manufacturing responsibilities at pre-defined times. We and Roche each share in the costs of these research activities.

Under the Roche Agreement, we granted Roche an exclusive option to obtain an exclusive, worldwide license, with the right to sublicense through multiple tiers to develop and commercialize products directed at each target that is subject to the collaboration. Upon the exercise of its option for a particular target, Roche is responsible for the manufacture, development and commercialization of products directed to that target, at its sole expense. However, we have the option to co-develop products directed to certain targets, in which case we would be responsible for a portion of the development costs associated with such co-developed products and eligible to receive increased royalties on sales of such co-developed products. We also have an option to co-detail products for which have exercised our co-development option. If we exercise our co-detail option, we will be responsible for a portion of the co-detailing costs. We have the right to opt out of these co-development and co-detailing activities.

Upon signing the Roche Agreement, we received upfront consideration of $40.0 million from Roche. In addition, we receive annual research funding from Roche for each active research plan and we are eligible to receive additional payments upon the achievement of pre-determined research and development success criteria with respect to certain targets. If Roche exercises its option right for a target, Roche is obligated to pay an exercise fee ranging from $7.0 million to $20.0 million, depending on the target. For each target option exercised by Roche, we are eligible to receive milestone payments up to a range of $260 million to $275 million upon the achievement of certain research, development and commercial milestones with respect to corresponding products, subject to certain reductions and exclusions based on intellectual property coverage. Roche is also required to pay us up to $150 million per target in one-time sales-based milestone payments upon the achievement of specified levels of net sales of a product directed to such target. Finally, we are eligible to receive tiered royalties ranging from mid-single digit to mid-teen percentages on net sales of products sold by Roche pursuant to its exercise of its option rights, subject to certain reductions. For sales of products for which we exercise our co-development right, the applicable royalty rates will be increased by a low-single digit percentage.

Unless earlier terminated, the Roche Agreement expires on the date when no royalty or other payment obligations under the Roche Agreement are or will become due. We and Roche each may terminate the Roche Agreement in its entirety or on a target-by-target or product-by-product basis and, in our case, on a country-by-country basis, for the

other party's uncured material breach of its obligations under the Roche Agreement or upon the other party's bankruptcy, insolvency or similar proceedings. Roche may terminate the Roche Agreement for convenience on a target-by-target, product-by-product or country-by-country basis. In the event we are acquired by a competitor of Roche, Roche has the right to require us to terminate our research, development and co-detailing activities under the Roche Agreement, after which time we would not be eligible to receive payments for such terminated activities.

Calico License Agreement

In March 2017, we entered into a Collaboration and License Agreement, or the Calico Agreement, with Calico, whereby we agreed to collaborate with Calico to discover, develop and commercialize small molecule protein degraders for diseases of aging, including cancer.

Under the Calico Agreement, we and Calico each agreed to conduct joint research activities with respect to a number of targets selected by Calico in accordance with a target selection and replacement procedure set forth in the agreement. During the research term, which ends in March 2022, Calico is responsible for the costs of these research activities and has the right to approve targets for advancement to lead optimization activities to be carried out by the parties under the corresponding research plans.

Upon the completion of our research activities for each target selected by Calico for lead optimization activities, Calico is responsible for, and agrees to use commercially efforts to carry out, all further pre-clinical development, regulatory affairs, manufacturing and commercialization for products directed against each such target. We refer to these products as Collaboration Products. We granted Calico an exclusive license to manufacture and commercialize Collaboration Products under certain of our intellectual property rights.

Under this agreement, Calico paid us an upfront amount and certain annual payments. Upon successful nomination of a target following a target evaluation phase and initiation of the applicable research plan, we are eligible to receive target initiation payments from Calico. For each target, we are eligible to receive research, development and commercial milestone payments totaling up to $132 million. Calico is also required to pay one-time sales-based milestone payments aggregating up to $65.0 million upon the achievement of specified levels of net sales of a product directed to such target, subject to a reduction based on intellectual property coverage. We are also eligible to receive royalty payments on the net sales of Collaboration Products, at percentages in the mid-single digits, subject to certain reductions.

Unless terminated earlier, the Calico Agreement expires on the date when no royalty or other payment obligations under the Calico Agreement are or will become due. We and Calico each may terminate the Calico Agreement in its entirety or on a target-by-target or product-by-product basis and, in our case, on a country-by-country basis, for the other party's uncured material breach of its obligations or its bankruptcy or insolvency. Calico may terminate the Calico Agreement for convenience in its entirety or on a target-by-target or country-by-country basis, subject to reimbursement of costs and return of materials.

Biogen Collaborative Research and License Agreement

In December 2018, we entered into a collaborative research and license agreement, or Biogen Agreement, with Biogen, whereby we agreed to collaborate with Biogen and use our proprietary protein degrader platform to research, develop and identify small molecule protein degraders.

Under the Biogen Agreement, we granted Biogen an exclusive license, with the right to sublicense through multiple tiers, under our intellectual property, (a) for the purpose of performing candidate development activities in accordance with research and development plans agreed upon by the parties and (b) for the purpose of exploiting all degraders and products for any use in the world.

Under the terms of the Biogen Agreement, we are responsible for conducting research and development activities for a number of targets selected by Biogen in accordance with a target selection and replacement procedure set forth in the agreement. We are required to provide all resources necessary to perform candidate development activities, perform such activities with reasonable care and skill and in accordance with applicable law and the Biogen Agreement and to use diligent efforts to complete such activities as set forth in the applicable development plan and

to deliver to Biogen a certain number of degraders directed to each target that meet a range of pre-defined criteria. We and Biogen are also responsible for research activities designed to inform Biogen's target selection process, for which Biogen will pay for its own costs and will reimburse our costs up to a certain amount.

Upon Biogen's commencement of the IND-enabling study for a degrader directed towards each target selected by Biogen, Biogen is responsible for, and agrees to use commercially reasonable efforts to carry out, all further development, regulatory affairs, manufacturing and commercialization for at least one product directed against each such target in certain territories.

Upon execution of the Biogen Agreement, Biogen paid us an upfront payment of $45.0 million as prepayment for candidate development activities, and if Biogen elects to extend the collaboration term by a pre-determined period and obtain the right to elect a certain number of additional targets, we are eligible for an additional payment of $62.5 million. Upon Biogen's receipt of degraders directed to each target that satisfy pre-defined criteria, we are eligible to receive payments ranging from $2.0 million to $3.0 million per target. Upon Biogen's commencement of the first IND-enabling study for a development candidate directed towards each target, Biogen is required to pay us $8.0 million. For each target, Biogen is required to pay us (a) development and commercialization milestone payments totaling up to $35.0 million and (b) sales milestone payments totaling up to $26.0 million for the achievement of certain amounts of net sales of all products directed to such target, each subject to certain reductions. The total development, commercialization and sales milestone payments will increase if Biogen extends the collaboration term and elects additional targets. In addition, Biogen is required to pay us royalties on a product-by-product and country-by-country basis on the net sales of each product, at percentages in the mid-single digits, subject to certain reductions.

Unless earlier terminated, the Biogen Agreement expires on the date of the last product-by-product and country-by-country basis upon the expiration of the last-to-expire valid claim of a patent right covering the composition of matter of method of use in the approved label of the applicable product in the applicable country. We and Biogen each may terminate the Biogen Agreement (a) with respect to one or more development candidates, products or collaboration targets or, only in the case of Biogen, the entire agreement, for the other party's uncured material breach of its obligations and (b) in its entirety upon the other party's bankruptcy, insolvency or similar proceedings. Biogen may also terminate the Biogen Agreement in its entirety or with respect to one or more development candidates, products or collaboration targets for convenience.

Competition

The biotechnology and pharmaceutical industries are characterized by rapidly advancing technologies, intense competition and a strong emphasis on intellectual property and proprietary products. While we believe that our technology, expertise, scientific knowledge and intellectual property estate provide us with competitive advantages, we face potential competition from many different sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic institutions, governmental agencies and public and private research institutions that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization. Not only must we compete with other companies that are focused on protein degradation, but any product candidates that we successfully develop and commercialize will compete with existing therapies and new therapies that may become available in the future. Moreover, our industry is characterized by the existence of large numbers of patents and frequent allegations of patent infringement.

Our focus is on the discovery and development of protein degradation therapies using our TORPEDO platform. Other companies researching chimeric small molecules for protein degradation include Arvinas, Inc., Cullgen Inc., Nurix Therapeutics, Inc., Vividion Therapeutics, Inc. and Kymera Therapeutics, Inc., of which Arvinas, Inc. is in clinical development and the other companies are currently in preclinical development. Further, several large pharmaceutical companies have disclosed preclinical investments in this field, including Amgen, AstraZeneca plc, GlaxoSmithKline plc, Genentech and Novartis International AG. In addition to competition from other protein degradation therapies, any products that we develop may also face competition from other types of therapies, such as small molecule, antibody, T cell or gene therapies.

Our lead product candidates target oncologic indications. The most common methods of treating patients in oncologic indications are surgery, radiation and drug therapy, including chemotherapy, hormone therapy, cellular

therapy and targeted drug therapy. There are a variety of available drug therapies marketed for cancer. In many cases, these drugs are administered in combination to enhance efficacy. Some of the currently approved drug therapies are branded and subject to patent protection and others are available on a generic basis. Many of these approved drugs are well established therapies and are widely accepted by physicians, patients and third-party payors. In general, although there has been considerable progress over the past few decades in the treatment of cancer and the currently marketed therapies provide benefits to many patients, these therapies are all limited to some extent in their efficacy and frequency of adverse events, and none of them are successful in treating all patients. As a result, the level of morbidity and mortality from cancer remains high.

In addition to currently marketed drugs, there are also several product candidates in preclinical development for the treatment of oncologic indications. These products in development may provide efficacy, safety, convenience and other benefits that are not provided by currently marketed therapies. As a result, they may provide significant competition for any of our product candidates for which we obtain market approval.

If any of our product candidates are approved for the indications for which we expect to conduct clinical trials, they will compete with the foregoing therapies and currently marketed drugs, as well any drugs potentially in development. It is also possible that we will face competition from other biologic or pharmaceutical approaches, as well as from other types of therapies.

Many of our current or potential competitors, either alone or with their collaboration partners, have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any products that we may develop. Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. In addition, our ability to compete may be affected in many cases by insurers or other third-party payors seeking to encourage the use of generic products. There are generic products currently on the market for certain of the indications that we are pursuing and additional products are expected to become available on a generic basis over the coming years. If our product candidates are approved, we expect that they will be priced at a significant premium over competitive generic products.

The key competitive factors affecting the success of all our programs, if approved, are likely to be their efficacy, safety, convenience, price, level of generic competition and availability of reimbursement.

Manufacturing

We do not own or operate and currently have no plans to establish any manufacturing facilities. We rely on and expect to continue to rely on third-party CMOs for both drug substance and finished drug product

We currently obtain our supplies from these manufacturers on a purchase order basis and do not have long-term committed supply arrangements with respect to our product candidates and other materials. Should any of these manufacturers become unavailable to us for any reason, we believe that there are a number of potential replacements, although we may incur some delay in identifying and qualifying such replacements. For additional information, see the section titled “Risk Factors—*Manufacturing pharmaceutical products is complex and subject to product loss for a variety of reasons. We contract with third parties for the manufacture of our product candidates for preclinical testing and clinical trials and expect to continue to do so for commercialization. This reliance on third*

parties increases the risk that we will not have sufficient quantities of our product candidates or products or that we will not have the quantities we desire or require at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts."

All of our drug candidates are organic compounds of low molecular weight, which are often referred to in the biopharmaceutical community as small molecules, but our BiDACS tend to be larger than traditional small molecule therapeutics. We have selected these compounds not only on the basis of their potential clinical activity and tolerability, but also for their relative ease of synthesis and reasonable cost of goods. In particular, CFT7455 and CFT8634 are manufactured using reliable and reproducible synthetic processes from readily available starting materials. The chemistry is amenable to scale up and does not require unusual equipment in the manufacturing process. We expect to continue to develop drug candidates that can be produced cost effectively at contract manufacturing facilities.

Commercialization Plans

We have not yet established our own commercial organization or distribution capabilities because our product candidates are still in preclinical development. We have retained full commercialization rights for all of our programs in development other than those subject to our collaboration agreements. If any of our product candidates receive marketing approval, we will need to develop a plan to commercialize them in the United States and other key markets. We currently anticipate that we would build our own focused, specialized sales and marketing organization to support the commercialization in the United States of product candidates for which we receive marketing approval and that can be commercialized with such capabilities. We expect to utilize a variety of types of collaboration, co-promotion, distribution and other marketing arrangements with one or more third parties to commercialize our product candidates in markets outside the United States or for situations in which a larger sales and marketing organization is required.

As product candidates advance through our pipeline, our commercial plans may change. Some of our research programs target potentially larger indications. Data, the size of the development programs, the size of the target market, the size of a commercial infrastructure and manufacturing needs may all influence our strategies in the United States, Europe and the rest of the world.

Intellectual Property

Our commercial success depends in part upon our ability to secure and maintain patent and other proprietary protection for our protein degradation technologies, including our TORPEDO platform, product candidates and know-how related to our business. To protect our core technology and products, we will need to successfully prosecute, defend and, if necessary, enforce our intellectual property rights, including, in particular, our patent rights, preserve the confidentiality of our trade secrets and operate without infringing valid and enforceable intellectual property rights of others. For our product candidates, we generally intend to pursue patent protection covering compositions of matter, methods of use, including combination therapies, processes of manufacture and intermediates, where relevant. We continually assess and refine our intellectual property strategies as we develop new technologies and product candidates. We currently plan to file additional patent applications based on our intellectual property strategies, where appropriate, including where we seek to adapt to competition or to improve our business opportunities.

The patent positions for biopharmaceutical companies like us are generally uncertain and can involve complex legal, scientific and factual issues. In addition, the coverage claimed in a patent application can be significantly reduced before a patent is issued and its scope can be reinterpreted and challenged even after issuance. As a result, we cannot guarantee that any of our product candidates will be protected or remain protectable by valid, enforceable patents. We also cannot predict whether the patent applications we are currently pursuing will issue as patents in any particular jurisdiction or whether the claims of any issued patents will provide sufficient proprietary protection from competitors. Any patents that we hold may be challenged, circumvented or invalidated by third parties.

The exclusivity terms of our patents depend upon the laws of the countries in which they are obtained. In the countries in which we currently file, the patent term is 20 years from the earliest date of filing of a non-provisional patent application. The term of a U.S. patent may be extended to compensate for the time required to obtain

regulatory approval to sell a drug (referred to as a patent term extension) or by delays encountered during patent prosecution that are caused by the USPTO (referred to as patent term adjustment). For example, the Hatch-Waxman Act permits a patent term extension for FDA-approved new chemical entity drugs of up to five years beyond the ordinary expiration date of the patent. The length of the patent term extension is related to the length of time the drug is under regulatory review and diligence during the review process. Patent term extensions in the United States cannot extend the term of a patent beyond a total of 14 years from the date of product approval and only one patent covering an approved drug or its method of use may be extended. A similar kind of patent extension, referred to as a Supplementary Protection Certificate, is available in Europe. Legal frameworks may also be available in certain other jurisdictions to extend the term of a patent. We currently intend to seek patent term extensions for our products on any of our issued patents in any jurisdiction where we have a qualifying patent and the extension is available; however, there is no guarantee that the applicable regulatory authorities, including the FDA in the United States, will agree with our assessment of whether extensions of this nature should be granted and, even if granted, the length of these extensions. Further, even if any of our patents are extended or adjusted, those patents, including the extended or adjusted portion of those patents, may be held invalid or unenforceable by a court of final jurisdiction in the United States or a foreign country.

As of June 30, 2020, we solely own two issued U.S. patents, 10 U.S. patent applications, seven patent applications filed under the Patent Cooperation Treaty and 22 patent applications pending in foreign countries.

As of June 30, 2020, we co-own five U.S. patent applications with Roche, two patent applications filed under the Patent Cooperation Treaty and three patent applications pending in foreign countries.

Patents and Patent Applications

Our patent portfolio is generally organized into two categories: TORPEDO platform patent filings and protein target-specific product candidate filings.

TORPEDO Platform

We solely own our TORPEDO platform patent estate, which, as of June 30, 2020, includes two issued US patents, nine pending U.S. patent applications, five patent applications filed under the Patent Cooperation Treaty and twenty-two pending foreign patent applications. This patent portfolio is directed to multiple ligands of the Cereblon E3 ubiquitin ligase, or CRBN.

Specifically, this platform consists of fourteen patent families covering the TORPEDO platform with composition of matter claims directed to various classes of CRBN ligands and degraders derived therefrom, as well as claims to associated methods of use. Patent applications for several of these patent families have been filed in the United States, China and Europe. Patents in these families, if issued and maintained, will expire between 2037 and 2040, without taking potential patent term extensions or adjustments into account.

Product Candidates

Our patent applications directed to our product candidates are focused on composition of matter claims covering novel compounds designed to degrade specific proteins. As of June 30, 2020, we solely own one U.S. patent application and two patent applications filed under the Patent Cooperation Treaty covering our product candidates.

Specifically, as of June 30, 2020, we solely own two patent families describing composition-of-matter claims to compounds that cause the degradation of the IKZF1/3 protein target, as well as associated methods of use to treat cancer. One of those patent families includes claims directed to composition of matter generally and specifically covering CFT7455, our product candidate and associated methods of use, which if issued and maintained through the payment of all required fees, will expire in 2040, without regard to any possible patent term extensions or adjustments. The second patent family of IKZF1/3 degraders is directed to a separate genus than the first family and, if granted and maintained through the payment of all required fees, will expire in 2039, without regard to any possible patent term extensions or adjustments.

As of June 30, 2020, we solely own one U.S. patent application, with claims directed to composition of matter covering our BRD9 degraders, including our CFT7503 and CFT8634 product candidates and associated methods of use. U.S. and foreign patents claiming priority to this patent application, if filed, granted and maintained through the payment of all required fees, will expire in 2041, without regard to any possible patent term extensions or adjustments.

As of June 30, 2020, we co-own five U.S. patent applications with Roche, two patent applications filed under the Patent Cooperation Treaty and three patent applications filed in foreign countries pertaining to our product candidates. Our rights to these patent applications are governed by the Roche Agreement described below.

Trade Secrets

We also rely on trade secrets, technical know-how and continuing innovation to develop and maintain our competitive advantage. Under the agreements we enter into with our employees and consultants who are identified on any company-owned patent applications assign any rights they may have in any such patent application to us. We also rely on confidentiality or other agreements with our employees, consultants and other advisors to protect our proprietary information. Our policy is to require third parties that receive material confidential information to enter into confidentiality or other agreements with us that contain appropriate protections for our confidential and trade secret information.

Trademarks

We own various registered and unregistered trademarks in the United States and overseas, including our company name and logo, the name of our TORPEDO platform and the names of our BIDAC degrader and MONODAC degrader products.

Government Regulation

The FDA and comparable regulatory agencies in state and local jurisdictions and in foreign countries impose substantial requirements upon the clinical development, manufacture and marketing of pharmaceutical products. These agencies and other federal, state and local entities regulate research and development activities and the testing, manufacture, quality control, safety, effectiveness, labeling, storage, packaging, recordkeeping, tracking, approval, import, export, distribution, advertising and promotion of our products.

U.S. Government Regulation of Drug Products

In the United States, the FDA regulates drugs under the Federal Food, Drug and Cosmetic Act, or the FDCA, and its implementing regulations. The process of obtaining regulatory approvals and the subsequent compliance with applicable federal, state, local and foreign statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or after approval, may subject an applicant to a variety of administrative or judicial sanctions, such as the FDA's refusal to approve a pending NDA, withdrawal of an approval, imposition of a clinical hold, issuance of warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement or civil or criminal penalties.

The process required by the FDA before product candidates may be marketed in the United States generally involves the following:

- nonclinical laboratory and animal tests that must be conducted in accordance with GLPs;
- submission to the FDA of an IND, which must become effective before clinical trials may begin;
- approval by an independent institutional review board, or IRB, for each clinical site or centrally before each trial may be initiated;
- adequate and well controlled human clinical trials to establish the safety and efficacy of the proposed product candidate for its intended use, performed in accordance with good clinical practices, or GCPs;
- submission to the FDA of an NDA and payment of user fees;
- satisfactory completion of an FDA advisory committee review, if applicable;
- pre-approval inspection of manufacturing facilities and selected clinical investigators for their compliance with cGMP and GCP;
- satisfactory completion of FDA audits of clinical trial sites to assure compliance with GCPs and the integrity of the clinical data;
- FDA review and approval of an NDA to permit commercial marketing for particular indications for use; and

- compliance with any post-approval requirements, including the potential requirement to implement a Risk Evaluation and Mitigation Strategy, or REMS, and the potential requirement to conduct post-approval studies.

The testing and approval process requires substantial time, effort and financial resources.

Preclinical Studies

Preclinical studies include laboratory evaluation of drug substance chemistry, pharmacology, toxicity and drug product formulation, as well as animal studies to assess potential safety and efficacy. Prior to commencing the first clinical trial with a product candidate, a sponsor must submit the results of the preclinical tests and preclinical literature, together with manufacturing information, analytical data and any available clinical data or literature, among other required information, to the FDA as part of an IND. Some preclinical studies may continue even after the IND is submitted. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day time period, raises safety concerns or questions about the conduct of the clinical trial and imposes a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. As a result, submission of an IND may not result in FDA authorization to commence a clinical trial.

Clinical Trials

Clinical trials involve the administration of the investigational new drug to human subjects under the supervision of qualified investigators in accordance with GCP requirements. A separate submission to the existing IND must be made for each successive clinical trial conducted during product development, as well as amendments to previously submitted clinical trials. Further, an independent IRB for each institution participating in the clinical trial must review and approve the plan for any clinical trial, its informed consent form and other communications to study subjects before the clinical trial commences at that site. The IRB must continue to oversee the clinical trial while it is being conducted, including any changes to the study plans.

Regulatory authorities, an IRB or the sponsor may suspend or discontinue a clinical trial at any time on various grounds, including a finding that the subjects are being exposed to an unacceptable health risk, the clinical trial is not being conducted in accordance with the FDA's or the IRB's requirements or if the drug has been associated with unexpected serious harm to subjects. Some studies also include a data safety monitoring board, which receives special access to unblinded data during the clinical trial and may advise the sponsor to halt the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy.

In general, for purposes of NDA approval, human clinical trials are typically conducted in three sequential phases that may overlap.

- Phase 1—Studies are initially conducted to test the product candidate for safety, dosage tolerance, structure-activity relationships, mechanism of action, absorption, metabolism, distribution and excretion in healthy volunteers or subjects with the target disease or condition. If possible, Phase 1 clinical trials may also be used to gain an initial indication of product effectiveness.
- Phase 2—Controlled studies are conducted with groups of subjects with a specified disease or condition to provide enough data to evaluate the preliminary efficacy, optimal dosages and dosing schedule and expanded evidence of safety. Multiple Phase 2 clinical trials may be conducted to obtain information prior to beginning larger and more expansive Phase 3 clinical trials.
- Phase 3—These clinical trials are generally undertaken in larger subject populations to provide statistically significant evidence of clinical efficacy and to further test for safety in an expanded subject population at multiple clinical trial sites. These clinical trials are intended to establish the overall risk/benefit ratio of the product and provide an adequate basis for product labeling. These clinical trials may be done at trial sites outside the United States as long as the global sites are also representative of the U.S. population and the conduct of the study at global sites comports with FDA regulations and guidance, such as compliance with GCPs.

The FDA may require, or companies may pursue, additional clinical trials after a product is approved. These so-called Phase 4 trials may be made a condition to be satisfied after approval. The results of Phase 4 trials can confirm the effectiveness of a product candidate and can provide important safety information.

Clinical trials must be conducted under the supervision of qualified investigators in accordance with GCP requirements, which include the requirements that all research subjects provide their informed consent in writing for their participation in any clinical trial and the review and approval of the study by an IRB. Investigators must also provide information to the clinical trial sponsors to allow the sponsors to make specified financial disclosures to the FDA. Clinical trials are conducted under protocols detailing, among other things, the objectives of the trial, the trial procedures, the parameters to be used in monitoring safety and the efficacy criteria to be evaluated and a statistical analysis plan. Information about some clinical trials, including a description of the trial and trial results, must be submitted within specific timeframes to the NIH for public dissemination on their website. Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and more frequently if serious adverse events occur.

The manufacture of investigational drugs for the conduct of human clinical trials is subject to cGMP requirements. Investigational drugs and active pharmaceutical ingredients imported into the United States are also subject to regulation by the FDA relating to their labeling and distribution. Further, the export of investigational drug products outside of the United States is subject to regulatory requirements of the receiving country, as well as U.S. export requirements under the FDCA. Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and the IRB and more frequently if serious adverse effects occur.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the product candidate, as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, must develop methods for testing the identity, strength, quality and purity of the final product. Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

Special FDA Expedited Review and Approval Programs

The FDA has various programs, including fast track designation, breakthrough therapy designation, orphan drug designation, accelerated approval and priority review, which are intended to expedite or simplify the process for the development and FDA review of drugs that are intended for the treatment of serious or life threatening diseases or conditions and demonstrate the potential to address unmet medical needs. The purpose of these programs is to provide important new drugs to patients earlier than under standard FDA review procedures.

Under the fast track program, the sponsor of a new drug candidate may request that FDA designate the drug candidate for a specific indication as a fast track drug concurrent with, or after, the filing of the IND for the drug candidate. To be eligible for a fast track designation, the FDA must determine, based on the request of a sponsor, that a product is intended to treat a serious or life threatening disease or condition and demonstrates the potential to address an unmet medical need. The FDA will determine that a product will fill an unmet medical need if it will provide a therapy where none exists or provide a therapy that may be potentially superior to existing therapy based on efficacy or safety factors. Fast track designation provides additional opportunities for interaction with the FDA's review team and may allow for rolling review of NDA components before the completed application is submitted, if the sponsor provides a schedule for the submission of the sections of the NDA, the FDA agrees to accept sections of the NDA and determines that the schedule is acceptable and the sponsor pays any required user fees upon submission of the first section of the NDA. However, the FDA's time period goal for reviewing an application does not begin until the last section of the NDA is submitted. The FDA may decide to rescind the fast track designation if it determines that the qualifying criteria no longer apply.

In addition, a sponsor can request breakthrough therapy designation for a drug if it is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development.

Drugs designated as breakthrough therapies are eligible for intensive guidance from the FDA on an efficient drug development program, organizational commitment to the development and review of the product, including involvement of senior managers, and, like fast track products, are also eligible for rolling review of the NDA. Both fast track and breakthrough therapy products may be eligible for accelerated approval and/or priority review, if relevant criteria are met.

Under the Orphan Drug Act, the FDA may designate a drug product as an “orphan drug” if it is intended to treat a rare disease or condition (generally meaning that it affects fewer than 200,000 individuals in the United States or more in cases in which there is no reasonable expectation that the cost of developing and making a drug product available in the United States for treatment of the disease or condition will be recovered from sales of the product). A company must request orphan product designation before submitting an NDA. If the request is granted, the FDA will disclose the identity of the therapeutic agent and its potential use. Orphan product designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product with orphan status receives the first FDA approval for the disease or condition for which it has such designation or for a select indication or use within the rare disease or condition for which it was designated, the product generally will be receiving orphan product exclusivity. Orphan product exclusivity means that the FDA may not approve any other applications for the same product for the same indication for seven years, except in certain limited circumstances. If a drug or drug product designated as an orphan product ultimately receives marketing approval for an indication broader than what was designated in its orphan product application, it may not be entitled to exclusivity. Orphan exclusivity will not bar approval of another product under certain circumstances, including if a subsequent product with the same active ingredient for the same indication is shown to be clinically superior to the approved product on the basis of greater efficacy or safety or providing a major contribution to patient care, or if the company with orphan drug exclusivity is not able to meet market demand. Further, the FDA may approve more than one product for the same orphan indication or disease as long as the products contain different active ingredients. Moreover, competitors may receive approval of different products for the indication for which the orphan product has exclusivity or obtain approval for the same product but for a different indication for which the orphan product has exclusivity.

Under the FDA’s accelerated approval regulations, the FDA may approve a drug for a serious or life threatening illness that provides meaningful therapeutic benefit to patients over existing treatments based upon a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity or prevalence of the condition and the availability or lack of alternative treatments. A drug candidate approved on this basis is subject to rigorous post marketing compliance requirements, including the completion of Phase 4 or post approval clinical trials to confirm the effect on the clinical endpoint. Failure to conduct required post approval studies or confirm a clinical benefit during post marketing studies will allow the FDA to withdraw the drug from the market on an expedited basis. All promotional materials for drug candidates approved under accelerated approval regulations are subject to prior review by the FDA.

Once an NDA is submitted for a product intended to treat a serious condition, the FDA may assign a priority review designation if FDA determines that the product, if approved, would provide a significant improvement in safety or effectiveness. A priority review means that the goal for the FDA to review an application is six months, rather than the standard review of ten months under the Prescription Drug User Fee Act, or PDUFA, guidelines. Under the current PDUFA performance goals, these six and ten month review periods are measured from the 60-day filing date rather than the receipt date for NDAs for new molecular entities, which typically adds approximately two months to the timeline for review from the date of submission.

Even if a product qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened. In addition, the manufacturer of an investigational drug for a serious or life threatening disease is required to make available, such as by posting on its website, its policy on responding to requests for expanded access. Furthermore, fast track designation, breakthrough therapy designation, accelerated approval and priority

review do not change the standards for approval and may not ultimately expedite the development or approval process.

NDA Submission and Review by the FDA

Assuming successful completion of the required clinical and preclinical testing, among other items, the results of product development, including chemistry, manufacture and controls, nonclinical studies and clinical trials are submitted to the FDA, along with proposed labeling, as part of an NDA. The submission of an NDA requires payment of a substantial user fee to the FDA. These user fees must be filed at the time of the first submission of the application, even if the application is being submitted on a rolling basis. Fee waivers or reductions are available in some circumstances. One basis for a waiver of the application user fee is if the applicant employs fewer than 500 employees, including employees of affiliates, the applicant does not have an approved marketing application for a product that has been introduced or delivered for introduction into interstate commerce and the applicant, including its affiliates, is submitting its first marketing application.

In addition, under the Pediatric Research Equity Act, an NDA or supplement to an NDA for a new active ingredient, indication, dosage form, dosage regimen or route of administration must contain data that are adequate to assess the safety and efficacy of the drug for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective.

The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults or full or partial waivers from the pediatric data requirements.

The FDA must refer applications for drugs that contain active ingredients, including any ester or salt of the active ingredients, that have not previously been approved by the FDA to an advisory committee or provide in an action letter a summary of the reasons for not referring it to an advisory committee. The FDA may also refer drugs which present difficult questions of safety, purity or potency to an advisory committee. An advisory committee is typically a panel that includes clinicians and other experts who review, evaluate and make a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

The FDA reviews applications to determine, among other things, whether a product is safe and effective for its intended use and whether the manufacturing controls are adequate to assure and preserve the product's identity, strength, quality and purity. Before approving an NDA, the FDA will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities, including contract manufacturers and subcontracts, are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving an NDA, the FDA will typically inspect one or more clinical trial sites to assure compliance with GCPs.

Once the FDA receives an application, it has 60 days to review the NDA to determine if it is substantially complete to permit a substantive review, before it accepts the application for filing. Once the submission is accepted for filing, the FDA begins an in-depth review of the NDA. Under the goals and policies agreed to by the FDA under PDUFA, the FDA has set the review goal of 10 months from the 60-day filing date to complete its initial review of a standard NDA for a new molecular entity, or NME, and make a decision on the application. For priority review applications, the FDA has set the review goal of reviewing NME NDAs within six months of the 60-day filing date. Such deadlines are referred to as the PDUFA date. The PDUFA date is only a goal and the FDA does not always meet its PDUFA dates. The review process and the PDUFA date may also be extended if the FDA requests or the NDA sponsor otherwise provides additional information or clarification regarding the submission during the review period that amends the original application.

Once the FDA's review of the application is complete, the FDA will issue either a Complete Response Letter, or CRL, or approval letter. A CRL indicates that the review cycle of the application is complete and the application is not ready for approval. A CRL generally contains a statement of specific conditions that must be met in order to secure final approval of the NDA and may require additional clinical or preclinical testing or other information or analyses in

order for the FDA to reconsider the application in the future. Even with the submission of additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those conditions have been met to the FDA's satisfaction, the FDA may issue an approval letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications.

The FDA may delay or refuse approval of an NDA if applicable regulatory criteria are not satisfied, require additional testing or information, require post-marketing testing and surveillance to monitor safety or efficacy of a product and/or impose other conditions, including distribution restrictions or other risk management mechanisms. For example, the FDA may require a REMS as a condition of approval or following approval to mitigate any identified or suspected serious risks and ensure safe use of the drug. The FDA may prevent or limit further marketing of a product or impose additional post-marketing requirements, based on the results of post-marketing studies or surveillance programs. After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes and additional labeling claims, are subject to further testing requirements, FDA notification and FDA review and approval. Further, should new safety information arise, additional testing, product labeling or FDA notification may be required.

If regulatory approval of a product is granted, such approval may entail limitations on the indicated uses for which such product may be marketed or may include contraindications, warnings or precautions in the product labeling, which has resulted in a boxed warning. A boxed warning is the strictest warning put in the labeling of prescription drugs or drug products by the FDA when there is reasonable evidence of an association of a serious hazard with the drug. The FDA also may not approve the inclusion of all labeling claims sought by an applicant. Once approved, the FDA may withdraw the product approval if compliance with pre- and post-marketing regulatory standards is not maintained or if problems occur after the product reaches the marketplace. In addition, the FDA may require Phase 4 post-marketing studies to monitor the effect of approved products and may limit further marketing of the product based on the results of these post-marketing studies.

U.S. Post-Approval Requirements

Any products manufactured or distributed by us pursuant to FDA approvals are subject to continuing regulation by the FDA, including periodic reporting, product sampling and distribution, advertising, promotion, drug shortage reporting, compliance with any post-approval requirements imposed as a conditional of approval such as Phase 4 clinical trials, REMS and surveillance, recordkeeping and reporting requirements, including adverse experiences.

After approval, most changes to the approved product, such as adding new indications or other labeling claims are subject to prior FDA review and approval. There also are continuing, annual program fee requirements for approved products, as well as new application fees for supplemental applications with clinical data. Drug manufacturers and their subcontractors are required to register their establishments with the FDA and certain state agencies and to list their drug products and are subject to periodic announced and unannounced inspections by the FDA and these state agencies for compliance with cGMPs and other requirements, which impose procedural and documentation requirements.

Changes to the manufacturing process are strictly regulated and often require prior FDA approval or notification before being implemented. FDA regulations also require investigation and correction of any deviations from cGMPs and specifications and impose reporting and documentation requirements upon the sponsor and any third-party manufacturers that the sponsor may decide to use. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance.

Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in withdrawal of marketing approval, mandatory revisions to the approved labeling to add new safety information or other limitations, imposition of post-market studies or clinical trials to assess new safety risks or imposition of distribution or other restrictions under a REMS program, among other consequences.

The FDA closely regulates the marketing and promotion of drugs. A company can make only those claims relating to safety and efficacy that are consistent with the FDA approved labeling. Physicians, in their independent professional medical judgement, may prescribe legally available products for uses that are not described in the product's labeling

and that differ from those tested by us and approved by the FDA. However, manufacturers and third parties acting on their behalf are prohibited from marketing or promoting drugs in a manner inconsistent with the approved labeling. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses and a company that is found to have improperly promoted off-label uses may be subject to significant liability.

Failure to comply with any of the FDA's requirements could result in significant adverse enforcement actions. These include a variety of administrative or judicial sanctions, such as refusal to approve pending applications, license suspension or revocation, withdrawal of an approval, imposition of a clinical hold or termination of clinical trials, warning letters, untitled letters, modification of promotional materials or labeling, product recalls, product seizures or detentions, refusal to allow imports or exports, total or partial suspension of production or distribution, debarment, injunctions, fines, consent decrees, corporate integrity agreements, refusals of government contracts and new orders under existing contracts, exclusion from participation in federal and state healthcare programs, restitution, disgorgement or civil or criminal penalties, including fines and imprisonment. It is also possible that failure to comply with the FDA's requirements relating to the promotion of prescription drugs may lead to investigations alleging violations of federal and state healthcare fraud and abuse and other laws, as well as state consumer protection laws. Any of these sanctions could result in adverse publicity, among other adverse consequences.

U.S. Marketing Exclusivity

The FDA provides periods of non-patent regulatory exclusivity, which provides the holder of an approved NDA limited protection from new competition in the marketplace for the innovation represented by its approved drug for a period of three or five years following the FDA's approval of the NDA. Five years of exclusivity are available to new chemical entities, or NCEs. An NCE is a drug that contains no active moiety that has been approved by the FDA in any other NDA. An active moiety is the molecule or ion, excluding those appended portions of the molecule that cause the drug to be an ester, salt, including a salt with hydrogen or coordination bonds or other noncovalent bonds not involving the sharing of electron pairs between atoms, derivatives, such as a complex (i.e., formed by the chemical interaction of two compounds), chelate (i.e., a chemical compound) or clathrate (i.e., a polymer framework that traps molecules) of the molecule, responsible for the therapeutic activity of the drug substance. During the exclusivity period, the FDA may not accept for review or approve an Abbreviated New Drug Application, or ANDA, or a 505(b)(2) NDA submitted by another company that contains the previously approved active moiety. An ANDA or 505(b)(2) application, however, may be submitted one year before NCE exclusivity expires if a Paragraph IV certification is filed.

Regulation outside the United States

We will be subject to similar foreign laws and regulations concerning the development of our product candidates outside of the United States.

Other Healthcare Laws

Healthcare providers, physicians and third-party payors will play a primary role in the recommendation and prescription of any products for which we obtain marketing approval. Our business operations and any current or future arrangements with third-party payors, healthcare providers and physicians may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we develop, market, sell and distribute any drugs for which we obtain marketing approval. In the United States, these laws include, without limitation, state and federal anti-kickback, false claims, physician transparency and patient data privacy and security laws and regulations, including but not limited to those described below.

- The federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, offering, paying, receiving or providing any remuneration (including any kickback, bride or certain rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce or reward or in return for, either the referral of an individual for, or the purchase order or recommendation of, any good or service, for which payment may be made, in whole or in part, under a federal healthcare program such as Medicare and Medicaid; a person or entity need not have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it in order to have committed a violation;
- The federal civil and criminal false claims laws, including the civil False Claims Act, or FCA, which prohibit individuals or entities from, among other things, knowingly presenting or causing to be presented, to the federal government, claims for payment or approval that are false, fictitious or fraudulent; knowingly

making, using or causing to be made or used a false statement or record material to a false or fraudulent claim or obligation to pay or transmit money or property to the federal government; or knowingly concealing or knowingly and improperly avoiding or decreasing an obligation to pay money to the federal government. Manufacturers can be held liable under the FCA even when they do not submit claims directly to government payors if they are deemed to "cause" the submission of false or fraudulent claims. In addition, the government may assert that a claim that includes items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act. The FCA also permits a private individual acting as a "whistleblower" to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery;

- The federal civil monetary penalties laws, which impose civil fines for, among other things, the offering or transfer or remuneration to a Medicare or state healthcare program beneficiary if the person knows or should know it is likely to influence the beneficiary's selection of a particular provider, practitioner or supplier of services reimbursable by Medicare or a state health care program, unless an exception applies;
- The Health Insurance Portability and Accountability Act of 1996, or HIPAA, imposes criminal and civil liability for knowingly and willfully executing a scheme or attempting to execute a scheme, to defraud any healthcare benefit program, including private payors, knowingly and willfully embezzling or stealing from a healthcare benefit program, willfully obstructing a criminal investigation of a healthcare offense or falsifying, concealing or covering up a material fact or making any materially false statements in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the federal Anti-Kickback Statute, a person or entity need not have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and their respective implementing regulations, imposes, among other things, specified requirements on covered entities and their business associates relating to the privacy and security of individually identifiable health information including mandatory contractual terms and required implementation of technical safeguards of such information. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates in some cases, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions;
- The Physician Payments Sunshine Act, enacted as part of the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively, the ACA, imposed new annual reporting requirements for certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program, for certain payments and "transfers of value" provided to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, as well as ownership and investment interests held by such physicians and their immediate family members. In addition, many states also require reporting of payments or other transfers of value, many of which differ from each other in significant ways, are often not pre-empted and may have a more prohibitive effect than the Physician Payments Sunshine Act, thus further complicating compliance efforts. Effective January 1, 2022, these reporting obligations will extend to include transfers of value made and investment and ownership interested held in the previous year to certain non-physician providers such as physician assistants and nurse practitioners; and
- Analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party-payors, including private insurers, and may be broader in scope than their federal equivalents; state and foreign laws require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers; state and foreign laws that require drug manufacturers to report information related to drug pricing and payments and other transfers of value to physicians and other healthcare providers and restrict marketing practices or require disclosure of marketing expenditures and pricing information; state and local laws that require the registration of pharmaceutical sales representatives; state and foreign laws that govern

the privacy and security of health information in some circumstances. These data privacy and security laws may differ from each other in significant ways and often are not pre-empted by HIPAA, which may complicate compliance efforts.

In addition, pharmaceutical manufacturers may also be subject to federal and state consumer protection and unfair competition laws and regulations, which broadly regulate marketplace activities and that potentially harm consumers.

The distribution of drugs and biological products is subject to additional requirements and regulations, including extensive record-keeping, licensing, storage and security requirements intended to prevent the unauthorized sale of pharmaceutical products.

The full scope and enforcement of each of these laws is uncertain and subject to rapid change in the current environment of healthcare reform. Federal and state enforcement bodies have continued to increase their scrutiny of interactions between healthcare companies and healthcare providers, which has led to a number of investigations, prosecutions, convictions and settlements in the healthcare industry. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of these laws or any other related governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, imprisonment, disgorgement, exclusion from government funded healthcare programs, such as Medicare and Medicaid, reputational harm, additional oversight and reporting obligations if we become subject to a corporate integrity agreement or similar settlement to resolve allegations of non-compliance with these laws and the curtailment or restructuring of our operations. If any of the physicians or other healthcare providers or entities with whom we expect to do business is found to be not in compliance with applicable laws, they may be subject to similar actions, penalties and sanctions. Ensuring business arrangements comply with applicable healthcare laws, as well as responding to possible investigations by government authorities, can be time- and resource-consuming and can divert a company's attention from its business.

Coverage and Reimbursement

In the United States and markets in other countries, patients who are prescribed treatments for their conditions and providers performing the prescribed services generally rely on third-party payors to reimburse all or part of the associated healthcare costs. Thus, even if a product candidate is approved, sales of the product will depend, in part, on the extent to which third-party payors, including government health programs in the United States such as Medicare and Medicaid, commercial health insurers and managed care organizations, provide coverage and establish adequate reimbursement levels for, the product. In the United States, no uniform policy of coverage and reimbursement for drug products exists among third-party payors. Therefore, coverage and reimbursement for drug products can differ significantly from payor to payor. The process for determining whether a third-party payor will provide coverage for a product may be separate from the process for setting the price or reimbursement rate that the payor will pay for the product once coverage is approved. Third-party payors are increasingly challenging the prices charged, examining the medical necessity and reviewing the cost-effectiveness of medical products and services and imposing controls to manage costs. Third-party payors may limit coverage to specific products on an approved list, also known as a formulary, which might not include all of the approved products for a particular indication.

In order to secure coverage and reimbursement for any product that might be approved for sale, a company may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of the product, in addition to the costs required to obtain FDA or other comparable regulatory approvals. Additionally, companies may also need to provide discounts to purchasers, private health plans or government healthcare programs. Nonetheless, product candidates may not be considered medically necessary or cost effective. A decision by a third-party payor not to cover a product could reduce physician utilization once the product is approved and have a material adverse effect on sales, our operations and financial condition. Additionally, a third-party payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage and reimbursement for the product and the level of coverage and reimbursement can differ significantly from payor to payor.

The containment of healthcare costs has become a priority of federal, state and foreign governments and the prices of products have been a focus in this effort. Governments have shown significant interest in implementing cost-containment programs, including price controls, restrictions on reimbursement and requirements for substitution of generic products. Adoption of price controls and cost-containment measures and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit a company's revenue generated from the sale of any approved products. Coverage policies and third-party payor reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which a company or its collaborators receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Healthcare Reform

In the United States and some foreign jurisdictions, there have been, and likely will continue to be, a number of legislative and regulatory changes and proposed changes regarding the healthcare system directed at broadening the availability of healthcare, improving the quality of healthcare and containing or lowering the cost of healthcare. For example, in March 2010, the United States Congress enacted the ACA, which, among other things, included changes to the coverage and payment for products under government health care programs. The ACA included provisions of importance to our potential product candidate that:

- created an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic products, apportioned among these entities according to their market share in certain government healthcare programs;
- expanded eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to certain individuals with income at or below 133% of the federal poverty level, thereby potentially increasing a manufacturer's Medicaid rebate liability;
- expanded manufacturers' rebate liability under the Medicaid Drug Rebate Program by increasing the minimum rebate for both branded and generic drugs and revising the definition of "average manufacturer price," or AMP, for calculating and reporting Medicaid drug rebates on outpatient prescription drug prices;
- addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected;
- expanded the types of entities eligible for the 340B drug discount program;
- established the Medicare Part D coverage gap discount program by requiring manufacturers to provide point-of-sale-discounts off the negotiated price of applicable brand drugs to eligible beneficiaries during their coverage gap period as a condition for the manufacturers' outpatient drugs to be covered under Medicare Part D; and
- created a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in and conduct comparative clinical effectiveness research, along with funding for such research.

There remain numerous judicial, administrative, executive and legislative challenges to certain aspects of the ACA. For example, various portions of the ACA are currently undergoing legal and constitutional challenges in the United States Supreme Court, and the Trump Administration has issued various Executive Orders that eliminated cost sharing subsidies and various provisions that would impose a fiscal burden on states or a cost, fee, tax, penalty or regulatory burden on individuals, healthcare providers, health insurers or manufacturers of pharmaceuticals or biologics. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, it has enacted laws that modify certain provisions of the ACA such as removing penalties, effective as of January 1, 2019, for not complying with the ACA's individual mandate to carry health insurance, eliminating the implementation of certain of the ACA's mandated fees and increasing the point-of-sale discount that is owed by pharmaceutical manufacturers who participate in Medicare Part D. On December 14, 2018, a Texas U.S. District Court Judge ruled that the ACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Cuts and Jobs Act. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit upheld the District Court ruling that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. On March 2, 2020, the United States Supreme Court granted the petitions for writs of certiorari to review this case and has allotted one hour for oral arguments, which are expected to occur in the fall.

Other legislative changes have been proposed and adopted in the United States since the ACA was enacted. In August 2011, the Budget Control Act of 2011, among other things, included aggregate reductions of Medicare payments to providers of 2% per fiscal year, which went into effect in April 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030 unless additional Congressional action is taken. These reductions have been suspended from May 1, 2020 through December 31, 2020 due to the COVID-19 pandemic. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several providers, including hospitals, imaging centers and cancer treatment centers and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Moreover, payment methodologies may be subject to changes in healthcare legislation and regulatory initiatives. For example, CMS may develop new payment and delivery models, such as bundled payment models. In addition, recently there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their commercial products, which has resulted in several Congressional inquiries and proposed and enacted state and federal legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs and reform government program reimbursement methodologies for pharmaceutical products. For example, at the federal level, the Trump administration's budget proposal for fiscal year 2021 includes a $135 billion allowance to support legislative proposals seeking to reduce drug prices, increase competition, lower out-of-pocket drug costs for patients and increase patient access to lower-cost generic and biosimilar drugs. On March 10, 2020, the Trump administration sent "principles" for drug pricing to Congress, calling for legislation that would, among other things, cap Medicare Part D beneficiary out-of-pocket pharmacy expenses, provide an option to cap Medicare Part D beneficiary monthly out-of-pocket expenses and place limits on pharmaceutical price increases. Further, the Trump administration previously released a "Blueprint" to lower drug prices and reduce out of pocket costs of drugs that contained proposals to increase drug manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the out of pocket costs of drug products paid by consumers. HHS has solicited feedback on some of these measures and has implemented others under its existing authority. For example, in May 2019, CMS issued a final rule to allow Medicare Advantage Plans the option of using step therapy, a type of prior authorization, for Part B drugs beginning January 1, 2020. This final rule codified CMS's policy change, which was effective as of January 1, 2019. Although a number of these and other measures may require additional authorization to become effective, Congress and the Trump administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payors. In addition, individual states in the United States have also increasingly passed legislation and implemented regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures and, in some cases, designed to encourage importation from other countries and bulk purchasing. In addition, it is possible that additional governmental action is taken to address the COVID-19 pandemic. For example, on April 18, 2020, CMS announced that qualified health plan issuers under the ACA may suspend activities related to the collection and reporting of quality data that would have otherwise been reported between May and June 2020 given the challenges healthcare providers are facing responding to the ongoing COVID-19 pandemic.

On May 30, 2018, the Right to Try Act was signed into law. The law, among other things, provides a federal framework for certain patients to access certain investigational new drug products that have completed a Phase 1 clinical trial and that are undergoing investigation for FDA approval. Under certain circumstances, eligible patients can seek treatment without enrolling in clinical trials and without obtaining FDA permission under the FDA expanded access program. There is no obligation for a drug manufacturer to make its drug products available to eligible patients as a result of the Right to Try Act, but the manufacturer must develop an internal policy and respond to patient requests according to that policy.

Outside the United States, ensuring coverage and adequate payment for a product also involves challenges. Pricing of prescription pharmaceuticals is subject to government control in many countries. Pricing negotiations with government authorities can extend well beyond the receipt of regulatory approval for a product and may require a

clinical trial that compares the cost-effectiveness of a product to other available therapies. The conduct of such a clinical trial could be expensive and result in delays in commercialization.

Employees

As of June 30, 2020, we had 88 full-time employees, including 54 employees with an M.D. and/or Ph.D. degree. Of these full-time employees, 74 employees are engaged in research and development activities and 14 are engaged in general and administrative activities. None of our employees is represented by a labor union or covered by a collective bargaining agreement. We consider our relationship with our employees to be good.

Facilities

We occupy approximately 45,400 square feet of office and laboratory space in Watertown, Massachusetts under a lease that expires in 2028. We believe that our facilities are sufficient to meet our current needs for the foreseeable future and that suitable additional space will be available as and when needed.

Legal Proceedings

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. As of the date of this prospectus, we were not a party to any material legal matters or claims.

1 PMID: 23731832 and Blood (2013) 122 (21): 4376.

MANAGEMENT

The following table sets forth the names and positions of our executive officers and directors, as well as their ages as of July 15, 2020.

NAME	AGE	POSITION(S)
Executive Officers		
Marc A. Cohen	57	Co-Founder, Executive Chairman, Director, President and Chief Executive Officer
William McKee	58	Chief Financial Officer
Adam Crystal, M.D., Ph.D.	43	Chief Medical Officer
Stewart Fisher, Ph.D.	53	Chief Scientific Officer
Jolie M. Siegel	44	Chief Legal Officer
Non-Employee Directors		
Kenneth C. Anderson, M.D.	68	Director
Bihua Chen*	52	Director
Alain J. Cohen	53	Director
Bruce Downey	72	Director
Elena Prokupets, Ph.D.	74	Director
Malcolm Salter	80	Director

(1) Member of our audit committee

(2) Member of our compensation committee

(3) Member of our nominating and corporate governance committee

* Ms. Chen has notified us that she will resign from our board of directors contingent upon and effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

The following is a biographical summary of the experience of our executive officers and directors. There are no family relationships among any of our executive officers or directors, except that Marc A. Cohen and Alain J. Cohen are brothers.

Executive Officers

Marc A. Cohen is a co-founder and has served as a member of our Board and as Executive Chairman since our inception in October 2015 and became our President and Chief Executive Officer in March 2020. Since December 2011, Mr. Cohen has served as the Chairman and co-Chief Executive Officer of Bublup, Inc., an online knowledge-sharing and organization platform, and has served as co-Chief Executive Officer of Cobro Ventures, Inc., an investment management company for technology and biotechnology companies, since October 2013. Mr. Cohen is also Chairman of Frequency Therapeutics, Inc. (Nasdaq: FREQ), a regenerative medicine biotechnology company, and Executive Chairman of Mana Therapeutics, Inc., a cellular therapies biotechnology company focused on educating immune cells to target cancer, positions in which he has served since September 2016 and January 2018, respectively. He has also served as Executive Chairman of Regenacy Pharmaceuticals, Inc., a biotechnology company, focused on diabetic and other peripheral neuropathies, since January 2016, Executive Chairman of OncoPep, Inc., a cancer vaccine biotechnology company, since January 2010, and Executive Chairman of Raqia Therapeutics, Inc., a CAR-T cell therapies company for cancer and other diseases, since July 2020. Mr. Cohen is also the co-founder of the Dana-Farber Innovations Research Fund, a venture philanthropy fund focused on early stage research. Mr. Cohen was co-founder and served as Chief Executive Officer and Chairman of OPNET Technologies, Inc., a software company that provided performance management tools for computer networks and applications, from 1986 through its acquisition in 2012. Mr. Cohen holds an M.S. in Electrical Engineering from Stanford University and an A.B. in Engineering Science from Harvard University.

We believe the characteristics that qualify Mr. Cohen for service on our Board include his leadership experience and business judgment, his role in leading the growth of our company since its founding and his deep knowledge of our operations and our product candidates.

William McKee has served as our Chief Financial Officer since April 2020. Mr. McKee has also served as Chief Executive Officer of MBJC Associates, LLC, a business consulting firm serving pharmaceutical and biotech companies, since February 2010. Mr. McKee served as Chief Operating Officer and Chief Financial Officer of EKR Therapeutics, Inc., from July 2010 to June 2012, when EKR was sold to Cornerstone Therapeutics Inc. From January 2009 to March 2010, Mr. McKee served as the Executive Vice President, Chief Financial Officer and Treasurer of Barr Pharmaceuticals, Inc., a subsidiary of Teva Pharmaceutical Industries Limited (NYSE: TEVA), or Teva. Mr. McKee was also Executive Vice President and Chief Financial Officer of Barr prior to its acquisition by Teva, after having served in positions of increasing responsibility at Barr from 1995 until its acquisition. Mr. McKee has served as a director and chairman of the audit committee and member of the compensation committee of Assertio Therapeutics, Inc. (Nasdaq: ASRT), a specialty pharmaceutical company, since March 2017, and has served as a director and chairman of the audit committee of Aileron Therapeutics, Inc. (Nasdaq: ALRN), a biopharmaceutical company since March 2019. Mr. McKee holds a B.B.A. from the University of Notre Dame.

Adam Crystal, M.D., Ph.D. has served as our Chief Medical Officer since February 2019. From May 2014 to February 2019, Dr. Crystal was a Clinical Program Leader, Senior Director at Novartis Institutes for BioMedical Research, where he led early development trials of molecules such as Novartis AG's (NYSE:NVS) now approved CDK4/6 inhibitor ribociclib and the selective estrogen receptor degrader LSZ102. Dr. Crystal has been an Assistant in Medicine at the Massachusetts General Hospital since 2013, where he is an oncology attending physician and was also an Instructor in Medicine at Harvard Medical School from 2013 to 2018. From 2010 to 2014, Dr. Crystal was also a laboratory-based researcher at Massachusetts General Hospital where his work on resistance mechanisms to targeted therapies was recognized with the American Society of Clinical Oncology Conquer Cancer Young Investigator Award and was also published in *Science*. Dr. Crystal trained at Massachusetts General Hospital in internal medicine and then completed fellowship training in medical oncology at the Massachusetts General Hospital Cancer Center and the Dana Farber Cancer Institute in 2013. Dr. Crystal holds an M.D., and a Ph.D. in neuroscience from the University of Pennsylvania School of Medicine.

Stewart Fisher, Ph.D. has served as our Chief Scientific Officer since May 2018 and served as our Senior Vice President, Discovery Sciences, from May 2016 to April 2018. From January 2014 to April 2016, Dr. Fisher was the Director of Quantitative of Biochemistry and Enzymology at the Broad Institute where he developed and implemented biochemical plans for therapeutic projects. Prior to the Broad Institute, Dr. Fisher spent over 15 years at AstraZeneca PLC (NYSE: AZN), a research-based biopharmaceutical company, where he was the Executive Director of Infection Bioscience. Dr. Fisher holds a B.A. in Chemistry from the University of Vermont, a Ph.D. in Organic Chemistry from the California Institute of Technology and completed his academic training as an NIH Postdoctoral Fellow at the Harvard Medical School.

Jolie M. Siegel has served as our Chief Legal Officer since July 2020. In June 2020, Ms. Siegel served as our Interim Chief Legal Officer in a consulting capacity. From August 2018 to May 2020, Ms. Siegel served as Vice President, General Counsel and Secretary of Neon Therapeutics, Inc. (as subsequently acquired by BioNTech SE (Nasdaq: BNTX) in May 2020), an immune oncology company, where she was responsible for legal, intellectual property and corporate compliance matters. Ms. Siegel also provided consulting legal services to Neon between March and August 2018. From February 2013 to April 2017, Ms. Siegel served as Senior Vice President, Deputy General Counsel and Assistant Secretary of Intralinks Holdings, Inc. (as subsequently acquired by SS&C Technologies Holdings, Inc. (Nasdaq: SSNC) in November 2018), a technology provider for the global financial and capital markets communities. In this role, Ms. Siegel was responsible for corporate governance, compliance, public company reporting, mergers and acquisition, marketing and finance matters. From 2007 to 2013, Ms. Siegel was a partner at Choate, Hall & Stewart LLP, a law firm, where she worked on corporate transactional, securities and general business matters, with an emphasis on private equity, venture capital and high-growth companies. From 2005 to 2007, Ms. Siegel was an associate at Choate and, from 2001 to 2005, Ms. Siegel was an associate at Testa, Hurwitz & Thibeault, LLP, where she was a member of the business practice group. Ms. Siegel holds a J.D. from the University of Pennsylvania Law School and a B.A. in political science from the University of Pennsylvania.

Non-Employee Directors

Kenneth C. Anderson, M.D. has served as our director since December 2015. Dr. Anderson has also served as the Kraft Family Professor of Medicine at Harvard Medical School since 2002, as well as Director of the Jerome Lipper Multiple Myeloma Center and Lebow Institute for Myeloma Therapeutics at Dana-Farber Cancer Institute since 2000 and 2007, respectively. Dr. Anderson is a member of the Institute of Medicine of the National Academy of Sciences and served as President of the International Myeloma Society from 2011 until 2015. Dr. Anderson holds an M.D. from Johns Hopkins Medical School, where he also trained in internal medicine, and completed hematology, medical oncology and tumor immunology training at Dana-Farber Cancer Institute.

We believe that Dr. Anderson is qualified to serve on our Board because of his experience, qualifications, attributes and skills, including his extensive experience in the life sciences industry.

Bihua Chen has served as our director since December 2015. Since founding Cormorant Asset Management, an investment management company in February 2013, Ms. Chen has served as the Chief Executive Officer and Portfolio Manager. Prior to February 2013, Ms. Chen served as a sub-adviser to Millennium Management LLC, a hedge fund. Ms. Chen holds an M.B.A. from the Wharton School of Business and an M.S. in Molecular Biology, from the Graduate School of Biomedical Science at Cornell Medical College. Ms. Chen also holds a B.S. in Genetics and Genetic Engineering from Fudan University, Shanghai, China.

We believe that Ms. Chen is qualified to serve on our Board because of her experience, qualifications, attributes and skills, including her global pharmaceutical industry experience and her tenure as an investment manager.

Alain J. Cohen has served as our director since December 2015. Since October 2013, Mr. Cohen has been the Chief Executive Officer of Cobro Ventures, Inc., an investment management company for technology and biotechnology companies. Since December 2011, Mr. Cohen has also been co-Chief Executive Officer of Bublup, Inc., an online knowledge-sharing and organization platform. Mr. Cohen also serves on the board of directors of Mana Therapeutics, Inc., a cellular therapies biotechnology company focused on educating immune cells to target cancer. In 1986, Mr. Cohen co-founded and served as President and Chief Technology Officer of OPNET Technologies, Inc., a software company that provided performance management tools for computer networks and applications, through its acquisition in 2012. Mr. Cohen received a Bachelor's degree in Electrical Engineering from the Massachusetts Institute of Technology.

We believe that Mr. Cohen is qualified to serve on our Board because of his experience, qualifications, attributes and skills, including his extensive business experience and knowledge of the life sciences industry.

Bruce Downey has served as our director since December 2015. From 1994 to 2008, Mr. Downey was Chairman and Chief Executive Officer of Barr Pharmaceuticals, Inc. (until its acquisition by Teva in 2008), a global generic pharmaceutical manufacturer. Mr. Downey has served on a part-time basis as a Partner of NewSpring Health Capital II, L.P., a venture capital firm, since April 2009. Prior to Barr Pharmaceuticals, Mr. Downey was a practicing attorney for 20 years, working in both the private sector and at the U.S. Department of Justice. In addition, Mr. Downey has served on the boards of directors of OncoPep, Inc., a biotechnology company, Cardinal Health, Inc. (NYSE: CAH), a healthcare services company and Momenta Pharmaceuticals, Inc. (Nasdaq: MNTA), a biotechnology company, since April 2011, July 2009 and June 2009, respectively. Mr. Downey previously served on the board of directors of Melinta Therapeutics, Inc. (Nasdaq: MLNT), a biopharmaceutical firm, from October 2018 until April 2020. Mr. Downey holds a B.S. in Economics from Miami University and a J.D. from Ohio State University.

We believe that Mr. Downey is qualified to serve on our Board because of his experience, qualifications, attributes and skills, including his global pharmaceutical industry experience.

Elena Prokupets, Ph.D. has served as our director since December 2015. Dr. Prokupets co-founded Lenel Systems International in 1991 and served as its President, CEO and Chairwoman of the Board until its sale to United Technology Corporation in 2005. Dr. Prokupets also co-founded and led Edicon Systems (a division of Eastman Kodak Company) from 1985 to 1990. Dr. Prokupets was on the board of directors of Acetylon Pharmaceuticals, Inc. from August 2009 until it was sold to Celgene Corporation, a subsidiary of Bristol-Myers Squibb (NYSE:BMY)), in

December 2016, and currently serves on the boards of directors of Regenacy Pharmaceuticals, LLC, a clinical-stage biopharmaceutical company, and OncoPep, Inc., a biotechnology company that specializes in the development of targeted immunotherapeutics for the treatment of cancer. She is a Trustee of the University of Rochester and the Managing Director of the Metropolitan Opera of New York. Ms. Prokupets holds an M.S. in Electrical Engineering and a Ph.D. in Computer Science from Saint Petersburg Electrotechnical University, Russia.

We believe that Dr. Prokupets is qualified to serve on our Board because of her experience, qualifications, attributes and skills, including her extensive investment experience in the life sciences and her service as a director of other publicly traded companies.

Malcolm Salter has served as our director since December 2015. Mr. Salter is the James J. Hill Professor, Emeritus, at the Harvard Business School. Since joining the Harvard Business School faculty in 1967, his teaching and research has focused on issues of corporate strategy and governance. From 1986 to 2006, he served as president of Mars & Co., a global strategy-consulting firm. Mr. Salter is a Trustee of the Dana-Farber Cancer Institute. Mr. Salter holds an A.B., M.B.A,. and a D.B.A. from Harvard University.

We believe that Mr. Salter is qualified to serve on our Board because of his business background and extensive corporate leadership experience.

Board Composition

Our board of directors currently consists of seven members. After the completion of this offering, the number of directors will be fixed by our board of directors, subject to the terms of our amended and restated certificate of incorporation and amended and restated bylaws. Each of our current directors will continue to serve as a director until the election and qualification of his or her successor or until his or her earlier death, resignation or removal.

Our nominating and corporate governance committee and our board of directors may therefore consider a broad range of factors relating to the qualifications and background of nominees. Our nominating and corporate governance committee's and our board of directors' priority in selecting board members is identification of persons who will further the interests of our stockholders through their established record of professional accomplishment, the ability to contribute positively to the collaborative culture among board members, knowledge of our business, understanding of the competitive landscape, professional and personal experiences and expertise relevant to our growth strategy. Our directors hold office until their successors have been elected and qualified or until their earlier resignation or removal. Our amended and restated certificate of incorporation and amended and restated bylaws that will become effective upon the closing of this offering also provide that our directors may be removed only for cause by the affirmative vote of the holders of at least of the votes that all our stockholders would be entitled to cast in an annual election of directors and that any vacancy on our board of directors, including a vacancy resulting from an enlargement of our board of directors, may be filled only by vote of a majority of our directors then in office.

Classified Board

In accordance with the terms of our amended and restated certificate of incorporation and our amended and restated bylaws that will become effective upon the closing of this offering, our board of directors will be divided into three classes of directors and each director will be assigned to one of the three classes. At each annual meeting of the stockholders, one class of directors will be elected for a three-year term to succeed the directors of the same class whose terms are then expiring. The terms of the directors will expire upon the election and qualification of successor directors at the annual meeting of stockholders to be held during the years 2021 for Class I directors, 2022 for Class II directors and 2023 for Class III directors. Our current directors will be divided among the three classes as follows:

- the Class I directors will be ;
- the Class II directors will be ; and
- the Class III directors will be .

Our amended and restated certificate of incorporation and amended and restated bylaws that will become effective upon the closing of this offering will provide that the number of our directors shall be fixed from time to time by a resolution of the majority of our board of directors.

The division of our board of directors into three classes with staggered three-year terms may delay or prevent stockholder efforts to effect a change of our management or a change in control.

Director Independence

We intend to apply to list our common stock on The Nasdaq Global Market. Under the Nasdaq listing rules, independent directors must comprise a majority of a listed company's board of directors within twelve months from the date of listing. In addition, the Nasdaq listing rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and governance committees be independent within twelve months from the date of listing. Audit committee members must also satisfy additional independence criteria, including those set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and compensation committee members must also satisfy the independence criteria set forth in Rule 10C-1 under the Exchange Act. Under Nasdaq listing rules, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

In order to be independent for purposes of Rule 10A-3 under the Exchange Act and under the rule of Nasdaq, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee: (1) accept, directly or indirectly, any consulting, advisory or other compensatory fee from the listed company or any of its subsidiaries, other than compensation for board service; or (2) be an affiliated person of the listed company or any of its subsidiaries. In order to be considered independent for purposes of Rule 10C-1, the board of directors must consider, for each member of a compensation committee of a listed company, all factors specifically relevant to determining whether a director has a relationship to such company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: the source of compensation of the director, including any consulting advisory or other compensatory fee paid by such company to the director, and whether the director is affiliated with the company or any of its subsidiaries or affiliates.

Our board of directors undertook a review of the composition of our board of directors and its committees and the independence of each director. Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, including family relationships, our board of directors has determined that all members of our board of directors, except for Marc A. Cohen and Alain J. Cohen, do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the rules of Nasdaq. In making these determinations, our board of directors considered the relationships that each director has with us and all other facts and circumstances the board of directors deemed relevant in determining independence, including the potential deemed beneficial ownership of our capital stock by each director, including non-employee directors that are affiliated with certain of our major stockholders. Upon the completion of this offering and after the completion of the transition periods thereunder, we expect that the composition and functioning of our board of directors and each of our committees will comply with all applicable requirements of Nasdaq and the rules and regulations of the SEC after the completion of the transition periods thereunder.

There are no family relationships among any of our directors or executive officers, other than between our Co-Founder, Executive Chairman, Director, President and Chief Executive Officer, Marc A. Cohen, and our director Alain J. Cohen, who are siblings.

Role of the Board in Risk Oversight

Our board of directors has an active role, as a whole and also at the committee level, in overseeing the management of our risks. Our board of directors is responsible for general oversight of risks and regular review of information regarding our risks, including credit risks, liquidity risks and operational risks. The compensation committee is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements. The audit committee is responsible for overseeing the management of risks relating to accounting matters and financial reporting. The corporate governance and nominating committee is responsible for overseeing the management of risks associated with the independence of our board of directors and potential conflicts of interest.

Although each committee is responsible for evaluating certain risks and overseeing the management of such risks, our entire board of directors is regularly informed through discussions from committee members about such risks. Our board of directors believes its administration of its risk oversight function has not negatively affected the board of directors' leadership structure.

Board Committees

Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee, each of which has the composition and the responsibilities described below. Each committee will operate pursuant to a charter to be adopted by our board of directors and will be effective upon the effectiveness of the registration statement of which this prospectus forms a part. We believe that the composition and functioning of all of our committees will comply with the applicable requirements of Nasdaq, the Sarbanes-Oxley Act of 2002 and SEC rules and regulations that will be applicable to us. Our board of directors may from time to time establish other committees. We intend to comply with future requirements to the extent they become applicable to us.

Following the closing of this offering, the full text of our audit committee charter, compensation committee charter and nominating and corporate governance charter will be posted on the investor relations portion of our website at https://www.c4therapeutics.com. We do not incorporate the information contained on or accessible through our corporate website into this prospectus, and you should not consider it a part of this prospectus.

Audit Committee

Upon the effectiveness of the registration statement of which this prospectus forms a part, our audit committee will consist of and will be chaired by . The functions of the audit committee will include:

- appointing, approving the compensation of and assessing the independence of our independent registered public accounting firm;
- pre-approving auditing and permissible non-audit services and the terms of such services, to be provided by our independent registered public accounting firm;
- reviewing the overall audit plan with our independent registered public accounting firm and members of management responsible for preparing our financial statements;
- reviewing and discussing with management and our independent registered public accounting firm our annual and quarterly financial statements and related disclosures as well as critical accounting policies and practices used by us;
- coordinating the oversight and reviewing the adequacy of our internal control over financial reporting;
- establishing policies and procedures for the receipt and retention of accounting-related complaints and concerns;
- recommending based upon the audit committee's review and discussions with management and our independent registered public accounting firm whether our audited financial statements shall be included in our Annual Report on Form 10-K;
- monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters;
- preparing the audit committee report required by SEC rules to be included in our annual proxy statement;
- reviewing all related person transactions for potential conflict of interest situations and approving all such transactions; and
- reviewing quarterly earnings releases.

All members of our audit committee will meet the requirements for financial literacy under the applicable rules and regulations of the SEC and the Nasdaq listing rules. Our board of directors has determined that qualifies as an "audit committee financial expert" within the meaning of applicable SEC regulations. In making this determination, our board of directors considered the nature and scope of experience that has previously had with public reporting companies, including service as . Our board of directors has determined that all of the directors that will become members of our audit committee upon the effectiveness of the registration statement of which this prospectus forms a part satisfy the relevant independence requirements for service on the

audit committee set forth in the rules of the SEC and the Nasdaq listing rules. Both our independent registered public accounting firm and management will periodically meet privately with our audit committee.

Compensation Committee

Upon the effectiveness of the registration statement of which this prospectus forms a part, our compensation committee will consist of , and will be chaired by . The functions of the compensation committee upon the completion of this offering, will include:

- annually reviewing and recommending to the board of directors the corporate goals and objectives relevant to the compensation of our Chief Executive Officer;
- evaluating the performance of our Chief Executive Officer in light of such corporate goals and objectives and based on such evaluation (i) reviewing and determining the cash compensation of our Chief Executive Officer and (ii) reviewing and approving grants and awards to our Chief Executive Officer under equity-based plans;
- reviewing and approving the compensation of our other executive officers;
- reviewing and establishing our overall management compensation, philosophy and policy;
- overseeing and administering our compensation and similar plans;
- evaluating and assessing potential and current compensation advisors in accordance with the independence standards identified in the applicable Nasdaq listing rules;
- reviewing and approving our policies and procedures for the grant of equity-based awards;
- reviewing and recommending to the board of directors the compensation of our directors;
- preparing our compensation committee report if and when required by SEC rules;
- reviewing and discussing annually with management our "Compensation Discussion and Analysis," if and when required, to be included in our annual proxy statement; and
- reviewing and approving the retention or termination of any consulting firm or outside advisor to assist in the evaluation of compensation matters.

Each member of our compensation committee will be a non-employee director, as defined in Rule 16b-3 promulgated under the Exchange Act, and an outside director, as defined pursuant to Section 162(m) of the Code.

Nominating and Corporate Governance Committee

Upon the effectiveness of the registration statement of which this prospectus forms a part, our nominating and corporate governance committee will consist of and will be chaired by . The functions of the nominating and corporate governance committee will include:

- developing and recommending to the board of directors criteria for board and committee membership, including a priority in selecting board members who exhibit a record of professional accomplishment, an understanding of the competitive challenges facing our business and industry and experience that will foster growth into a clinical-stage pharmaceutical company;
- establishing procedures for identifying and evaluating board of director candidates, including nominees recommended by stockholders;
- reviewing the composition of the board of directors to ensure that it is composed of members containing the appropriate skills and expertise to advise us;
- identifying individuals qualified to become members of the board of directors;
- recommending to the board of directors the persons to be nominated for election as directors and to each of the board's committees;
- developing and recommending to the board of directors a code of business conduct and ethics and a set of corporate governance guidelines; and
- overseeing the evaluation of our board of directors and management.

Compensation Committee Interlocks and Insider Participation

Except for Marc A. Cohen, none of the members of our compensation committee is, or has been at any time during the prior three years, an officer or employee of our company. None of our executive officers currently serve, or have

in the past fiscal year served, as a member of the board of directors or compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of any entity that has one or more of its executive officers serving as a member of our board of directors or our compensation committee.

Code of Business Conduct and Ethics

Our board of directors intends to adopt, subject to and effective upon the effectiveness of the registration statement of which this prospectus forms a part, a Code of Business Conduct and Ethics in connection with this offering. The Code of Business Conduct and Ethics will apply to all of our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions.

We intend to disclose future amendments to certain provisions of our Code of Business Conduct and Ethics and our Code of Ethics on our website identified below. Upon the completion of this offering, the full text of our Code of Business Conduct and Ethics and our Code of Ethics will be posted on our website at https://www.c4therapeutics.com. Information contained on our website is not incorporated by reference into this prospectus and should not be considered to be a part of this prospectus or the registration statement of which it forms a part.

Limitations on Liability and Indemnification Agreements

As permitted by Delaware law, provisions in our amended and restated certificate of incorporation and amended and restated bylaws, both of which will become effective upon the closing of this offering, limit or eliminate the personal liability of directors for a breach of their fiduciary duty of care as a director. The duty of care generally requires that, when acting on behalf of the corporation, a director exercise an informed business judgment based on all material information reasonably available to him or her. Consequently, a director will not be personally liable to us or our stockholders for monetary damages or breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- any act related to unlawful stock repurchases, redemptions or other distributions or payments of dividends; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not limit or eliminate our rights or any stockholder's rights to seek non-monetary relief, such as injunctive relief or rescission. These provisions will not alter a director's liability under other laws, such as the federal securities laws or other state or federal laws. Our amended and restated certificate of incorporation that will become effective upon the closing of this offering also authorizes us to indemnify our officers, directors and other agents to the fullest extent permitted under Delaware law.

- As permitted by Delaware law, our amended and restated bylaws to be effective upon the closing of this offering will provide that:
- we will indemnify our directors, officers, employees and other agents to the fullest extent permitted under Delaware law;
- we must advance expenses to our directors and officers and may advance expenses to our employees and other agents, in connection with a legal proceeding to the fullest extent permitted by law; and
- the rights provided in our amended and restated bylaws are not exclusive.

If Delaware law is amended to authorize corporate action further eliminating or limiting the personal liability of a director or officer, then the liability of our directors or officers will be so eliminated or limited to the fullest extent permitted by Delaware law, as so amended. Our amended and restated bylaws will also permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in connection with their services to us, regardless of whether our bylaws permit such indemnification. We have obtained such insurance.

In addition to the indemnification that will be provided for in our amended and restated certificate of incorporation and amended and restated bylaws, we plan to enter into separate indemnification agreements with each of our directors and executive officers, which may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements may require us, among other things, to indemnify our directors and executive officers for some expenses, including attorneys' fees, expenses, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of his service as one of our directors or executive officers or any other company or enterprise to which the person provides services at our request. We believe that these provisions and agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

This description of the indemnification provisions of our amended and restated certificate of incorporation, our amended and restated bylaws and our indemnification agreements is qualified in its entirety by reference to these documents, each of which is attached as an exhibit to the registration statement of which this prospectus forms a part.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions or otherwise, we have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

There is no pending litigation or proceeding naming any of our directors or officers as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

EXECUTIVE COMPENSATION

This section discusses the material elements of our executive compensation policies and decisions and important factors relevant to an analysis of these policies and decisions. It provides qualitative information regarding the manner and context in which compensation is awarded to and earned by our named executive officers and is intended to place in perspective the information presented in the following tables and the corresponding narrative.

Our named executive officers for the year ended December 31, 2019, which consist of our principal executive officer and the next two most highly compensated executive officers, are:

- Andrew Phillips, Ph.D., our former President and Chief Executive Officer, whose employment was terminated on March 3, 2020;
- Adam Crystal, M.D., Ph.D., our Chief Medical Officer; and
- Stewart Fisher, Ph.D., our Chief Scientific Officer.

Elements of Executive Compensation

Base Salaries. Base salaries for the named executive officers are determined annually by the board of directors, based on the scope of each officer's responsibilities and with due consideration of the officer's respective experience and contributions during the prior year. When reviewing base salaries, the board of directors takes factors into account such as each officer's experience and individual performance, our performance as a whole, data from surveys of compensation paid by comparable companies and general industry conditions, but does not assign any specific weighting to any factor.

Annual Cash Bonuses. Our named executive officers participate in an annual cash bonus program, which promotes and rewards the executives for the achievement of key strategic and business goals. During fiscal year 2019, Dr. Phillips was eligible to receive a target bonus equal to 50% of his base salary and each of Drs. Crystal and Fisher was eligible to receive a target bonus equal to 35% of his respective base salary, based upon achievement of corporate performance goals. For 2019, our corporate performance goals included clinical development, financing and strategic partnership targets that would support our growth into a clinical stage company. Following the end of the fiscal year, it was determined that 100% of the corporate performance goals for 2019 had been met.

Equity Awards. Our board of directors believes that equity grants provide executives with a strong link to long-term performance, create an ownership culture and help to align the interests of executive officers and our stockholders. Accordingly, our board of directors periodically reviews the equity incentive compensation of the named executive officers and, from time to time, may grant equity incentive awards to them. During fiscal year 2019, we granted options to purchase shares of our common stock to Drs. Phillips and Crystal, as described in more detail in the "*Outstanding Equity Awards at Fiscal 2019 Year-End*" table below.

Other Benefits. Our named executive officers are eligible for additional benefits, such as participation in our 401(k) plan and basic health benefits that are generally available to all of our employees, subject to the terms of those plans.

Summary Compensation Table

The following table sets forth information regarding compensation awarded to, earned by or paid to each of our named executive officers for the year ended December 31, 2019.

NAME AND PRINCIPAL POSITION	YEAR	SALARY ($)	BONUS ($)	OPTION AWARDS ($) (1)	NON-EQUITY INCENTIVE PLAN COMPENSATION ($) (2)	ALL OTHER COMPENSATION ($) (3)	TOTAL ($)
Andrew Phillips, Ph.D. *Former President & Chief Executive Officer (4)*	2019	520,000	—	3,377,316	260,000	36,359	4,193,675
Adam Crystal, M.D., Ph.D. (5) *Chief Medical Officer*	2019	344,250	100,000(6)	1,118,835	120,488	6,373	1,689,946
Stewart Fisher, Ph.D. *Chief Scientific Officer*	2019	340,313	—	—	119,110	6,330	465,753

(1) The amounts represent the aggregate grant date fair value of stock options granted in 2019, computed in accordance with FASB ASC Topic 718 without including any estimates of forfeitures. The assumptions used in calculating the grant date fair value of the stock options reported in the Option Awards column are set forth in Note 9 to our financial statements for the year ended December 31, 2019 included elsewhere in this registration statement. Note that the amounts reported in this column reflect the accounting cost for these stock options and do not correspond to the actual economic value that may be received by the named executive officers from the options.

(2) The amounts reported reflect annual bonuses paid to our named executive officers in 2019 based on achievement of corporate performance goals.

(3) The amounts reported in this column reflect (i) in the case of Dr. Phillips, $21,019 in commuting costs and $8,838 reimbursement for taxes related to such commuting costs, $6,000 in 401(k) matching contributions and a $502 payment reflecting the amount of payroll taxes required to be contributed by the Massachusetts Family Medical Leave Act, which we have elected to pay on behalf of each of our employees, or MFMLA Contributions; (ii) in the case of Dr. Crystal, $6,000 in 401(k) matching contributions and $373 in MFMLA Contributions; and (iii) in the case of Dr. Fisher, $6,000 in 401(k) matching contributions and $330 in MFMLA Contributions.

(4) Dr. Phillips' employment terminated on March 3, 2020.

(5) Dr. Crystal's employment commenced on February 14, 2019. The salary reported for Dr. Crystal reflects the salary earned following his start date. Dr. Crystal's non-equity incentive plan compensation was prorated to reflect his partial year of service in 2019.

(6) Amount reflects an aggregate signing bonus equal to $100,000.

Outstanding Equity Awards at Fiscal Year-End 2019

The following table sets forth information concerning outstanding equity awards for each of the named executive officers as of December 31, 2019.

			OPTION AWARDS (1)			
NAME	GRANT DATE	VESTING COMMENCEMENT DATE	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#) EXERCISABLE	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#) UNEXERCISABLE	OPTION EXERCISE PRICE ($)	OPTION EXPIRATION DATE
Andrew Phillips, Ph.D	4/11/2016(2)	12/31/2015	1,244,023	1,444,024	0.25	04/10/2026
Former President & Chief	10/24/2016(3)	12/31/2015	155,977	191,360	0.25	10/23/2026
Executive Officer	10/24/2016(4)	12/31/2015	566,032	530,655	0.25	10/23/2026
	7/17/2019(5)	4/09/2019	1,466,546	2,919,579	0.77	7/16/2029
Adam Crystal, M.D., Ph.D. *Chief Medical Officer*	4/09/2019(6)	2/14/19	—	1,453,033	0.77	4/8/2029
Stewart Fisher, Ph.D.	07/13/2016(7)	5/02/16	20,000	120,000	0.25	7/12/2026
Chief Scientific Officer	04/24/2018(7)	5/01/18	118,182	700,000	0.44	4/23/2028

(1) All options were granted pursuant to our 2015 Plan.
(2) 12.5% of this option vested on the first anniversary of the vesting commencement date, subject to the named executive officer's continuous service relationship through such date, with the remainder vesting in 28 equal quarterly installments thereafter, subject to the named executive officer's continuous service relationship through each such date. In the event of a change in control, all shares subject to this option accelerate and vest in full.
(3) 38,995 of the shares subject to this option vested on the first anniversary of the vesting commencement date, subject to the named executive officer's continuous service relationship through such date. Thereafter, 272,958 of the shares subject to this option vest in 28 equal quarterly installments, with the remaining shares vesting on January 1, 2024, subject to the named executive officer's continuous service relationship through each such date. In the event of a change in control, all shares subject to this option accelerate and vest in full.
(4) 141,508 of the shares subject to this option vested on the first anniversary of the vesting commencement date, subject to the named executive officer's continuous service relationship through such date, with the remainder vesting in 27 equal quarterly installments thereafter, subject to the named executive officer's continuous service relationship through each such date. In the event of a change in control, all shares subject to the option accelerate and vest in full.
(5) 2,933,092 of the shares vest in four equal quarterly installments following the vesting commencement date, subject to the named executive officers' continuous service relationship through each such date. The remaining 1,453,033 shares vest upon the seventh anniversary of the vesting commencement date, subject to named executive officer's continuous service relationship, provided that such options may be subject to acceleration upon achievement of specified performance conditions. In the event of a Sale Event (as defined in the 2015 Plan), all shares subject to the option accelerate and vest in full.
(6) 25% of the option vests on the first anniversary of the vesting commencement date, subject to the named executive officer's continuous service relationship through such date, with the remainder vesting in 16 equal quarterly installments thereafter, subject to the named executive officer's continuous service relationship through such date. In the case of a Sale Event, Dr. Crystal's option will accelerate and vest in full.
(7) 20% of the option vests on the first anniversary of the vesting commencement date, subject to the named executive officer's continuous service relationship through such date, with the remainder vesting in 16 equal quarterly installments thereafter, subject to the named executive officer's continuous service relationship through such date.

Executive Employment Arrangements

We initially entered into an offer letter with each of the named executive officers in connection with his employment with us, which set forth the terms and conditions of his employment. Each named executive officer also entered into our standard confidentiality and inventions assignment agreement. We intend to enter into new employment agreements with our named executive officers upon the completion of this offering.

Andrew Phillips, Ph.D.

Effective as of March 2020, Dr. Phillips' employment was terminated. In connection with the termination of his employment, we entered into a separation agreement with Dr. Phillips pursuant to which Dr. Phillips provided a general release of claims in favor of us and we agreed to provide to Dr. Phillips the following severance payments and benefits: (i) base salary continuation at 100% of his final base salary ($546,000 annually) for 12 months, plus base salary continuation at 50% of his final base salary for an additional six months; (ii) a pro-rated annual bonus assuming target performance in an amount equal to $52,500; and (iii) if Dr. Phillips elected continuation of health coverage under COBRA, continued health coverage at the same rate in effect for our active employees until the earlier of 12 months following his termination, the date he becomes eligible for group health benefits with another employer or the end of Dr. Phillips' COBRA health continuation period. In addition, we repurchased 200,000 shares of our common stock from Dr. Phillips at a purchase price of $0.62 per share and, in exchange for the cancellation of all of his vested options that were outstanding and unexercised as of his date of termination, we paid Dr. Phillips a cash amount per vested share equal to the excess of $0.62 over the applicable option exercise price.

Adam Crystal, M.D., Ph.D

In January 2019, we entered into an offer letter with Dr. Crystal in connection with him joining us as our Chief Medical Officer on February 14, 2019. Dr. Crystal's annual base salary is $390,000, with a signing bonus of $100,000 and a target annual bonus of 35% of his annual base salary. Dr. Crystal's annual base salary and annual bonus were pro-rated based on his employment commencement date. Additionally, Dr. Crystal is eligible to participate in the employee benefit plans available to our employees, subject to the terms of those plans.

Under the terms of Dr. Crystal's offer letter, in the event that his employment is terminated by us without "cause" (as defined in his offer letter) or Dr. Crystal resigns for "good reason" (as defined in his offer letter), we have agreed to pay Dr. Crystal an amount equal to six months of his base salary in effect at the time of his termination.

In addition, Dr. Crystal has executed an Employee Confidentiality, Non-Solicitation and Assignment Agreement which contain certain restrictive covenants, including, among other things, non-solicitation provisions that apply during the term of Dr. Crystal's employment and for one year thereafter.

Stewart Fisher, Ph.D.

In March 2016, we entered into an offer letter with Dr. Fisher under which he joined us as our Senior Vice President, Discover Sciences on May 2, 2016. Effective as of May 2018, Dr. Fisher was promoted to be our Chief Scientific Officer. Dr. Fisher's annual base salary is $359,494 and he is eligible to receive a target annual bonus of 35% of his annual base salary. Additionally, Dr. Fisher is eligible to participate in the employee benefit plans available to our employees, subject to the terms of those plans.

In addition, Dr. Fisher has executed an Employee Confidentiality and Assignment Agreement which contain certain restrictive covenants, including, among other things, non-competition and non-solicitation provisions that apply during the term of Dr. Crystal's employment and for one year thereafter.

Employee Benefit Plans

2015 Stock Option and Grant Plan

Our 2015 Plan was approved by our board of directors and our stockholders on December 28, 2015 and was most recently amended by our board of directors in May 2020 and approved by our stockholders in June 2020. Under our 2015 Plan, we have reserved for issuance an aggregate of 42,658,355 shares of our common stock, which number is subject to adjustment in the event of a reorganization, stock split, reverse stock split, stock dividend, recapitalization, reclassification or other similar change in capitalization or event.

The shares of common stock underlying any awards that are forfeited, cancelled, reacquired by us prior to vesting, satisfied without the issuance of common stock or otherwise terminated (other than by exercise) and shares that are withheld upon exercise of an option or settlement of an award to cover the exercise price or tax withholding under our 2015 Plan are currently added to the shares of common stock available for issuance under our 2015 Plan. Following this offering, these types of shares will be added to the shares available under our 2020 Plan, which is described below.

Our compensation committee has acted as administrator of our 2015 Plan. The administrator has full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted and to determine the specific terms and conditions of each award, subject to the provisions of our 2015 Plan. Persons eligible to participate in our 2015 Plan are our full or part-time officers, employees, directors, consultants and other key persons as selected from time to time by the administrator in its discretion.

Our 2015 Plan permits the granting of (1) options to purchase common stock intended to qualify as incentive stock options under Section 422 of the Code and (2) options that do not so qualify. The option exercise price of each option is determined by the administrator but may not be less than 100% of the fair market value of the common stock on the date of grant. The term of each option is fixed by the administrator and may not exceed ten years from the date of grant. The administrator determines at what time or times each option may be exercised. In addition, our 2015 Plan permits the granting of restricted shares of common stock, unrestricted shares of common stock and restricted stock units.

Our 2015 Plan provides that upon the occurrence of a "sale event," as defined in our 2015 Plan, all outstanding stock options will terminate at the effective time of such sale event, unless the parties to the sale event agree that such awards will be assumed or continued by the successor entity. In the event of a termination of our 2015 Plan and all options issued thereunder in connection with a sale event, optionees will be provided an opportunity to exercise options that are then exercisable or will become exercisable as of the effective time of the sale event prior to the consummation of the sale event. In addition, we have the right to provide for cash payment to holders of options, in exchange for the cancellation thereof, in an amount equal to the difference between the value of the consideration payable per share of common stock in the sale event and the per share exercise price of such options, multiplied by the number of shares subject to such option to the extent then vested and exercisable. In the event of and subject to the consummation of a sale event, unvested restricted stock and restricted stock units (other than those becoming

vested as a result of the sale event) will be forfeited immediately prior to the effective time of a sale event unless such awards are assumed or continued by the successor entity. If shares of restricted stock are forfeited in connection with a sale event, those shares of restricted stock shall be repurchased at a price per share equal to the original per share purchase price of such shares. We have the right to provide for cash payment to holders of restricted stock or restricted stock units, in exchange for the cancellation thereof, in an amount per share equal to the value of the consideration payable per share of common stock in the sale event.

The board of directors may amend or discontinue the 2015 Plan at any time, subject to stockholder approval where required by applicable law. The administrator of the 2015 Plan may also amend or cancel any outstanding award, provided that no amendment to an award may adversely affect a participant's rights without his or her consent. The administrator of the 2015 Plan is specifically authorized to exercise its discretion to reduce the exercise price of outstanding stock options or effect the repricing of such awards through cancellation and re-grants.

No awards may be granted under our 2015 Plan after the date that is ten years from the date our 2015 Plan was adopted by the board of directors. Our board of directors has determined not to make any further awards under our 2015 Plan following the completion of this offering.

2020 Stock Option and Incentive Plan

Our 2020 Stock Option and Incentive Plan, or 2020 Plan, was adopted by our board of directors in , 2020 and approved by our stockholders in , 2020 and will become effective on the business day immediately prior to the effective date of our registration statement related to this offering . The 2020 Plan will replace the 2015 Plan, as our board of directors is expected to determine not to make additional awards under the 2015 Plan following the completion of our initial public offering. However, the 2015 Plan will continue to govern outstanding equity awards granted thereunder. The 2020 Plan will allow the compensation committee to make equity-based incentive awards to our officers, employees, directors and other key persons, including consultants.

Authorized Shares. A total of shares of our common stock will be initially reserved for the issuance of awards under the 2020 Plan. The 2020 Plan provides that the number of shares reserved and available for issuance under the 2020 Plan will automatically increase each January 1, beginning on January 1, 2021, by % of the outstanding number of shares of our common stock on the immediately preceding December 31. This number will be subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization. The shares we issue under the 2020 Plan will be authorized but unissued shares or shares that we reacquire. The shares of common stock underlying any awards that are forfeited, cancelled, held back upon exercise or settlement of an award to satisfy the exercise price or tax withholding, reacquired by us prior to vesting, satisfied without the issuance of stock, expire or are otherwise terminated, other than by exercise, under the 2020 Plan and the 2015 Plan will be added back to the shares of common stock available for issuance under the 2020 Plan. The maximum number of shares of common stock that may be issued as incentive stock options in any one calendar year period may not exceed shares cumulatively increased on January 1, 2021 and on each January 1 thereafter by the lesser of % of the number of outstanding shares of common stock as of the immediately preceding December 31, or shares.

Non-Employee Director Limit. Our 2020 Plan contains a limitation whereby the value of all awards under our 2020 Plan and all other cash compensation paid by us to any non-employee director during any one calendar year may not exceed $.

Plan Administration. The 2020 Plan will be administered by our compensation committee. Our compensation committee will have full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted, to make any combination of awards to participants and to determine the specific terms and conditions of each award, subject to the provisions of the 2020 Plan. The plan administrator is specifically authorized to exercise its discretion to reduce the exercise price of outstanding stock options and stock appreciation rights or effect the repricing of such awards through cancellation and re-grants.

Eligibility. Persons eligible to participate in the 2020 Plan will be those employees, non-employee directors and consultants selected from time to time by our compensation committee in its discretion.

Stock Options. The 2020 Plan permits the granting of both options to purchase common stock intended to qualify as incentive stock options under Section 422 of the Code and options that do not so qualify. The option exercise price

of each option will be determined by our compensation committee but may not be less than 100% of the fair market value of our common stock on the date of grant unless the option is granted (i) pursuant to a transaction described in and in a manner consistent with, Section 424(a) of the Code or (ii) to individuals who are not subject to U.S. income tax. The term of each option will be fixed by our compensation committee and may not exceed 10 years from the date of grant. Our compensation committee will determine at what time or times each option may be exercised.

Stock Appreciation Rights. Our compensation committee may award stock appreciation rights subject to such conditions and restrictions as it may determine. Stock appreciation rights entitle the recipient to shares of common stock or cash, equal to the value of the appreciation in our stock price over the exercise price. The exercise price may not be less than 100% of the fair market value of our common stock on the date of grant. The term of each stock appreciation right will be fixed by our compensation committee and may not exceed 10 years from the date of grant. Our compensation committee will determine at what time or times each stock appreciation right may be exercised.

Restricted Stock and Restricted Stock Units. Our compensation committee may award restricted shares of common stock and restricted stock units to participants subject to such conditions and restrictions as it may determine. These conditions and restrictions may include the achievement of certain performance goals and/or continued employment or other service relationship with us through a specified vesting period.

Unrestricted Stock Awards. Our compensation committee may grant shares of common stock that are free from any restrictions under the 2020 Plan. Unrestricted stock may be granted to participants in recognition of past services or for other valid consideration and may be issued in lieu of cash compensation due to such participant.

Dividend Equivalent Rights. Our compensation committee may grant dividend equivalent rights to participants that entitle the recipient to receive credits for dividends that would be paid if the recipient had held a specified number of shares of common stock.

Cash-Based Awards. Our compensation committee may grant cash bonuses under the 2020 Plan to participants, subject to the achievement of certain performance goals.

Sale Event. The 2020 Plan provides that upon the effectiveness of a “sale event,” as defined in the 2020 Plan, an acquirer or successor entity may assume, continue or substitute for the outstanding awards under the 2020 Plan. To the extent that awards granted under the 2020 Plan are not assumed or continued or substituted by the successor entity, the 2020 Plan and all awards granted under the 2020 Plan shall terminate. In such case, except as may be otherwise provided in the relevant award agreement, all options and stock appreciation rights with time-based vesting, conditions or restrictions that are not exercisable immediately prior to the sale event will become fully exercisable as of the sale event, all other awards with time-based vesting, conditions or restrictions will become fully vested and nonforfeitable as of the sale event and all awards with conditions and restrictions relating to the attainment of performance goals may become vested and nonforfeitable in connection with the sale event in the plan administrator’s discretion or to the extent specified in the relevant award agreement. In the event of such termination, individuals holding options and stock appreciation rights will be permitted to exercise any options and stock appreciation rights (to the extent exercisable) they then hold within a specified time period, as determined by the compensation committee, prior to the sale event. In addition, in connection with the termination of the 2020 Plan upon a sale event, we may make or provide for a cash payment to participants holding vested and exercisable options and stock appreciation rights equal to the difference between the per share cash consideration payable to stockholders in the sale event and the exercise price of the options or stock appreciation rights; provided, that any options or stock appreciation rights with exercise prices equal to or greater than such per share cash consideration will be cancelled for no consideration. We may also make or provide for a payment, in cash or in kind, to the participants holding other awards in an amount equal to the per share cash consideration payable to stockholders in the sale event multiplied by the number of vested shares of common stock under such awards.

Amendment. Our board of directors may amend or discontinue the 2020 Plan and our compensation committee can amend or cancel outstanding awards for purposes of satisfying changes in law or any other lawful purpose, but no such action may adversely and materially affect rights under an award without the holder’s consent. Certain amendments to the 2020 Plan or the terms of outstanding options or stock appreciation rights will require the approval of our stockholders.

No awards may be granted under the 2020 Plan after the date that is 10 years from the date on which the 2020 Plan became effective. No awards under the 2020 Plan have been made prior to the date hereof.

2020 Employee Stock Purchase Plan

Our 2020 ESPP was adopted by our board of directors on , 2020, approved by our stockholders on , 2020 and will become effective one business day immediately before the effective date of our registration statement of which this prospectus forms a part. The 2020 ESPP is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423 of the Code. The 2020 ESPP initially reserves and authorizes the issuance of up to a total of shares of common stock to participating employees. The 2020 ESPP provides that the number of shares reserved and available for issuance will automatically increase on January 1, 2021 and each January 1 thereafter through January 1, 2030, by the least of (i) shares of common stock, (ii) % of the outstanding number of shares of our common stock on the immediately preceding December 31 or (iii) such lesser number of shares of common stock as determined by the administrator of the 2020 ESPP. The number of shares reserved under the 2020 ESPP is subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

All employees whose customary employment is for more than hours per week and who have completed at least days/months of employment are eligible to participate in the ESPP. However, any employee who owns 5% or more of the total combined voting power or value of all classes of stock will not be eligible to purchase shares under the 2020 ESPP.

We may make one or more offerings each year to our employees to purchase shares under the ESPP. Offerings will usually begin on each and and will continue for six-month periods, referred to as offering periods. Each eligible employee may elect to participate in any offering by submitting an enrollment form at least 15 business days before the relevant offering date.

Each employee who is a participant in the 2020 ESPP may purchase shares by authorizing payroll deductions of up to % of his or her eligible compensation during an offering period. Unless the participating employee has previously withdrawn from the offering, his or her accumulated payroll deductions will be used to purchase shares of common stock on the last business day of the offering period at a price equal to 85% of the fair market value of the shares on the first business day or the last business day of the offering period, whichever is lower, provided that no more than shares of common stock may be purchased by any one employee during any offering period. Under applicable tax rules, an employee may purchase no more than $25,000 worth of shares of common stock, valued at the start of the purchase period, under the ESPP in any calendar year.

The accumulated payroll deductions of any employee who is not a participant on the last day of an offering period will be refunded. An employee's rights under the 2020 ESPP terminate upon voluntary withdrawal from the plan or when the employee ceases employment with us for any reason.

The 2020 ESPP may be terminated or amended by our Board of Directors at any time. An amendment that increases the number of shares of common stock authorized under the 2020 ESPP and certain other amendments require the approval of our stockholders.

Senior Executive Cash Incentive Bonus Plan

In , 2020, our board of directors adopted the Senior Executive Cash Incentive Bonus Plan, or the Bonus Plan. The Bonus Plan will be administered by our compensation committee and become effective on the day the registration statement of which this prospectus is part is declared effective by the SEC. The Bonus Plan provides for cash bonus payments based upon the attainment of performance targets established by our compensation committee. The payment targets will be related to financial and operational measures or objectives with respect to our company or corporate performance goals, as well as individual performance objectives.

Our compensation committee may select corporate performance goals from among the following: cash flow (including, but not limited to, operating cash flow and free cash flow); research and development, publication, clinical, collaboration and/or regulatory milestones; revenue; corporate revenue; earnings before interest, taxes, depreciation and amortization; net income (loss) (either before or after interest, taxes, depreciation and/or amortization); changes in the market price of our common stock; economic value added; acquisitions, licenses or

strategic transactions; financing or other capital raising transactions; operating income (loss); return on capital, assets, equity or investment; stockholder returns; return on sales; gross or net profit levels; productivity; expense efficiency; margins; operating efficiency; customer satisfaction; working capital; earnings (loss) per share of our common stock; bookings, new bookings or renewals; sales or market shares; number of customers, number of new customers or customer references; operating income and/or net annual recurring revenue, any of which may be (A) measured in absolute terms or compared to any incremental increase, (B) measured in terms of growth, (C) compared to another company or companies or to results of a peer group, (D) measured against the market as a whole and/or as compared to applicable market indices and/or (E) measured on a pre-tax or post-tax basis (if applicable).

Each executive officer who is selected to participate in the Bonus Plan will have a target bonus opportunity set for each performance period. The bonus formulas will be adopted in each performance period by the compensation committee and communicated to each executive. The corporate performance goals will be calculated in accordance with our financial statements, generally accepted accounting principles or under a methodology established by our compensation committee at the beginning of the performance period and which is consistently applied with respect to a corporate performance goal in the relevant performance period. The compensation committee will measure the corporate performance goals after our financial reports for the applicable performance period have been published or such other appropriate time as the compensation committee determines. If the corporate performance goals and individual performance objectives are met, payments will be made as soon as practicable following the end of each performance period. Subject to the rights contained in any agreement between the executive officer and us, an executive officer must be employed by us on the bonus payment date to be eligible to receive a bonus payment. The Bonus Plan also permits the compensation committee to approve additional bonuses to executive officers in its sole discretion and provides the compensation committee with discretion to adjust the size of the award as it deems appropriate.

401(k) Plan

We maintain a 401(k) retirement savings, or 401(k) plan, plan to eligible employees, including our named executive officers. In accordance with this plan, all eligible employees may contribute a percentage of compensation up to a maximum of the statutory limits per year. Under our 401(k) plan, eligible employees may elect to defer a portion of their compensation, within the limits prescribed by the Code and the applicable limits under the 401(k) plan (generally, up to 90% of the employee's eligible compensation), on a pre-tax or after-tax (Roth) basis, through contributions to the 401(k) plan. All of a participant's contributions into the 401(k) plan are 100% vested when contributed. We made matching contributions for each employee equal to 100% of employee contributions, up to $6,000 per employee, during the year ended December 31, 2019. The 401(k) plan is intended to qualify, depending on the employee's election, under Section 401(a) and 501(a) of the Code, so that contributions by employees, and income earned on those contributions, are not taxable to employees until withdrawn from the 401(k) plan.

Indemnification of Officers and Directors

We have agreed to indemnify our directors and executive officers in certain circumstances. See *"Directors, Executive Officers, Promoters and Control Persons—Limitation on Liability and Indemnification Matters."*

NON-EMPLOYEE DIRECTOR COMPENSATION

The following summarizes the compensation earned by our non-employee directors during the year ended December 31, 2019. Directors who also serve as employees received no additional compensation for their service as directors. We reimburse non-employee members of our board of directors for reasonable travel and out-of-pocket expenses incurred in attending meetings of our board of directors and committees of our board of directors.

Director Compensation Table

NAME	FEES EARNED OR PAID IN CASH ($)	TOTAL ($)
Marc A. Cohen (1)	65,000	65,000
Kenneth C. Anderson, M.D. (2)	25,000	25,000
Bihua Chen (3)*	25,000	25,000
Alain Cohen (4)	30,000	30,000
Bruce Downey (5)	35,000	35,000
Glenn Dubin (6)	12,500	12,500
John L. Eastman (7)	30,000	30,000
Elena Prokupets, Ph.D. (8)	30,000	30,000
Malcolm Salter (9)	45,000	45,000
William M. Scalzulli (10)	30,000	30,000
Miles Stuchin (11)	30,000	30,000

(1) As of December 31, 2019, Mr. Cohen held unexercised options to purchase an aggregate of 72,201 shares of our common stock.

(2) As of December 31, 2019, Dr. Anderson held unexercised options to purchase an aggregate of 40,857 shares of our common stock.

(3) As of December 31, 2019, Ms. Chen held unexercised options to purchase an aggregate of 72,201 shares of our common stock.

(4) As of December 31, 2019, Ms. Cohen held unexercised options to purchase an aggregate of 72,201 shares of our common stock.

(5) As of December 31, 2019, Mr. Downey held unexercised options to purchase an aggregate of 72,201 shares of our common stock.

(6) Mr. Dubin resigned from our board of directors effective August 17, 2019. As of December 31, 2019, Mr. Dubin did not hold any unexercised options to purchase our common stock.

(7) Mr. Eastman resigned from our board of directors effective June 5, 2020. As of December 31, 2019, Mr. Eastman did not hold any unexercised options to purchase our common stock. EGC4 Managing Member, LLC, of which Mr. Eastman is a member, held unexercised options to purchase 72,201 shares of our common stock. Mr. Eastman disclaims beneficial ownership of such options except to the extent of his pecuniary interest in such options.

(8) As of December 31, 2019, Dr. Prokupets held unexercised options to purchase an aggregate of 72,201 shares of our common stock.

(9) As of December 31, 2019, Mr. Salter held unexercised options to purchase an aggregate of 72,201 shares of our common stock.

(10) Mr. Scalzulli resigned from our board of directors effective June 5, 2020. As of December 31, 2019, Mr. Scalzulli did not hold any unexercised options to purchase our common stock. Kraft Group LLC, of which Mr. Scalzulli is an employee, held unexercised options to purchase 72,201 shares of our common stock. Mr. Scalzulli disclaims beneficial ownership of such options except to the extent of his pecuniary interest in such options.

(11) Mr. Stuchin passed away on January 25, 2020. As of December 31, 2019, Mr. Stuchin held unexercised options to purchase an aggregate of 72,201 shares of our common stock.

* Ms. Chen has notified us that she will resign from our board of directors contingent upon and effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

Non-Employee Director Compensation Policy

During fiscal year 2019, we provided cash compensation to our non-employee directors in accordance with the following policy:

	ANNUAL RETAINER
Board of Directors:	
Members	$ 25,000
Additional retainer for non-executive chair	$ 30,000
Audit Committee:	
Members (other than chair)	$ 5,000
Retainer for chair	$ 20,000
Compensation Committee:	
Members (other than chair)	$ 5,000
Retainer for chair	$ 10,000

In connection with this offering, we intend to adopt a new non-employee director compensation policy that will become effective upon the completion of this offering and will be designed to enable us to attract and retain, on a long-term basis, highly qualified non-employee directors. Under the policy, each director who is not an employee will be paid cash compensation from and after the completion of this offering, as set forth below:

	ANNUAL RETAINER
Board of Directors:	
Members	
Additional retainer for non-executive chair	
Audit Committee:	
Members (other than chair)	
Retainer for chair	
Compensation Committee:	
Members (other than chair)	
Retainer for chair	
Nominating and Corporate Governance Committee:	
Members (other than chair)	
Retainer for chair	

In addition, the non-employee director compensation policy will provide that, upon initial election to our board of directors, each non-employee director will be granted an option to purchase shares of our common stock, or the Initial Grant. 33% of the Initial Grant will vest on the first anniversary of the date it is made, and the remainder will vest monthly for the subsequent two years thereafter, subject to continued service as a director through the applicable vesting date. Furthermore, on the date of each annual meeting of stockholders following the completion of this offering, each non-employee director who continues as a non-employee director following such meeting will be granted an option to purchase shares of our common stock, or the Annual Grant. The Annual Grant will vest in full on the earlier of (i) the first anniversary of the grant date or (ii) our next annual meeting of stockholders, subject to continued service as a director through the applicable vesting date. These awards are subject to full accelerated vesting upon the sale of the company.

We will reimburse all reasonable out-of-pocket expenses incurred by non-employee directors in attending meetings of the board of directors and committees thereof.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The following is a description of transactions or series of transactions since January 1, 2017, to which we were or will be a party, in which:

- the amount involved in the transaction exceeds or will exceed, $120,000; and
- in which any of our executive officers, directors or holder of 5% or more of any class of our capital stock, including their immediate family members or affiliated entities, had or will have a direct or indirect material interest.

Compensation arrangements for our named executive officers and our directors are described elsewhere in this prospectus under the heading "Executive Compensation."

Series A Preferred Stock Financing

In December 2018, we sold an aggregate of 900,900 shares of our Series A preferred stock at a purchase price of $2.22 per share for an aggregate amount of $2.0 million to DF Investment Partners LLC, an entity affiliated with Glenn Dubin. Mr. Dubin joined our board of directors upon the closing of such sale and resigned from our board of directors in August 2019. Each share of Series A preferred stock will be automatically converted into shares of common stock upon the completion of this offering.

Series B Preferred Stock Financing

In June and July 2020, we sold an aggregate of 142,857,142 shares of our Series B preferred stock at a purchase price of $1.05 per share for an aggregate amount of $150 million. The following table summarizes purchases of our Series B preferred stock by related persons:

STOCKHOLDER	SHARES OF SERIES B PREFERRED STOCK	TOTAL PURCHASE PRICE
Entities and persons affiliated with Cobro Ventures (1)	20,952,403	$ 22,000,024
Entities affiliated with Perceptive Advisors (2)	19,047,619	$ 20,000,000
Entities affiliated with RTW Investments (3)	14,285,715	$ 15,000,001
Bruce Downey	2,128,571	$ 2,235,000
Kenneth C. Anderson, M.D.(4)	285,714	$ 300,000

(1) Consists of 20,952,403 shares of our Series B preferred stock purchased by Cobro Ventures Opportunity Fund, L.P. or Cobro Ventures. Each of Marc A. Cohen, who serves as a director and officer of the company, and Alain J. Cohen, who serves as a director of the company, is a manager of Cobro Opportunity Fund GP, LLC, the general partner of Cobro Ventures. Entities and persons affiliated with Cobro Ventures collectively hold more than 5% of our voting securities.

(2) Consists of 19,047,619 shares of our Series B preferred stock held by Perceptive Life Sciences Master Fund LTD. Entities affiliated with Perceptive Advisors collectively hold more than 5% of our voting securities.

(3) Consists of 9,061,905 shares of our Series B preferred stock purchased by RTW Master Fund, Ltd., 2,842,857 shares of our Series B preferred stock purchased by RTW Innovation Master Fund, Ltd and 2,380,953 shares of our Series B preferred stock purchased by RTW Venture Fund Limited. Entities affiliated with RTW Investments collectively hold more than 5% of our voting securities.

(4) Consists of 142,857 shares of our Series B preferred stock purchased by Kenneth C. Anderson 2015 Irrevocable Trust dated August 10, 2015, of which Mr. Anderson, who is a director of the company, is a beneficiary and 142,857 shares of our Series B preferred stock purchased by Cynthia E. Anderson 2015 Irrevocable Trust dated August 10, 2015, of which Mr. Anderson is also a beneficiary.

Each share of Series B preferred stock will be automatically converted into shares of common stock upon the completion of this offering.

Perceptive Credit Agreement and Warrant

In June 2020, we entered into the Credit Agreement with Perceptive Credit, an affiliate of Perceptive Advisors, which beneficially owns more than 5% of our common stock. The Credit Agreement provides for a $20.0 million

Delayed Draw Loan Facility. See “Management’s discussion and analysis of financial condition and results of operations—Liquidity and capital resources—Indebtedness” for a description of the terms of the Credit Agreement.

During the six months ended June 30, 2020, the maximum amount of principal outstanding under the Credit Agreement was $12.5 million and $12.5 million of principal was outstanding as of June 30, 2020. The loans under the Credit Agreement accrue interest at an annual rate of one Month LIBOR plus 9.50%, provided that one Month LIBOR shall never be less than 1.75%.

In connection with the entry into the Credit Agreement, we issued a warrant to purchase up to 2,857,142 shares of our Series B preferred stock at an exercise price of $1.05 per share to Perceptive Credit. See “Risks related to our financial condition and capital requirements—Our Credit Agreement with Perceptive Credit contains restrictions that limit our flexibility in operating our business.”

Agreements with Stockholders

In connection with our Series A preferred stock financings and our Series B preferred stock financings, we entered into investors’ rights, voting and right of first refusal and co-sale agreements containing registration rights, information rights, voting rights and rights of first refusal, among other things, with certain holders of our preferred stock and certain holders of our common stock. These stockholder agreements will terminate upon the closing of this offering, except for the registration rights granted under our investors’ rights agreement, as more fully described in “Description of Capital Stock—Registration Rights.”

Stock Option Grants to Executive Officers

We have granted stock options to our named executive officers, as more fully described in the section titled “Executive Compensation” found elsewhere in this prospectus, as of December 31, 2019.

Indemnification Agreements

In connection with this offering, we intend to enter into new agreements to indemnify our directors and executive officers. These agreements will, among other things, require us to indemnify these individuals for certain expenses (including attorneys’ fees), judgments, fines and settlement amounts reasonably incurred by such person in any action or proceeding, including any action by or in our right, on account of any services undertaken by such person on behalf of our company or that person’s status as a member of our board of directors to the maximum extent allowed under Delaware law.

Policies for Approval of Related Party Transactions

Our board of directors reviews and approves transactions with directors, officers and holders of five percent or more of our voting securities and their affiliates, each a related party. Prior to this offering, the material facts as to the related party’s relationship or interest in the transaction were disclosed to our board of directors prior to their consideration of such transaction and the transaction was not considered approved by our board of directors unless a majority of the directors who are not interested in the transaction approved the transaction. Further, when stockholders are entitled to vote on a transaction with a related party, the material facts of the related party’s relationship or interest in the transaction were disclosed to the stockholders, who must approve the transaction in good faith.

In connection with this offering, we expect to adopt a written related party transactions policy that will provide that such transactions must be approved by our audit committee. This policy will become effective on the date on which the registration statement of which this prospectus forms a part is declared effective by the SEC. Pursuant to this policy, the audit committee has the primary responsibility for reviewing and approving or disapproving “related party transactions,” which are transactions between us and related persons in which the aggregate amount involved exceeds or may be expected to exceed $120,000 and in which a related person has or will have a direct or indirect material interest. For purposes of this policy, a related person will be defined as a director, executive officer, nominee for director or greater than 5% beneficial owner of our common stock, in each case since the beginning of the most recently completed year and their immediate family members.

PRINCIPAL STOCKHOLDERS

The following table sets forth, as of July 15, 2020, information regarding the beneficial ownership of our common stock by:

- each person or group of affiliated persons, who is known by us to be the beneficial owner of 5% or more of our outstanding common stock (on an as-converted to common stock basis);
- each of our directors;
- each of our named executive officers; and
- all of our current directors and executive officers as a group.

The information in the following table is calculated based on (i) 268,674,034 shares of common stock deemed to be outstanding as of July 15, 2020 and (ii) shares of common stock outstanding after this offering, (assuming no exercise by the underwriters of their option to purchase additional shares of common stock). The number of shares of outstanding before this offering gives effect to the the automatic conversion of all outstanding shares of our convertible preferred stock into shares of common stock upon the completion of this offering. The number of shares outstanding after this offering gives effect to the sale of shares of common stock in this offering (assuming no exercise of the underwriters' option to purchase additional shares).

We have determined beneficial ownership in accordance with the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities as well as any shares of common stock that the person has the right to acquire within 60 days of July 15, 2020 through the exercise of stock options or other rights. These shares are deemed to be outstanding and beneficially owned by the person holding those options for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Unless otherwise indicated, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them.

Each individual or entity shown on the table has furnished information with respect to beneficial ownership. Except as otherwise indicated below, the address of each officer, director and five percent stockholder listed below is c/o C4 Therapeutics, Inc., 490 Arsenal Way, Suite 200, Watertown, MA 02472.

	SHARES OF COMMON STOCK BENEFICIALLY OWNED (1)	PERCENTAGE OF SHARES OUTSTANDING	
		BEFORE OFFERING	AFTER OFFERING
5% or Greater Stockholders			
Cobro Ventures and its affiliates (2)	31,428,592	11.7%	%
Perceptive Advisors (3)	21,904,761	8.1%	%
Cormorant Funds (4)	21,000,000	7.8%	%
RTW Funds (5)	14,285,715	5.3%	%
Directors and Named Executive Officers			
Marc A. Cohen (6)	47,049,205	17.5%	%
Andrew Phillips, Ph.D. (7)	—	—	—
Adam Crystal, M.D., Ph.D. (8)	614,252	*	*
Stewart Fisher, Ph.D. (9)	907,426	*	*
Kenneth C. Anderson, M.D. (10)	2,415,327	*	*
Bihua Chen (11)**	21,040,613	7.8%	%
Alain J. Cohen (12)	45,969,205	17.1%	%
Bruce Downey (13)	4,169,184	1.6%	%
Elena Prokupets, Ph.D. (14)	6,040,613	2.3%	%
Malcolm Salter (15)	164,422	*	*
All executive officers and directors as a group (12 persons) (16)	97,024,955	36.0%	%

* Less than one percent.

(1) All share numbers give effect to the conversion of our outstanding convertible preferred stock into shares of common stock upon the closing of this offering.

(2) Consists of (i) 20,952,403 shares of common stock held by Cobro Ventures Opportunity Fund, L.P., or Cobro Ventures; (ii) 5,714,285 shares of common stock held by BC DynamoPharm Limited, or 3E Bio; (iii) 4,285,714 shares of common stock held by Yongli (Cayman) Limited, or Yongli; and (vi) 476,190 shares of common stock held by Yonjin Venture LLC, or Yonjin. Marc Cohen and Alain Cohen are managers of Cobro Opportunity Fund GP, LLC, the general partner of Cobro Ventures, and may be deemed to exercise shared voting and investment power over the shares held by Cobro Ventures. They disclaim beneficial ownership of the shares held by Cobro Ventures except to the extent of their respective pecuniary interest in such shares. Each of 3E Bio, Yongli and Yonjin has granted a voting proxy over its shares of our common stock to Cobro Ventures, Inc., subject to termination upon the completion of this offering. Marc Cohen and Alain Cohen are co-chief executive officers of Cobro Ventures, Inc. and may be deemed to have shared voting power over the shares subject to each such proxy. They disclaim beneficial ownership of the shares subject to each such proxy. Cobro Ventures and Cobro Ventures, Inc. may be deemed affiliated with each other due to their common control by Marc Cohen and Alain Cohen. Marc Cohen is our director, Co-Founder, Executive Chairman, Chief Executive Officer and President, and Alain Cohen is our director. The address for each of Cobro Ventures and Cobro Ventures, Inc. is 1000 Wilson Blvd. #1800, Arlington, VA 22209.

(3) Consists of 19,047,619 shares of common stock held by Perceptive Life Sciences Master Fund LTD. and warrants to purchase an aggregate of 2,857,142 shares of common stock held by Perceptive Credit Holdings III, LP. Perceptive Life Sciences Master Fund LTD. and Perceptive Credit Holdings III, LP are referred to collectively as Perceptive Advisors. The address for Perceptive Advisors is 51 Astor Place, 10th Floor, New York, NY 10003.

(4) Consists of (i) 15,750,000 shares of common stock held by Cormorant Private Healthcare Fund I, LP, or Cormorant Private Fund; (ii) 4,402,635 shares of common stock held by Cormorant Global Healthcare Master Fund, LP or Cormorant Master Fund; (iii) 847,365 shares of common stock held by CRMA SPV, L.P. or CRMA; and (iv) 40,613 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Bihua Chen. Cormorant Private Fund, Cormorant Master Fund and CRMA are referred to collectively as the Cormorant Funds. The shares issuable upon the exercise of such options shall be transferred to the Cormorant Funds on a pro rata basis. The sole general partner of each of the Cormorant Private Fund and the Cormorant Master Fund is Cormorant Private Healthcare GP, LLC or the GP. Ms. Chen is the sole managing member of the GP and may be deemed to have sole voting and investment power of the securities held by the Cormorant Private Fund and the Cormorant Master Fund. She disclaims beneficial ownership of the shares held by the Cormorant Funds, except to the extent of her pecuniary interest in such shares. The sole investment manager of CRMA is Cormorant Asset

Management, LLC, or the Manager. Ms. Chen is the sole managing member of the Manager and may be deemed to have sole voting and investment power of the shares held by CRMA. The address for each of the Cormorant Funds is 200 Clarendon Street, 52nd Floor, Boston, MA 02116.

(5) Consists of (i) 9,061,905 shares of common stock held by RTW Master Fund, Ltd. or the RTW Master Fund; (ii) 2,842,857 shares of common stock held by RTW Innovation Master Fund, Ltd or the RTW Innovation Fund; and (iii) 2,380,953 shares of common stock held by RTW Venture Fund Limited or the RTW Venture Fund. RTW Master Fund, RTW Innovation Fund and RTW Venture Fund are referred to collectively as the RTW Funds. The address for each of the RTW Funds is 412 West 15th Street, Floor 9, New York, NY 10011.

(6) Consists of (i) 15,580,000 shares of common stock held by Mr. Cohen as trustee of Marc Andrew Cohen Revocable Trust; (ii) 40,613 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Mr. Cohen; and (iii) the shares of common stock described in note (2) above.

(7) Dr. Phillips' employment terminated on March 3, 2020.

(8) Consists of 614,252 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Dr. Crystal.

(9) Consists of 720,000 shares of common stock held by Dr. Fisher and 187,426 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Dr. Fisher.

(10) Consists of (i) 142,857 shares of common stock held by Kenneth C. Anderson 2015 Irrevocable Trust; (ii) 142,857 shares of common stock held by Cynthia E. Anderson 2015 Irrevocable Trust; (iii) 535,907 shares of common stock held by Kenneth C. Anderson 2016 Grantor Retained Annuity Trust; (iv) 535,907 shares of common stock held by Cynthia E. Anderson 2016 Grantor Retained Annuity Trust; (v) 675,174 shares of common stock held by Dr. Anderson; (vi) 379,868 shares of common stock held by Cynthia Anderson; and (vii) 2,757 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Dr. Anderson.

(11) Consists of the shares described in note (4) above.

(12) Consists of (i) 14,500,000 shares of common stock held by Mr. Cohen as trustee of Alain J. Cohen Revocable Trust; (ii) 40,613 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Mr. Cohen; and (iii) the shares of common stock described in note (2) above.

(13) Consists of 4,128,571 shares of common stock held by Mr. Downey and 40,613 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Mr. Downey.

(14) Consists of (i) 5,000,000 shares of common stock held by ERP Business Holdings, L.P., an entity affiliated with Dr. Prokupets; (ii) 1,000,000 shares of common stock held by her spouse Marc Grenouilleau; and 40,613 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Dr. Prokupets.

(15) Consists of 123,809 shares of common stock held by Mr. Salter and 40,613 shares of common stock exercisable within 60 days of July 15, 2020 underlying options held by Mr. Salter.

(16) Consists of the shares of common stock in notes (6) through (15) without double counting the shares held by Cobro Ventures and the shares subject to the voting proxy held by Cobro Ventures, Inc. included in notes (6) and (12); and includes William McKee and Jolie M. Siegel who are executive officers but not named executive officers.

** Ms. Chen has notified us that she will resign from our board of directors contingent upon and effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

DESCRIPTION OF CAPITAL STOCK

The following descriptions are summaries of the material terms of our amended and restated certificate of incorporation and amended and restated bylaws, which will be effective immediately upon the closing of this offering. The descriptions of the common stock and preferred stock give effect to changes to our capital structure that will occur immediately upon the closing of this offering. We refer in this section to our amended and restated certificate of incorporation as our certificate of incorporation and we refer to our amended and restated bylaws as our bylaws. Copies of these documents will be filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part.

General

Upon completion of this offering, our authorized capital stock will consist of shares of common stock, par value $0.0001 per share, and shares of preferred stock, par value $0.0001 per share, all of which shares of preferred stock will be undesignated.

As of , 2020, shares of our common stock (of which shares are subject to a right of repurchase by us pursuant to a stock restriction agreement between us and the holders of such shares) were outstanding and held of record by stockholders and shares of Series Seed preferred stock, shares of Series A preferred stock and shares of Series B preferred stock were outstanding and held of record by stockholders. This amount does not take into account the conversion of all outstanding shares of our preferred stock into common stock upon the closing of this offering.

Common Stock

The holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of the stockholders. The holders of our common stock do not have any cumulative voting rights. Holders of our common stock are entitled to receive ratably any dividends declared by our board of directors out of funds legally available for that purpose, subject to any preferential dividend rights of any outstanding preferred stock. Our common stock has no preemptive rights, conversion rights or other subscription rights or redemption or sinking fund provisions.

In the event of our liquidation, dissolution or winding up, holders of our common stock will be entitled to share ratably in all assets remaining after payment of all debts and other liabilities and any liquidation preference of any outstanding preferred stock. The shares to be issued by us in this offering will be, when issued and paid for, validly issued, fully paid and non-assessable.

Preferred Stock

Upon the completion of this offering, all outstanding shares of our preferred stock will be converted into shares of our common stock. Upon the closing of this offering, our board of directors will have the authority, without further action by our stockholders, to issue up to shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting, or the designation of, such series, any or all of which may be greater than the rights of common stock. The issuance of our preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments and payments upon our liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change in control of our company or other corporate action. Immediately after the closing of this offering, no shares of preferred stock will be outstanding, and we have no present plan to issue any shares of preferred stock.

Options

As of , 2020, options to purchase shares of common stock at a weighted-average exercise price of $ per share were outstanding under our 2015 Plan. For additional information regarding terms of the 2015 Plan, see the section titled “Employee Benefit Plans.”

Warrants

In June 2020, we issued a warrant to purchase 2,857,142 shares of our Series B preferred stock to our lender, Perceptive Credit Holdings III, LP, at an exercise price of $1.05 per share, which will become exercisable for our common stock on an as-converted basis upon the closing of this offering. If unexercised as of June 5, 2030, this warrant will automatically net exercise if its exercise price per share is greater than the fair market value per share or otherwise expire.

Registration Rights

Upon the completion of this offering, the holders of shares of our common stock, including those issuable upon the conversion of preferred stock, will be entitled to rights with respect to the registration of these securities under the Securities Act. These rights are provided under the terms of an amended and restated investors' rights agreement between us, certain holders of our common stock and holders of our preferred stock. The amended and restated investors' rights agreement includes demand registration rights, short-form registration rights and piggyback registration rights. All fees, costs and expenses of underwritten registrations under this agreement will be borne by us and all selling expenses, including underwriting discounts and selling commissions, will be borne by the holders of the shares being registered.

Demand Registration Rights

Beginning 180 days after the effective date of this registration statement, the holders of shares of our common stock, including those issuable upon the conversion of shares of our preferred stock upon closing of this offering, are entitled to demand registration rights. Under the terms of the investors' rights agreement, we will be required, upon the written request of holders of at least forty percent of the securities eligible for registration then outstanding, to file a registration statement with respect to at least 25% of the securities eligible for registration then outstanding, we will be required to file a registration statement covering all securities eligible for registration that our stockholders request to be included in such registration. We are required to effect only two registrations pursuant to this provision of the investors' rights agreement in any twelve-month period.

S-3 Registration Rights

Pursuant to the amended and restated investors' rights agreement, if we are eligible to file a registration statement on Form S-3, upon the written request of stockholders holding at least twenty percent of the securities eligible for registration then outstanding we will be required to file a Form S-3 registration restatement with respect to outstanding securities of such stockholders having an anticipated aggregate offering, net of related fees and expenses, of at least $3 million. We are required to effect only two registrations in any twelve month period pursuant to this provision of the amended and restated investors' rights agreement. The right to have such shares registered on Form S-3 is further subject to other specified conditions and limitations.

Piggyback Registration Rights

Pursuant to the amended and restated investors' rights agreement, if we register any of our securities either for our own account or for the account of other security holders, the holders of our common stock, including those issuable upon the conversion of our preferred stock, are entitled to include their shares in the registration. Subject to certain exceptions contained in the amended and restated investors' rights agreement, we and the underwriters may limit the number of shares included in the underwritten offering to the number of shares which we and the underwriters determine in our sole discretion will not jeopardize the success of the offering.

Indemnification

Our amended and restated investors' rights agreement contains customary cross-indemnification provisions, under which we are obligated to indemnify holders of registrable securities in the event of material misstatements or omissions in the registration statement attributable to us, and they are obligated to indemnify us for material misstatements or omissions attributable to them.

Expiration of Registration Rights

The demand registration rights and short form registration rights granted under the amended and restated investors' rights agreement will terminate on the fifth anniversary of the completion of this offering or at such time after this offering when the holders' shares may be sold without restriction pursuant to Rule 144 within a three month period.

Expenses

Ordinarily, other than underwriting discounts and commissions, we are generally required to pay all expenses incurred by us related to any registration effected pursuant to the exercise of these registration rights. These expenses may include all registration and filing fees, printing expenses, fees and disbursements of our counsel, reasonable fees and disbursements of a counsel for the selling security holders and blue-sky fees and expenses.

Anti-Takeover Effects of Delaware Law and Certain Provisions of our Certificate of Incorporation and Amended and Restated Bylaws

Our certificate of incorporation and bylaws include a number of provisions that may have the effect of delaying, deferring or preventing another party from acquiring control of us and encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our board of directors rather than pursue non-negotiated takeover attempts. These provisions include the items described below.

Classified Board

Our certificate of incorporation provides for the division of our board of directors into three classes serving staggered three-year terms, with one class being elected each year. Our certificate of incorporation also provides that directors may be removed only for cause and then only by the affirmative vote of the holders of or more of the shares then entitled to vote at an election of directors. Furthermore, any vacancy on our board of directors, however occurring, including a vacancy resulting from an increase in the size of our board, may only be filled by the affirmative vote of a majority of our directors then in office even if less than a quorum. The classification of directors, together with the limitations on removal of directors and treatment of vacancies, has the effect of making it more difficult for stockholders to change the composition of our board of directors.

No Written Consent of Stockholders

Our certificate of incorporation provides that all stockholder actions are required to be taken by a vote of the stockholders at an annual or special meeting and that stockholders may not take any action by written consent in lieu of a meeting. This limit may lengthen the amount of time required to take stockholder actions and would prevent the amendment of our bylaws or removal of directors by our stockholders without holding a meeting of stockholders.

Meetings of Stockholders

Our certificate of incorporation and bylaws provide that only a majority of the members of our board of directors then in office may call special meetings of stockholders and only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders. Our bylaws limit the business that may be conducted at an annual meeting of stockholders to those matters properly brought before the meeting.

Advance Notice Requirements

Our bylaws establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the annual meeting for the preceding year. Our bylaws specify the requirements as to form and content of all stockholders' notices. These requirements may preclude stockholders from bringing matters before the stockholders at an annual or special meeting.

Amendment to Certificate of Incorporation and Bylaws

Any amendment of our certificate of incorporation must first be approved by a majority of our board of directors and, if required by law or our certificate of incorporation, must thereafter be approved by a majority of the outstanding shares entitled to vote on the amendment and a majority of the outstanding shares of each class entitled to vote thereon as a class, except that the amendment of the provisions relating to stockholder action, board composition, limitation of liability and the amendment of our bylaws and certificate of incorporation must be approved by not less than of the outstanding shares entitled to vote on the amendment and not less than of the outstanding shares of each class entitled to vote thereon as a class. Our bylaws may be amended by the affirmative

vote of a majority of the directors then in office, subject to any limitations set forth in the bylaws; and may also be amended by the affirmative vote of at least of the outstanding shares entitled to vote on the amendment or, if our board of directors recommends that the stockholders approve the amendment, by the affirmative vote of the majority of the outstanding shares entitled to vote on the amendment, in each case voting together as a single class.

Undesignated Preferred Stock

Our certificate of incorporation provides for authorized shares of preferred stock. The existence of authorized but unissued shares of preferred stock may enable our board of directors to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise. For example, if in the due exercise of its fiduciary obligations, our board of directors were to determine that a takeover proposal is not in the best interests of our stockholders, our board of directors could cause shares of preferred stock to be issued without stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquirer or insurgent stockholder or stockholder group. In this regard, our certificate of incorporation grants our board of directors broad power to establish the rights and preferences of authorized and unissued shares of preferred stock. The issuance of shares of preferred stock could decrease the amount of earnings and assets available for distribution to holders of shares of common stock. The issuance may also adversely affect the rights and powers, including voting rights, of these holders and may have the effect of delaying, deterring or preventing a change in control of us.

Delaware Anti-Takeover Statute

Upon completion of this offering, we will be subject to the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the stockholder became interested, our board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances, but not the outstanding voting stock owned by the interested stockholder; or
- at or after the time the stockholder became interested, the business combination was approved by our board of directors and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Section 203 defines a business combination to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, lease, pledge, exchange, mortgage or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;
- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by the entity or person.

Choice of Forum

Our bylaws provide that the Court of Chancery of the State of Delaware will be the exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a breach of fiduciary duty by one or more of our directors, officers or employees, (iii) any action asserting a claim against us arising pursuant to the Delaware General Corporation Law or (iv) any action asserting a claim against us that is governed by the internal affairs doctrine. Our bylaws further provide that, unless we consent in writing to an alternate forum, the United States District Court for the District of Massachusetts will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated bylaws. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation and bylaws has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable.

Stock Exchange Listing

We intend to apply to list our common stock on The Nasdaq Global Market under the proposed trading symbol "CCCC."

Transfer Agent and Registrar

The Transfer Agent and Registrar for our common stock will be .

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our shares, and although we expect that our common stock will be approved for listing on Nasdaq, we cannot assure investors that there will be an active public market for our common stock following this offering. Future sales of our common stock in the public market or the availability of such shares for sale in the public market could adversely affect market prices prevailing from time to time. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Nevertheless, sales of shares of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity capital in the future.

Upon completion of this offering, based on the number of shares outstanding as of , 2020, upon the completion of this offering, shares of our common stock will be outstanding, assuming the issuance of shares offered by us in this offering, no exercise of the underwriters' option to purchase additional shares and no exercise of outstanding options or warrants. Of the outstanding shares, all of the shares sold in this offering will be freely tradable, except that any shares held by our affiliates, as that term is defined in Rule 144 under the Securities Act, may only be sold in compliance with the limitations described below, and restricted shares of common stock are subject to time-based vesting terms. All remaining shares of common stock held by existing stockholders immediately prior to the completion of this offering will be "restricted securities" as such term is defined in Rule 144 under the Securities Act. These restricted securities were issued and sold by us in private transactions and are eligible for public sale only if registered under the Securities Act or if they qualify for an exemption from registration under the Securities Act, including the exemptions provided by Rule 144 or Rule 701, summarized below.

As a result of the lock-up agreements and market stand-off provisions described below and the provisions of Rules 144 or 701 and no exercise of the underwriters' option to purchase additional shares, the shares of our common stock that will be deemed "restricted securities" will be available for sale in the public market following the completion of this offering as follows:

- shares will be eligible for sale on the date of this prospectus; and
- shares will be eligible for sale upon expiration of the lock-up agreements and market stand-off provisions described below, beginning more than 180 days after the date of this prospectus.

Rule 144

In general, a person who has beneficially owned restricted stock for at least six months would be entitled to sell their securities provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale and (ii) we are subject to the periodic reporting requirements of the Exchange Act for at least 90 days before the sale. Persons who have beneficially owned restricted shares for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares then outstanding, which will equal approximately shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares, based on the number of shares outstanding as of , 2020; or
- the average weekly trading volume of our common stock on The Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale;

provided, in each case, that we are subject to the periodic reporting requirements of the Exchange Act for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this prospectus, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period

requirement. Most of our employees, executive officers or directors who purchased shares under a written compensatory plan or contract may be entitled to rely on the resale provisions of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the date of this prospectus before selling their shares.

However, substantially all Rule 701 shares are subject to lock-up agreements as described below.

Lock-up Agreements

All of our directors and officers and the holders of substantially all of our capital stock, options and warrants have entered into lock-up agreements with us and have entered into or will enter into lock-up agreements with the underwriters and have agreed not to dispose of or hedge any of their common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date 180 days thereafter, subject to certain exceptions. The representatives of the underwriters in this offering may, in their sole discretion, permit early release of shares subject to the lock-up agreements. See the section titled “Underwriting,” appearing elsewhere in this prospectus for more information.

Registration Rights

Upon completion of this offering, certain holders of our securities will be entitled to various rights with respect to registration of their shares under the Securities Act. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration. See the section titled “Description of Capital Stock—Registration Rights” appearing elsewhere in this prospectus for more information.

Equity Incentive Plans

We intend to file with the SEC one or more registration statements on Form S-8 under the Securities Act to register our shares issued or reserved for issuance under our equity incentive plans. The first such registration statement is expected to be filed soon after the date of this prospectus and will automatically become effective upon filing with the SEC. Accordingly, shares registered under such registration statement will be available for sale in the open market, unless such shares are subject to vesting restrictions with us or the lock-up restrictions described above. As of the date of this prospectus, we estimate that such registration statement on Form S-8 will cover approximately shares. See the section titled “Executive Compensation—Employee Benefit Plans” appearing elsewhere in this prospectus for a description of our equity compensation plans.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following discussion is a summary of the material U.S. federal income tax considerations applicable to non-U.S. holders (as defined below) with respect to the ownership and disposition of shares of our common stock issued pursuant to this offering. For purposes of this discussion, a non-U.S. holder means a beneficial owner of our common stock (other than a partnership or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation or other organization taxable as a corporation for U.S. federal income tax purposes that is created or organized in or under laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons (within the meaning of Section 7701(a)(30) of the Code) have authority to control all substantial decisions of the trust and (2) has made an election to be treated as a U.S. person under applicable U.S. Treasury Regulations.

This discussion does not address the tax treatment of partnerships or other entities or arrangements that are pass-through or disregarded entities for U.S. federal income tax purposes or persons that hold their common stock through such partnerships or other entities or arrangements. A partner in a partnership or other pass-through entity that will hold our common stock should consult his, her or its tax advisor regarding the tax consequences of acquiring, holding and disposing of our common stock through a partnership or other pass-through entity, as applicable.

This discussion is based on current provisions of the Code, existing and proposed U.S. Treasury Regulations promulgated thereunder, current administrative rulings and judicial decisions, all as in effect as of the date of this prospectus and, all of which are subject to change or to differing interpretation, possibly with retroactive effect. Any such change or differing interpretation could alter the tax considerations to non-U.S. holders described in this prospectus. There can be no assurance that the Internal Revenue Service, which we refer to as the IRS, will not challenge one or more of the tax considerations described herein. We have not obtained, nor do we intend to obtain, a ruling with respect to the U.S. federal income tax consequences with respect to the matters discussed below. We assume in this discussion that a non-U.S. holder holds shares of our common stock as a capital asset within the meaning of Section 1221 of the Code, generally property held for investment.

This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular non-U.S. holder in light of that non-U.S. holder's individual circumstances nor does it address any U.S. state, local or non-U.S. taxes, the alternative minimum tax, the Medicare contribution tax on net investment income, the rules regarding qualified small business stock within the meaning of Section 1202 of the Code or any other aspect of any U.S. federal tax other than income and estate taxes. This discussion also does not consider any specific facts or circumstances that may apply to a non-U.S. holder and does not address the special tax rules applicable to particular non-U.S. holders, such as:

- insurance companies;
- tax-exempt or governmental organizations;
- financial institutions;
- brokers or dealers in securities;
- regulated investment companies;
- pension plans;
- persons that own, or are deemed to own, during the applicable testing period, more than 5% of our outstanding capital stock;
- persons who are accrual method taxpayers subject to special tax accounting rules under Section 451(b) of the Code;

- persons who hold or receive our common stock pursuant to the exercise of employee stock options or otherwise as compensation;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- "qualified foreign pension funds," or entities wholly owned by a "qualified foreign pension fund";
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons that hold our common stock as part of a straddle, hedge, conversion transaction, synthetic security or other integrated investment; and
- certain U.S. expatriates.

This discussion is for general information only and is not tax advice. Accordingly, all prospective non-U.S. holders of our common stock should consult their tax advisors with respect to the U.S. federal, state, local and non-U.S. tax consequences of the purchase, ownership and disposition of our common stock.

THIS SUMMARY IS NOT INTENDED TO BE TAX ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF OUR COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR NON-U.S. TAX LAWS AND ANY U.S. FEDERAL NON-INCOME TAX LAWS.

Distributions on Our Common Stock

Distributions, if any, on our common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, the excess will be treated as a tax-free return of the non-U.S. holder's investment, up to such holder's tax basis in the common stock. Any amount distributed in excess of basis will be treated as capital gain, subject to the tax treatment described below in "Gain on Sale or Other Taxable Disposition of Our Common Stock." Any such distributions will also be subject to the discussions below under the sections titled "Backup Withholding and Information Reporting" and "Withholding and Information Reporting Requirements—FATCA."

Subject to the discussion in the following two paragraphs in this section, dividends paid to a non-U.S. holder generally will be subject to withholding of U.S. federal income tax at a 30% rate or a reduced rate if specified by an applicable income tax treaty between the United States and such holder's country of residence.

Dividends that are treated as effectively connected with a trade or business conducted by a non-U.S. holder within the United States and, if an applicable income tax treaty so provides, that are attributable to a permanent establishment or a fixed base maintained by the non-U.S. holder within the United States, are generally exempt from the 30% withholding tax if the non-U.S. holder satisfies applicable certification and disclosure requirements. However, such U.S. effectively connected income, net of specified deductions and credits, is taxed at the same U.S. federal income tax rates applicable to United States persons (as defined in the Code), unless a specific treaty exemption applies. Any U.S. effectively connected income received by a non-U.S. holder that is a foreign corporation may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate or a reduced rate if specified by an applicable income tax treaty between the United States and such holder's country of residence.

A non-U.S. holder of our common stock who claims the benefit of an applicable income tax treaty between the United States and such holder's country of residence generally will be required to provide a properly executed IRS Form W-8BEN or W-8BEN-E (or a successor form) to the applicable withholding agent and satisfy applicable certification and other requirements. Non-U.S. holders are urged to consult their tax advisors regarding their entitlement to benefits under a relevant income tax treaty. A non-U.S. holder that is eligible for a reduced rate of U.S. withholding tax under an income tax treaty may obtain a refund or credit of any excess amounts withheld by timely filing a U.S. tax return with the IRS.

Gain on Sale or Other Taxable Disposition of Our Common Stock

Subject to the discussions below under “Backup Withholding and Information Reporting” and “Withholding and Information Reporting Requirements —FATCA,” a non-U.S. holder generally will not be subject to any U.S. federal income or withholding tax on any gain realized upon such holder’s sale or other taxable disposition of shares of our common stock unless:

- the gain is effectively connected with the non-U.S. holder’s conduct of a U.S. trade or business and, if an applicable income tax treaty so provides, is attributable to a permanent establishment or a fixed-base maintained by such non-U.S. holder in the United States, in which case the non-U.S. holder generally will be taxed on a net income basis at the U.S. federal income tax rates applicable to United States persons (as defined in the Code) and, if the non-U.S. holder is a foreign corporation, the branch profits tax described above in “Distributions on Our Common Stock” also may apply;
- the non-U.S. holder is a nonresident alien individual who is present in the United States for a period or periods aggregating 183 days or more in the taxable year of the disposition and certain other conditions are met, in which case the non-U.S. holder will be subject to a 30% tax (or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder’s country of residence) on the net gain derived from the disposition, which may be offset by certain U.S. source capital losses of the non-U.S. holder, if any (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses; or
- we are, or have been, at any time during the five-year period preceding such sale of other taxable disposition (or the non-U.S. holder’s holding period, if shorter), a “U.S. real property holding corporation,” as described below, unless our common stock is regularly traded on an established securities market and the non-U.S. holder holds no more than 5% of our outstanding common stock, directly or indirectly, actually or constructively, during the shorter of the 5-year period ending on the date of the disposition or the period that the non-U.S. holder held our common stock. In such case, such non-U.S. holder generally will be taxed on its net gain derived from the disposition at the U.S. federal income tax rates applicable to United States persons (as defined in the Code). Generally, a corporation is a U.S. real property holding corporation if the fair market value of its U.S. real property interests, as defined in the Code and applicable Treasury Regulations, equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. Although there can be no assurance, we do not believe that we are, or have been, a U.S. real property holding corporation or that we are likely to become one in the future. No assurance can be provided that our common stock will be regularly traded on an established securities market for purposes of the rules described above.

Backup Withholding and Information Reporting

We must report annually to the IRS and to each non-U.S. holder the gross amount of the dividends on our common stock paid to such holder and the tax withheld, if any, with respect to such dividends. Non-U.S. holders may have to comply with specific certification procedures to establish that the holder is not a United States person (as defined in the Code) in order to avoid backup withholding at the applicable rate with respect to dividends on our common stock. Dividends paid to non-U.S. holders subject to withholding of U.S. federal income tax, as described above in “Distributions on Our Common Stock,” generally will be exempt from U.S. backup withholding. U.S. backup withholding generally will not apply to a non-U.S. holder who provides a properly executed IRS Form W-8BEN, W-8BEN-E or IRS Form W-8ECI or otherwise establishes an exemption; provided the applicable withholding agent does not have actual knowledge or reason to know that the non-U.S. holder is a United States person (as defined in the Code).

Information reporting and backup withholding will generally apply to the proceeds of a disposition of our common stock by a non-U.S. holder effected by or through the U.S. office of any broker, U.S. or foreign, unless the holder certifies its status as a non-U.S. holder and satisfies certain other requirements or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a non-U.S. holder where the transaction is effected outside the United States through a non-U.S. office of a broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker

with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker.

Non-U.S. holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules to them. Copies of information returns may be made available to the tax authorities of the country in which the non-U.S. holder resides or is incorporated under the provisions of a specific treaty or agreement. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder may be refunded or credited against the non-U.S. holder's U.S. federal income tax liability, if any, provided that an appropriate claim is filed with the IRS in a timely manner.

Withholding and Information Reporting Requirements—FATCA

Provisions of the Code commonly referred to as the Foreign Account Tax Compliance Act, or FATCA, generally impose a U.S. federal withholding tax at a rate of 30% on payments of dividends on or, subject to the discussion of certain proposed U.S. Treasury Regulations below, gross proceeds from the sale or other disposition of, our common stock paid to a foreign entity unless (i) if the foreign entity is a "foreign financial institution," such foreign entity undertakes certain due diligence, reporting, withholding and certification obligations, (ii) if the foreign entity is not a "foreign financial institution," such foreign entity identifies certain of its U.S. investors, if any or (iii) the foreign entity is otherwise exempt under FATCA. However, the U.S. Treasury released proposed regulations which, if finalized in their present form, would eliminate the federal withholding tax of 30% applicable to the gross proceeds of a sale or other disposition of our common stock. In the preamble to such proposed regulations, the U.S. Treasury stated that taxpayers may generally rely on the proposed regulations until final regulations are issued. Under certain circumstances, a non-U.S. holder may be eligible for refunds or credits of this withholding tax. An intergovernmental agreement between the United States and an applicable foreign country may modify the requirements described in this paragraph. Non-U.S. holders should consult their tax advisors regarding the possible implications of this legislation on their investment in our common stock and the entities through which they hold our common stock, including, without limitation, the process and deadlines for meeting the applicable requirements to prevent the imposition of the 30% withholding tax under FATCA.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF ACQUIRING, HOLDING AND DISPOSING OF OUR COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY PROPOSED OR RECENT CHANGES IN APPLICABLE LAW, AS WELL AS TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL, NON-U.S. OR U.S. FEDERAL NON-INCOME TAX LAWS OR UNDER ANY APPLICABLE TAX TREATY.

UNDERWRITING

Subject to the terms and conditions set forth in the underwriting agreement, dated , 2020, between us and Jefferies LLC and Evercore Group L.L.C., as the representatives of the underwriters in this offering named below, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the respective number of shares of common stock shown opposite its name below:

UNDERWRITER	NUMBER OF SHARES
Jefferies LLC	
Evercore Group L.L.C.	
BMO Capital Markets Corp.	
UBS Securities LLC	
Total	

The underwriting agreement provides that the obligations of the several underwriters are subject to certain conditions precedent such as the receipt by the underwriters of officers' certificates and legal opinions and approval of certain legal matters by their counsel. The underwriting agreement provides that the underwriters will purchase all of the shares of common stock if any of them are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased or the underwriting agreement may be terminated. We have agreed to indemnify the underwriters and certain of their controlling persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make in respect of those liabilities.

The underwriters have advised us that, following the completion of this offering, they currently intend to make a market in the common stock as permitted by applicable laws and regulations. However, the underwriters are not obligated to do so, and the underwriters may discontinue any market-making activities at any time without notice in their sole discretion. Accordingly, no assurance can be given as to the liquidity of the trading market for the common stock, that you will be able to sell any of the common stock held by you at a particular time or that the prices that you receive when you sell will be favorable.

The underwriters are offering the shares of common stock subject to their acceptance of the shares of common stock from us and subject to prior sale. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part. In addition, the underwriters have advised us that they do not intend to confirm sales to any account over which they exercise discretionary authority except sales to accounts over which they have discretionary authority to exceed 5% of the common stock being offered.

Commission and Expenses

The underwriters have advised us that they propose to offer the shares of common stock to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers, which may include the underwriters, at that price less a concession not in excess of $ per share of common stock. The underwriters may allow, and certain dealers may reallow, a discount from the concession not in excess of $ per share of common stock to certain brokers and dealers. After the offering, the initial public offering price, concession and reallowance to dealers may be reduced by the representatives. No such reduction will change the amount of proceeds to be received by us as set forth on the cover page of this prospectus.

The following table shows the public offering price, the underwriting discounts and commissions that we are to pay the underwriters and the proceeds, before expenses, to us in connection with this offering. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	PER SHARE		TOTAL	
	WITHOUT OPTION TO PURCHASE ADDITIONAL SHARES	WITH OPTION TO PURCHASE ADDITIONAL SHARES	WITHOUT OPTION TO PURCHASE ADDITIONAL SHARES	WITH OPTION TO PURCHASE ADDITIONAL SHARES
Public offering price	$	$	$	$
Underwriting discounts and commissions paid by us	$	$	$	$
Proceeds to us, before expenses	$	$	$	$

We estimate expenses payable by us in connection with this offering, other than the underwriting discounts and commissions referred to above, will be approximately $. We have also agreed to reimburse the underwriters for up to $ for their expenses related to clearance of this offering with the Financial Industry Regulatory Authority, Inc., or FINRA, including the related fees and expenses of counsel for the underwriters. In accordance with FINRA Rule 5110, this reimbursed fee is deemed underwriting compensation for this offering.

Determination of Offering Price

Prior to this offering, there has not been a public market for our common stock. Consequently, the initial public offering price for our common stock will be determined by negotiations between us and the representatives. Among the factors to be considered in these negotiations will be prevailing market conditions, our financial information, market valuations of other companies that we and the underwriters believe to be comparable to us, estimates of our business potential, the present state of our development and other factors deemed relevant.

We offer no assurances that the initial public offering price will correspond to the price at which the common stock will trade in the public market subsequent to the offering or that an active trading market for the common stock will develop and continue after the offering.

Listing

We intend to apply to list our common stock on The Nasdaq Global Market under the trading symbol "CCCC."

Option to Purchase Additional Shares

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase, from time to time, in whole or in part, up to an aggregate of shares from us at the public offering price set forth on the cover page of this prospectus, less underwriting discounts and commissions. If the underwriters exercise this option, each underwriter will be obligated, subject to specified conditions, to purchase a number of additional shares proportionate to that underwriter's initial purchase commitment as indicated in the table above. This option may be exercised only if the underwriters sell more shares than the total number set forth on the cover page of this prospectus.

No Sales of Similar Securities

We, our officers, directors and holders of all or substantially all our outstanding capital stock and other securities have agreed, subject to specified exceptions, not to directly or indirectly:

- sell or offer to sell any shares of common stock, options, warrants or other rights to acquire shares of common stock or any securities exchangeable or exercisable for or convertible into shares of common stock, or to acquire other securities or rights ultimately exchangeable or exercisable for or convertible into shares of common stock, currently or hereafter owned either of record or beneficially, as defined in Rule 13d-3 under the Exchange Act by such individual or their family member;

- enter into any swap;
- make any demand for, or exercise any right with respect to, the registration under the Securities Act of the offer and sale of any shares of common stock, options, warrants or other rights to acquire shares of common stock, or any securities exchangeable or exercisable for or convertible into shares of common stock, or to acquire other securities or rights ultimately exchangeable or exercisable for or convertible into shares of common stock, or cause to be filed a registration statement, prospectus or prospectus supplement (or an amendment or supplement thereto) with respect to any such registration; or
- publicly announce an intention to do any of the foregoing for a period of 180 days after the date of this prospectus without the prior written consent of Jefferies LLC and Evercore Group L.L.C.

This restriction terminates after the close of trading of the common stock on and including the 180th day after the date of this prospectus.

Jefferies LLC and Evercore Group L.L.C may, in their sole discretion, and at any time or from time to time before the termination of the 180-day period, release all or any portion of the securities subject to lock-up agreements. There are no existing agreements between the underwriters and any of our shareholders who will execute a lock-up agreement, providing consent to the sale of shares prior to the expiration of the lock-up period.

Stabilization

The underwriters have advised us that they, pursuant to Regulation M under the Exchange Act, certain persons participating in the offering may engage in short sale transactions, stabilizing transactions, syndicate covering transactions or the imposition of penalty bids in connection with this offering. These activities may have the effect of stabilizing or maintaining the market price of the common stock at a level above that which might otherwise prevail in the open market. Establishing short sales positions may involve either “covered” short sales or “naked” short sales.

“Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares of our common stock in this offering. The underwriters may close out any covered short position by either exercising their option to purchase additional shares of our common stock or purchasing shares of our common stock in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option to purchase additional shares.

“Naked” short sales are sales in excess of the option to purchase additional shares of our common stock. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares of our common stock in the open market after pricing that could adversely affect investors who purchase in this offering.

A stabilizing bid is a bid for the purchase of shares of common stock on behalf of the underwriters for the purpose of fixing or maintaining the price of the common stock. A syndicate covering transaction is the bid for or the purchase of shares of common stock on behalf of the underwriters to reduce a short position incurred by the underwriters in connection with the offering. Similar to other purchase transactions, the underwriter’s purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. A penalty bid is an arrangement permitting the underwriters to reclaim the selling concession otherwise accruing to a syndicate member in connection with the offering if the common stock originally sold by such syndicate member are purchased in a syndicate covering transaction and therefore have not been effectively placed by such syndicate member.

Neither we, nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. The underwriters are not obligated to engage in these activities and, if commenced, any of the activities may be discontinued at any time.

The underwriters may also engage in passive market making transactions in our common stock on The Nasdaq Global Market in accordance with Rule 103 of Regulation M during a period before the commencement of offers or sales of shares of our common stock in this offering and extending through the completion of distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, that bid must then be lowered when specified purchase limits are exceeded.

Electronic Distribution

A prospectus in electronic format may be made available by e-mail or on the websites or through online services maintained by one or more of the underwriters or their affiliates. In those cases, prospective investors may view offering terms online and may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares of common stock for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' websites and any information contained in any other web site maintained by any of the underwriters is not part of this prospectus, has not been approved and/or endorsed by us or the underwriters and should not be relied upon by investors.

Other Activities and Relationships

The underwriters and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and certain of their affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for us and our affiliates, for which they received or will receive customary fees and expenses. For example, Jefferies LLC acted as a placement agent in connection with the private placement of our Series B Preferred Stock and received cash compensation in connection therewith.

In the ordinary course of their various business activities, the underwriters and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments issued by us and our affiliates. If the underwriters or their respective affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. The underwriters and their respective affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates, including potentially the common stock offered hereby. Any such short positions could adversely affect future trading prices of the common stock offered hereby. The underwriters and certain of their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

We have engaged Locust Walk Securities LLC, or Locust Walk, a FINRA member, to serve as our financial advisor in connection with this offering. We expect to pay Locust Walk, upon the completion of this offering, aggregate fees of $1.0 million for its services. The services provided by Locust Walk included customary business and financial analysis, assistance in preparing information materials regarding the offering, coordinating diligence sessions and advising us with respect to the marketing and structuring of this offering. Locust Walk is not acting as an underwriter and will not sell or offer to sell any securities and will not identify, solicit or engage directly with potential investors. In addition, Locust Walk will not underwrite or purchase any of the offered securities or otherwise participate in any such undertaking.

Disclaimers About Non-U.S. Jurisdictions

European Economic Area and the United Kingdom

In relation to each Member State of the European Economic Area and the United Kingdom, each a Relevant State, no shares have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to

the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of common stock may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a "qualified investor" (as defined under the Prospectus Regulation);
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the underwriters; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of common stock shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any common stock or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with us and each of the underwriters and that it is a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation.

In the case of any common stock being offered to a financial intermediary as that term is used in Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the common stock acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer or any common stock to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the underwriters have been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer to the public" in relation to shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any common stock to be offered so as to enable an investor to decide to purchase or subscribe for any common stock, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

United Kingdom

This prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of the Prospectus Regulation that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or the Order, and/or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated, each such person being referred to as a "relevant person."

This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

Canada

(A) Resale Restrictions

The distribution of shares of common stock in Canada is being made only in the provinces of Ontario, Quebec, Alberta and British Columbia on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of these securities are made. Any resale of the shares of our common stock in Canada must be made under applicable securities laws, which may vary depending on the relevant jurisdiction and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the securities.

(B) Representations of Canadian Purchasers

By purchasing shares of our common stock in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to us and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the shares of our common stock without the benefit of a prospectus qualified under those securities laws as it is an "accredited investor" as defined under National Instrument 45-106 – Prospectus Exemptions,

- the purchaser is a “permitted client” as defined in National Instrument 31-103—Registration Requirements, Exemptions and Ongoing Registrant Obligations,
- where required by law, the purchaser is purchasing as principal and not as agent and
- the purchaser has reviewed the text above under Resale Restrictions.

(C) Conflicts of Interest

Canadian purchasers of shares of our common stock are hereby notified that each of the underwriters are relying on the exemption set out in section 3A.3 or 3A.4, if applicable, of National Instrument 33-105 – Underwriting Conflicts from having to provide certain conflict of interest disclosure in this document.

(D) Statutory Rights of Action

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the prospectus (including any amendment thereto) such as this document contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser of these shares of our common stock in Canada should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

(E) Enforcement of Legal Rights

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers of shares of our common stock to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

(F) Taxation and Eligibility for Investment

Canadian purchasers of shares of common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the shares of our common stock in their particular circumstances and about the eligibility of the shares of our common stock for investment by the purchaser under relevant Canadian legislation.

Australia

This prospectus is not a disclosure document for the purposes of Australia’s Corporations Act 2001 (Cth) of Australia, or Corporations Act, has not been lodged with the Australian Securities & Investments Commission and is only directed to the categories of exempt persons set out below. Accordingly, if you receive this prospectus in Australia:

You confirm and warrant that you are either:

- a “sophisticated investor” under section 708(8)(a) or (b) of the Corporations Act;
- a “sophisticated investor” under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant’s certificate to the company which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;
- a person associated with the company under Section 708(12) of the Corporations Act; or
- a “professional investor” within the meaning of section 708(11)(a) or (b) of the Corporations Act.

To the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act any offer made to you under this prospectus is void and incapable of acceptance.

You warrant and agree that you will not offer any of the shares of our common stock issued to you pursuant to this prospectus for resale in Australia within 12 months of those securities being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Hong Kong

No shares of our common stock have been offered or sold, and no shares of our common stock may be offered or sold, in Hong Kong, by means of any document, other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent; or to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong, or the SFO, and any rules made under that Ordinance; or in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong, or the CO, or which do not constitute an offer or invitation to the public for the purpose of the CO or the SFO. No document, invitation or advertisement relating to the shares of our common stock has been issued or may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted under the securities laws of Hong Kong) other than with respect to shares of our common stock which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under that Ordinance.

This prospectus has not been registered with the Registrar of Companies in Hong Kong. Accordingly, this prospectus may not be issued, circulated or distributed in Hong Kong, and the shares of our common stock may not be offered for subscription to members of the public in Hong Kong. Each person acquiring the shares of our common stock will be required, and is deemed by the acquisition of the shares of our common stock, to confirm that he is aware of the restriction on offers of the shares of our common stock described in this prospectus and the relevant offering documents and that he is not acquiring, and has not been offered, any shares of our common stock in circumstances that contravene any such restrictions.

Israel

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Securities Law, and has not been filed with or approved by the Israel Securities Authority. In Israel, this prospectus is being distributed only to, and is directed only at, and any offer of shares of our common stock is directed only at, (i) a limited number of persons in accordance with the Israeli Securities Law and (ii) investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and "qualified individuals," each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case, purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors are required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

Japan

The offering has not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948 of Japan, as amended), or FIEL, and the underwriters will not offer or sell any shares of our common stock, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This prospectus has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the common stock may not be circulated or distributed, nor may the common stock be offered or sold or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person pursuant to Section 275(1) or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares of our common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares of our common stock pursuant to an offer made under Section 275 of the SFA except:
- to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- where no consideration is or will be given for the transfer;
- where the transfer is by operation of law;
- as specified in Section 276(7) of the SFA; or
- as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or the SIX, or on any other stock exchange or regulated trading facility in Switzerland. This prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the securities or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this prospectus nor any other offering or marketing material relating to the offering, us or the securities have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and the offer of securities will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, and the offer of securities has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or the CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of securities.

LEGAL MATTERS

The validity of the shares of common stock offered by this prospectus will be passed upon for us by Goodwin Procter LLP, Boston, Massachusetts. Cooley LLP, Boston, Massachusetts is serving as counsel to the underwriters.

EXPERTS

The consolidated financial statements as of December 31, 2018 and 2019 and for each of the years in the two-year period ended December 31, 2019, have been included herein and in the registration statement in reliance upon the report of KPMG LLP, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock offered by this prospectus. This prospectus, which constitutes part of the registration statement, does not contain all of the information included in the registration statement. For further information pertaining to us and the common stock offered by this prospectus, you should refer to the registration statement and to its exhibits. Whenever we make reference in this prospectus to any of our contracts, agreements or other documents, the references are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document.

Upon the completion of the offering, we will be subject to the informational requirements of the Exchange Act and will file annual, quarterly and current reports, proxy statements and other information with the SEC. You can read our SEC filings, including the registration statement, at the SEC's website at www.sec.gov. We also maintain a website at https://www.c4therapeutics.com and upon completion of the offering, you may access, free of charge, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports, as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained in or that can be accessed through our website is not a part of and is not incorporated into this prospectus.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
C4 Therapeutics, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of C4 Therapeutics, Inc. and its subsidiary, (the Company) as of December 31, 2018 and 2019, the related consolidated statements of operations and comprehensive loss, redeemable convertible preferred stock and stockholders' deficit and cash flows for each of the years then ended and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2019, and the results of its operations and its cash flows for each of the years then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG

We have served as the Company's auditor since 2016.

Boston, Massachusetts
August 5, 2020

C4 THERAPEUTICS, INC.

Consolidated Balance Sheets
December 31, 2018 and 2019
(In thousands, except share data)

	DECEMBER 31, 2018	DECEMBER 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 36,311	$ 90,549
Accounts receivable	86,438	4,623
Prepaid expenses and other current assets	781	1,595
Total current assets	123,530	96,767
Property and equipment, net	4,788	4,463
Right-of-use asset	15,596	14,453
Restricted cash	2,577	2,577
Total assets	$ 146,491	$ 118,260
Total Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Deficit		
Current liabilities:		
Accounts payable	$ 1,154	$ 5,385
Accrued expenses and other current liabilities	2,952	6,671
Deferred revenue, current	19,109	20,705
Operating lease liability, current	734	880
Total current liabilities	23,949	33,641
Deferred revenue, net of current	77,549	72,718
Operating lease liability, net of current	13,748	12,869
Total liabilities	115,246	119,228
Commitments and Contingencies (see Note 5)		
Series Seed redeemable convertible preferred stock, par value of $0.0005 per share; 4,000,000 shares authorized as of December 31, 2018 and 2019; 4,000,000 shares issued and outstanding at December 31, 2018 and 2019; liquidation and redemption value of $1,000 as of December 31, 2019	1,000	1,000
Series A redeemable convertible preferred stock, par value of $0.0005 per share; 110,000,000 shares authorized as of December 31, 2018 and 2019; 109,145,900 shares issued and outstanding at December 31, 2018 and 2019; liquidation and redemption value of $109,995 as of December 31, 2019	109,995	109,995
Stockholders' deficit:		
Common stock, par value of $0.0001 per share; 180,000,000 shares authorized as of December 2018 and 2019; 11,292,236 and 12,031,848 shares issued and outstanding at December 31, 2018 and 2019, respectively	1	1
Additional paid-in capital	3,638	5,524
Accumulated deficit	(83,389)	(117,488)
Total stockholders' deficit	(79,750)	(111,963)
Total liabilities, redeemable convertible preferred stock and stockholders' deficit	$ 146,491	$ 118,260

See accompanying notes to consolidated financial statements.

C4 THERAPEUTICS, INC.

Consolidated Statement of Operations and Comprehensive Loss
December 31, 2018 and 2019
(In thousands, except per share data)

	YEAR ENDED DECEMBER 31,	
	2018	2019
Revenue from collaboration agreements	$ 19,364	$ 21,381
Operating expenses:		
General and administrative	7,161	8,774
Research and development	28,592	48,059
Total operating expenses	35,753	56,833
Operating loss	(16,389)	(35,452)
Other income, net:		
Interest income	685	1,832
Other (expense) income, net	(7)	325
Total other income, net	678	2,157
Loss before income taxes	(15,711)	(33,295)
Income taxes	—	(804)
Net loss	(15,711)	(34,099)
Other comprehensive gain:		
Unrealized gain on investments	46	—
Comprehensive loss	$ (15,665)	$ (34,099)
Accrual of preferred stock dividends	$ (8,396)	$ (8,468)
Net loss attributable to common stockholders—basic and diluted (Note 11)	$ (24,107)	$ (42,567)
Net loss per share attributable to common stockholders—basic and diluted	$ (2.21)	$ (3.67)
Weighted-average common stock outstanding—basic and diluted	10,905,492	11,603,366

See accompanying notes to consolidated financial statements.

C4 THERAPEUTICS, INC.

Consolidated Statement of Redeemable Convertible Preferred Stock and Stockholder's Deficit

December 31, 2018 and 2019
(In thousands, except share data)

	SERIES SEED REDEEMABLE CONVERTIBLE PREFERRED STOCK		SERIES A REDEEMABLE CONVERTIBLE PREFERRED STOCK		COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	ACCUMULATED DEFICIT	TOTAL STOCKHOLDERS' DEFICIT
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT				
Balance as of December 31, 2017	4,000,000	$ 1,000	108,245,000	$ 108,018	10,917,550	$ 1	$ 3,046	$ (46)	$ (67,678)	$ (64,677)
Exercise of stock options	—	—	—	—	380,186	—	98	—	—	98
Issuance of Series A redeemable convertible preferred stock, net of issuance costs of $23	—	—	900,900	1,977	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	—	—	582	—	—	582
Repurchase of common stock	—	—	—	—	(5,500)	—	(88)	—	—	(88)
Unrealized gain on investments	—	—	—	—	—	—	—	46	—	46
Net loss	—	—	—	—	—	—	—	—	(15,711)	(15,711)
Balance as of December 31, 2018	4,000,000	1,000	109,145,900	109,995	11,292,236	1	3,638	—	(83,389)	(79,750)
Exercise of stock options	—	—	—	—	791,187	—	274	—	—	274
Stock-based compensation	—	—	—	—	—	—	1,642	—	—	1,642
Repurchase of common stock	—	—	—	—	(51,575)	—	(30)	—	—	(30)
Net loss	—	—	—	—	—	—	—	—	(34,099)	(34,099)
Balance as of December 31, 2019	4,000,000	$ 1,000	109,145,900	$ 109,995	12,031,848	$ 1	$ 5,524	$ —	$ (117,488)	$ (111,963)

See accompanying notes to consolidated financial statements.

C4 THERAPEUTICS, INC.

Consolidated Statement of Cash Flows
December 31, 2018 and 2019
(In thousands)

	YEAR ENDED DECEMBER 31,	
	2018	2019
Cash flows used in operating activities:		
Net loss	$ (15,711)	$ (34,099)
Adjustments to reconcile net loss to cash (used in) provided by operating activities:		
Depreciation and amortization	1,273	1,595
Stock-based compensation expense	582	1,642
Gain on disposal of fixed assets	87	16
Accretion of discount on investments	(21)	334
Non-cash lease expense	2,300	1,144
Non-cash interest income	68	—
Changes in operating assets and liabilities:		
Accounts receivable	(84,944)	81,815
Prepaid expenses and other current assets	138	(814)
Accounts payable	578	4,231
Accrued expenses and other liabilities	(278)	3,719
Operating lease liability	(2,082)	(734)
Deferred revenue	81,029	(3,235)
Net cash (used in) provided by operating activities	(16,981)	55,614
Cash flows from investing activities:		
Purchases of property and equipment	(2,689)	(1,349)
Proceeds from sale of property and equipment	—	63
Purchase of short-term investments	(4,990)	78,666
Proceeds received from maturities of short-term investments	44,600	(79,000)
Net cash provided by (used in) investing activities	36,921	(1,620)
Cash flows from financing activities:		
Proceeds from the issuance of Series A shares, net of issuance costs	1,977	—
Proceeds from the issuance of common stock, net of costs	47	274
Repurchase of vested stock options	(63)	(30)
Net cash provided by financing activities	1,961	244
Net increase in cash, cash equivalents and restricted cash	21,901	54,238
Cash, cash equivalents and restricted cash at beginning of year	16,987	38,888
Cash, cash equivalents and restricted cash at end of year	$ 38,888	$ 93,126
Reconciliation of cash, cash equivalents and restricted cash:		
Cash, cash equivalents and restricted cash at end of year	$ 38,888	$ 93,126
Less restricted cash	(2,577)	(2,577)
Cash and cash equivalents at end of the year	$ 36,311	$ 90,549
Supplemental disclosures of non-cash investing and financing activities:		
Capital expenditures in accounts payable	$ 23	$ 172
Amount due for stock option exercises	$ 51	$ —
Stock option repurchases included in accrued expenses	$ 25	$ 16

See accompanying notes to consolidated financial statements.

C4 THERAPEUTICS, INC.

Notes to Consolidated Financial Statements
December 31, 2018 and 2019

(1) The Company

C4 Therapeutics, Inc., or Company, was incorporated in Delaware on October 7, 2016. Its principal offices are in Watertown, Massachusetts. The Company is a biopharmaceutical company focused on harnessing the body's natural regulation of protein levels to develop novel therapeutic candidates to target and eliminate disease-causing proteins for the treatment of cancer, neurodegenerative conditions and other diseases

The Company is subject to risks common to other life science companies in the early development stage including, but not limited to, uncertainty of product development and commercialization, lack of marketing and sales history, development by its competitors of new technological innovations, dependence on key personnel, market acceptance of products, product liability, protection of proprietary technology, ability to raise additional financing and compliance with the Food and Drug Administration ("FDA") and other government regulations. If the Company does not successfully advance its programs into and through human clinical trials and/or enter into collaborations for its programs and commercialize any of its product candidates, it may be unable to produce product revenue or achieve profitability.

Liquidity

The Company has evaluated whether there are certain conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued.

The Company has incurred recurring losses since its inception, including net losses of $15.7 million and $34.1 million for the years ended December 31, 2018 and 2019, respectively. In addition, as of December 31, 2019, the Company had an accumulated deficit of $117.5 million. To date, the Company has not generated any revenue from product sales as none of its product candidates have been approved for commercialization. The Company expects to continue to generate operating losses for the foreseeable future.

The Company's primary activities since inception have been focused around research and development activities, building the Company's intellectual property, recruiting personnel and raising capital to support these activities. Through December 31, 2019, the Company has funded its operations primarily with proceeds received from the sale of redeemable convertible preferred stock (collectively, the "Preferred Stock") and through its collaboration agreements. The Company also closed a series B redeemable convertible preferred stock financing and credit arrangement in June and July 2020 for net proceeds of $145.5 million (see Note 13). The Company believes that its cash and cash equivalents of $90.5 million as of December 31, 2019, along with the proceeds from the Series B redeemable convertible preferred stock financing and credit agreement, are sufficient to fund planned operations for at least twelve months from the date these consolidated financial statements are available to be issued.

Accordingly, the consolidated financial statements have been prepared on a basis that assumes the Company will continue as a going concern and contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

(2) Summary of Significant Accounting Policies

Basis of Presentation

The Company has prepared the accompanying consolidated financial statements in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP").

Principles of Consolidation

The Company's consolidated financial statements include the accounts of the Company and its wholly owned subsidiary C4T Securities Corporation, a Massachusetts securities corporation. All significant intercompany balances and transactions have been eliminated in consolidation.

Emerging Growth Company

The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting

standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it is (i) no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, these consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company bases its estimates and assumptions on historical experience when available and on various factors that it believes to be reasonable under the circumstances. This process may result in actual results differing materially from those estimated amounts used in the preparation of the consolidated financial statements if these results differ from historical experience or other assumptions do not turn out to be substantially accurate, even if such assumptions are reasonable when made. Significant estimates and assumptions reflected in these consolidated financial statements include, but are not limited to, amounts and timing of revenues recognized under the Company's research and development collaboration arrangements and accrued research and development expense. The Company assesses estimates on an ongoing basis; however, actual results could materially differ from those estimates.

Segments

Operating segments are defined as components of an enterprise for which separate and discrete information is available for evaluation by the chief operating decision-maker in deciding how to allocate resources and assess performance. The Company has one operating segment. The Company's chief operating decision maker, its Chief Executive Officer, manages the Company's operations on a consolidated basis for the purpose of allocating resources. All of the Company's long-lived assets are held in the United States.

Deferred Offering Costs

The Company capitalizes certain legal, professional, accounting and other third-party fees that are directly associated with in-process equity financings as deferred offering costs until such financings are consummated. After consummation of the equity financing, these costs are recorded in stockholders' deficit as a reduction of proceeds generated as a result of the offering. Should a planned equity financing be abandoned, the deferred offering costs would be expensed immediately as a charge to operating expenses in the consolidated statement of operations. No deferred offering costs were capitalized as of December 31, 2018 or 2019.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Company's cash equivalents are measured at fair value on a recurring basis. Cash and cash equivalents included $29.0 million and $80.9 million of funds held in money market accounts as of December 31, 2018 and 2019, respectively.

Fair Value of Financial Instruments

Accounting Standards Codification ("ASC") Topic 820, Fair Value Measurement (ASC 820), establishes a fair value hierarchy for instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company's own assumptions (unobservable inputs). Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the inputs that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances. ASC 820 identifies fair value as the exchange price or exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As a basis for considering market participant assumptions in fair value measurements, ASC 820 establishes a three-tier value hierarchy that distinguishes between the following:

Level 1—Quoted market prices in active markets for identical assets or liabilities.

Level 2—Inputs other than Level 1 inputs that are either directly or indirectly observable, such as quoted market prices, interest rates and yield curves.

Level 3—Unobservable inputs developed using estimates of assumptions developed by the Company, which reflect those that a market participant would use.

To the extent the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair values requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized as Level 3. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Company had no Level 3 investments as of December 31, 2018 and 2019.

Cash, cash equivalents and restricted cash are Level 1 assets which are comprised of funds held in checking and money market accounts. Cash, cash equivalents and restricted cash were recorded at fair value as of December 31, 2018 and 2019, totaling $38.9 million and $93.1 million, respectively. The carrying amounts of accounts payable and accrued expenses approximate their fair values due to their short-term maturities. Accounts receivable, which relate to the Company's collaboration agreements, are stated at the amounts due which approximates fair value due to their short-term due dates.

Restricted Cash

Restricted cash consists of cash placed in separate restricted bank accounts as required under the terms of the Company's lease agreements for its Watertown, Massachusetts facility (see Note 5 "*Leases*"). As of December 31, 2018 and 2019, the Company had approximately $2.6 million in restricted cash.

Concentrations of Credit Risk

Financial instruments that potentially subject us to significant concentration of credit risk consist primarily of cash and cash equivalents. The Company may maintain deposits in financial institutions in excess of government insured limits. The Company believes that it is not exposed to significant credit risk as its deposits are held at financial institutions that management believes to be of high credit quality and the Company has not experienced any losses on these deposits.

Revenue Recognition

The Company recognizes revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). This standard applies to all contracts with customers, except for contracts that are within the scope of other standards. Under ASC 606, an entity recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the entity performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

The Company enters into collaboration and licensing agreements with strategic partners, which are within the scope of ASC 606, under which it may exclusively license rights to research, develop, manufacture and commercialize its product candidates to third parties. The terms of these arrangements typically include payment to the Company of one or more of the following: (1) non-refundable, upfront license fees; (2) reimbursement of certain costs; (3) customer option fees for additional goods or services; (4) development milestone payments, (5) regulatory and commercial milestone payments; and (6) royalties on net sales of licensed products.

In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements, the Company performs the following steps: (i) identification of the promised goods or services in the

contract; (ii) determination of whether the promised goods or services are performance obligations including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation. As part of the accounting for these arrangements, the Company must use its judgment to determine: (a) the number of performance obligations based on the determination under step (ii) above; (b) the transaction price under step (iii) above; (c) the stand-alone selling price for each performance obligation identified in the contract for the allocation of transaction price in step (iv) above; and (d) the contract term and pattern of satisfaction of the performance obligations under step (v) above. The Company uses judgment to determine whether milestones or other variable consideration, except for royalties, should be included in the transaction price as described further below. The transaction price is allocated to each performance obligation on a relative stand-alone selling price basis, for which the Company recognizes revenue as or when the performance obligations under the contract are satisfied.

Amounts due to the Company for satisfying the revenue recognition criteria or that are contractually due based upon the terms of the collaboration agreements are recorded as accounts receivable in the Company's consolidated balance sheet. Amounts received prior to satisfying the revenue recognition criteria are recorded as deferred revenue in the Company's consolidated balance sheets. Amounts expected to be recognized as revenue within the 12 months following the balance sheet date are classified as current deferred revenue. Amounts not expected to be recognized as revenue within the 12 months following the balance sheet date are classified as deferred revenue, net of current portion.

Upfront License Fees

If the license to the Company's intellectual property is determined to be distinct from the other promises or performance obligations identified in the arrangement, the Company recognizes revenue from non-refundable, upfront fees allocated to the license when the license is transferred to the customer and the customer is able to use and benefit from the license. In assessing whether a promise or performance obligation is distinct from the other promises, the Company considers factors such as the research, manufacturing and commercialization capabilities of the customer; the retention of any key rights by the Company; and the availability of the associated expertise in the general marketplace. In addition, the Company considers whether the customer can benefit from a promise for its intended purpose without the receipt of the remaining promises, whether the value of the promise is dependent on the unsatisfied promise, whether there are other vendors that could provide the remaining promise and whether it is separately identifiable from the remaining promise. For licenses that are combined with other promises, the Company exercises judgment to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue. The Company evaluates the measure of progress each reporting period and, if necessary, adjusts the measure of performance and related revenue recognition.

Customer Options

If an arrangement is determined to contain customer options that allow the customer to acquire additional goods or services, the goods and services underlying the customer options are not considered to be performance obligations at the outset of the arrangement, as they are contingent upon option exercise. The Company evaluates the customer options for material rights or options to acquire additional goods or services for free or at a discount. If the customer options are determined to represent a material right, the material right is recognized as a separate performance obligation at the outset of the arrangement. The Company allocates the transaction price to material rights based on the relative standalone selling price, which is determined based on the identified discount and the probability that the customer will exercise the option. Amounts allocated to a material right are not recognized as revenue until, at the earliest, the option is exercised. If an option is not exercised and the target is terminated, the Company will accelerate and recognize all remaining revenue related to the material right performance obligation.

Research and Development Services

The promises under the Company's collaboration agreements may include research and development services to be performed by the Company for or on behalf of the customer. Payments or reimbursements resulting from the Company's research and development efforts are recognized as the services are performed and presented on a gross basis because the Company is the principal for such efforts. Reimbursements from and payments to the customer that are the result of a collaborative relationship with the customer, instead of a customer relationship, such as co-development activities, are recorded as a reduction to research and development expense.

Milestone Payments

At the inception of each arrangement that includes development milestone payments, the Company evaluates whether the milestones are considered probable of being achieved and estimates the amount to be included in the transaction price using the most likely amount method. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price. Milestone payments that are not within the control of the Company or the licensee, such as regulatory approvals, are not considered probable of being achieved until those approvals are received. The Company evaluates factors such as the scientific, clinical, regulatory, commercial and other risks that must be overcome to achieve the particular milestone in making this assessment. There is considerable judgment involved in determining whether it is probable that a significant revenue reversal would not occur. At the end of each subsequent reporting period, the Company reevaluates the probability of achievement of all milestones subject to constraint and, if necessary, adjusts its estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, which would affect revenues and earnings in the period of adjustment.

For further discussion of accounting for collaboration revenues, see Note 7, "*Collaboration and License Agreements.*"

Stock-Based Compensation

The Company measures and recognizes stock-based compensation expense based on the grant date fair value of the awards. The Company calculates the fair value of restricted share unit awards based on the grant date fair value of the underlying common stock. The Company recognizes stock-based compensation expense on a straight-line basis over the requisite service period of the awards for service-based awards, which is generally the vesting period. The Company recognizes stock-based compensation for performance-based awards when the underlying performance conditions are considered probable of occurrence, using the accelerated attribution method.

The Company classifies stock-based compensation expense in its consolidated statement of operations and comprehensive loss in the same manner in which the award recipients' payroll costs are classified or in which the award recipients' service payments are classified. The Company also has the right and option to repurchase an individual's shares of common stock or vested stock options to acquire common stock within 18 months of an employee termination. The Company assesses the classification of an individual's shares of common stock or vested stock options between equity and liability when the individual's separation from the Company becomes probable.

The fair value of common stock underlying share-based awards is based on an estimate at each grant date by the Company's board of directors. The Company determines the estimated per share fair value of its common stock at various dates considering contemporaneous and retrospective valuations in accordance with the guidance outlined in the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*. The fair value of each share option grant was determined using assumptions discussed below. Each of these inputs is subjective and generally requires judgment and estimation by management.

Expected Term. The Company estimated the expected term using the simplified method, which is an average of the contractual term of the option and the vesting period.

Expected Volatility. Since there is limited historical data for the Company's common stock and limited company-specific historical volatility, the Company has determined the share price volatility for options granted based on an analysis of the volatility used by a peer group of publicly traded companies. In evaluating similarity, the Company considers factors such as industry, stage of life cycle and size.

Risk-free Interest Rate. The risk-free interest rate is based on the U.S. Treasury yield in effect at the time of the grant for zero-coupon U.S. Treasury notes with remaining terms similar to the expected term of the options.

Dividend Rate. The expected dividend was assumed to be zero as the Company has never paid dividends and has no current plans to do so.

Property and Equipment

Property and equipment are recorded at cost. Expenditures for repairs and maintenance are expensed as incurred. When assets are retired or disposed of, the assets and related accumulated depreciation are derecognized from the accounts, and any resulting gain or loss is included in the determination of net loss. Depreciation on equipment is calculated on the straight-line method over the estimated useful lives of the assets as follows:

	ESTIMATED USEFUL LIFE
Laboratory equipment	5 years
Computer equipment	3 years
Office furniture	5 years
Leasehold improvements	lesser of useful life or remaining lease term

Impairment of Long-Lived Assets

The Company evaluates its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No impairments were recognized for these assets in the years ended December 31, 2018 and 2019.

Leases

The Company accounts for leases in accordance with ASC Topic 842, *Leases*, or ASC 842. At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on specific facts and circumstances present, the existence of an identified asset(s), if any, and the Company's control over the use of the identified asset(s), if applicable. Operating lease liabilities and their corresponding right-of-use assets are recorded based on the present value of future lease payments over the expected lease term. The interest rate implicit in lease contracts is typically not readily determinable. As such, the Company utilizes its incremental borrowing rate, which is the rate incurred to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.

The Company elected to combine lease and non-lease components as a single component for all leases. Operating leases are recognized on the balance sheet as right-of-use assets, operating lease liabilities, current and operating lease liabilities, net of current. Fixed rents are included in the calculation of the lease balances while variable costs paid for certain operating and pass-through costs are excluded. Lease expense is recognized over the expected term on a straight-line basis.

Research and Development

Research and development costs are expensed as incurred. Research and development costs include salaries, share-based compensation and other employee benefit expenses, lab related supplies and other operational costs related to the Company's research and development activities, including allocated facility-related expenses and external costs of outside vendors engaged to conduct research and development activities. Costs associated with licenses of technology and patent costs are expensed as incurred and are included in research and development expense in the consolidated statement of operations and comprehensive loss. As part of the process of preparing the consolidated financial statements, the Company is required to estimate their accrued research and development expenses. The Company makes estimates of the accrued expenses as of each balance sheet date in the consolidated financial statements based on facts and circumstances known at that time. In addition, there may be instances in which payments made to the Company's vendors will exceed the level of services provided and result in a prepayment of the expense in which case such amounts are reflected as prepaid expenses and other current assets. In accruing service fees, the Company estimates the time period over which services will be performed and the level of effort to be expended in each period. If the actual timing of the performance of services or the level of effort varies from the estimate, the Company adjusts the accrual or the amount of prepaid expenses accordingly. Nonrefundable advance payments for goods or services to be received in the future for use in research and development activities are

deferred and capitalized in prepaid expenses and other current assets. The capitalized amounts are expensed as the related goods are delivered or the services are performed.

Income Taxes

The Company accounts for income taxes using the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequence of events that have been recognized in the financial statements or the Company's tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the consolidated financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Changes in deferred tax assets and liabilities are recorded in the provision for income taxes. The Company assesses the likelihood that its deferred tax assets will be recovered from future taxable income and, to the extent it believes, based upon the weight of available evidence, that it is more likely than not that all or a portion of the deferred tax assets will not be realized, a valuation allowance is established.

The Company accounts for uncertain tax positions recognized in the consolidated financial statements by prescribing a more-likely-than-not threshold for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The provision for income taxes includes the effects of any resulting tax reserves, or unrecognized tax benefits, that are considered appropriate as well as the related net interest and penalties.

Comprehensive Loss

Comprehensive loss is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. For the year ended December 31, 2018, the Company had unrealized gains, which were a component of comprehensive loss. For the year ended December 31, 2019, the Company did not have any unrealized gains or losses and comprehensive loss was equal to net loss.

Commitments and Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

Net Loss Per Share

Basic net loss per share and diluted net loss per share are computed using the weighted-average number of shares of common stock outstanding for the period. Net loss per share attributable to common stockholders is calculated using the two-class method, which is an earnings allocation formula that determines net loss per share for the holders of shares of the Company's common stock and participating securities. The Company's Preferred Stock contains participation rights in any dividend paid by the Company and is deemed to be a participating security. The participating securities do not include a contractual obligation to share in losses of the Company and are not included in the calculation of net loss per share in the periods in which a net loss is recorded.

Diluted net loss per share is computed using the more dilutive of (a) the two-class method or (b) the if-converted method. The Company allocates earnings first to preferred stockholders based on dividend rights and then to common and preferred stockholders based on ownership interests. The weighted-average number of shares of common stock included in the computation of diluted net loss gives effect to all potentially dilutive common stock equivalent shares, including outstanding stock options and Preferred Stock.

Common stock equivalent shares are excluded from the computation of diluted net loss per share if their effect is antidilutive. In periods in which the Company reports a net loss attributable to common stockholders, diluted net loss per share attributable to common stockholders is generally the same as basic net loss per share attributable to common stockholders since dilutive common shares are not assumed to have been issued if their effect is anti-dilutive. The Company reported net losses attributable to common stockholders for the years ended December 31, 2018 and 2019.

Recently Adopted Accounting Standards

In June 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-07, *Compensation—Stock Compensation* (Topic 718): *Improvements to Nonemployee Share-Based Payment Accounting* ("ASU 2018-07"). The amendments in this ASU expand the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. Under this ASU, an entity

should apply the requirements of Topic 718 to nonemployee awards except for specific guidance on inputs to an option pricing model and the attribution of cost (that is, the period of time over which share-based payment awards vest and the pattern of cost recognition over that period). The amendments specify that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The amendments also clarify that Topic 718 does not apply to share-based payments used to effectively provide (1) financing to the issuer or (2) awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under Topic 606, *Revenue from Contracts with Customers*. The Company adopted ASU 2018-07 on January 1, 2018, and the adoption did not have a material impact on the consolidated financial statements or financial statement disclosures.

In November 2018, the Financial Accounting Standards Board ("FASB") issued ASU No. 2018-18, *Collaborative Arrangements* (Topic 808): *Clarifying the Interaction between Topic 808 and Topic 606* ("ASU 2018-18"), to clarify when ASC 606 should be used for collaborative arrangements when the counterparty is a customer. The guidance precludes an entity from presenting consideration from a transaction in a collaborative arrangement as revenue from contracts with customers if the counterparty is not a customer for that transaction. The guidance is effective for public business entities in fiscal years beginning after December 15, 2019, and interim periods therein. Early adoption is permitted to entities that have adopted ASC 606. The Company adopted ASU 2018-18 as of January 1, 2018, and the adoption did not have a material impact on the consolidated financial statements or financial statement disclosures.

Recently Issued Accounting Standards

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes* (Topic 740): *Simplifying the Accounting for Income Taxes* ("ASU 2019-12"), which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020, with early adoption permitted. The Company is currently evaluating the potential impact that the adoption of ASU 2019-12 may have on the Company's consolidated financial statements and financial statement disclosures.

(3) Fair Value Measurements

The following tables present information about the Company's financial assets measured at fair value on a recurring basis and indicates the level of the fair value hierarchy utilized to determine such fair values as of December 31, 2018 and 2019 (in thousands):

DESCRIPTION	DECEMBER 31, 2018	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 3)
Asset				
Money market funds	$ 29,035	$ 29,035	$ —	$ —
Total financial assets	$ 29,035	$ 29,035	$ —	$ —

DESCRIPTION	DECEMBER 31, 2019	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 3)
Asset				
Money market funds	$ 80,902	$ 80,902	$ —	$ —
Total financial assets	$ 80,902	$ 80,902	$ —	$ —

There have been no transfers between fair value levels during the years ended December 31, 2018 and 2019.

(4) Property and Equipment

Property and equipment consisted of the following (in thousands):

	DECEMBER 31,	
	2018	2019
Laboratory equipment	$ 6,239	$ 6,766
Computer equipment	167	167
Furniture and fixtures	730	797
Office equipment	151	167
Leasehold improvements	—	520
Total	7,287	8,417
Less: accumulated depreciation	(2,499)	(3,954)
Property and equipment, net	$ 4,788	$ 4,463

Total depreciation and amortization for the years ended December 31, 2018 and 2019 was $1.3 million and $1.6 million, respectively. Of the $1.3 million for the year ended December 31, 2018, $1.2 million was recorded in research and development expenses and $35,000 was recorded in general and administrative expenses. Of the $1.6 million for the year ended December 31, 2019, $1.5 million was recorded in research and development expenses and $46,000 was recorded in general and administrative expenses.

(5) Leases

In January 2016, the Company entered into a lease of office and laboratory space for its headquarters at 675 West Kendall Street in Cambridge, Massachusetts (the “Cambridge Lease”). The Cambridge Lease commenced in January 2016 and expired in April 2018. Operating lease costs were $1.5 million for the year ended December 31, 2018.

In July 2017, the Company entered into a lease of office and laboratory space for its headquarters at 490 Arsenal Way in Watertown, Massachusetts (the “Watertown Lease”). The Watertown Lease commenced in April 2018 with rent commencing in May 2018, and the Company recognized operating lease costs of $1.8 million and $2.6 million for the years ended December 31, 2018 and December 31, 2019, respectively.

During 2018, the Company incurred construction costs for the Watertown Lease of $1.0 million through April 2018 that were recorded as prepaid rent, resulting in a balance of $1.5 million total construction costs funded by the Company, for which it is not deemed the accounting owner. Upon the commencement of the Watertown Lease in April 2018, the Company recorded a lease liability of $15.1 million, which is representative of the remaining discounted lease payments. Of the $15.1 million lease liability, $0.8 million was classified as an operating lease liability, current and $14.3 million was classified as operating lease liability, net of current, respectively. In addition, $16.7 million was recorded as a right-of-use asset on the Company’s consolidated balance sheet, inclusive of the construction costs funded by the Company of $1.5 million that was reclassified from prepaid rent to the right-of-use asset.

The Watertown Lease has a non-cancelable term of ten years with an option to extend for one additional five-year period. As the Company does not deem the exercise of this option to be reasonably certain, it is not included in the measurement of the lease liability. The fixed annual rent payable under the Watertown Lease is $2.1 million, with rent escalations throughout the term. The Company is responsible for paying its pro rata share of costs incurred for common area maintenance, real estate taxes and property insurance related to the leased space. Using the relevant assumptions at the commencement date, the Company has concluded the lease classification to be operating. The total rent payments to be paid over the non-cancelable term of the Watertown Lease is $24.1 million. The Company incurred $1.3 million and $0.5 million for the years ended December 31, 2018 and 2019, respectively, for leasehold improvements to be paid for by the Company. The lease agreement required the Company to provide collateral in the amount of $2.6 million, which is recorded as restricted cash on the accompanying consolidated balance sheets.

As of December 31, 2018, assets under the Watertown Lease classified as right-of-use assets on the Company's consolidated balance sheet were $15.6 million. Liabilities under the Watertown Lease were $14.5 million, of which $0.7 million were classified as operating lease liability, current, and $13.7 million were classified as operating lease liability, net of current, on the Company's consolidated balance sheet.

As of December 31, 2019, assets under the Watertown Lease classified as right-of-use assets on the Company's consolidated balance sheet were $14.5 million, net of accumulated amortization. Liabilities under the Watertown Lease were $13.7 million, of which $0.9 million were classified as operating lease liability, current, and $12.9 million were classified as operating lease liability, net of current, on the Company's consolidated balance sheet.

Additionally, the Company recorded right-of-use amortization of $2.3 million and $1.1 million for the years ending December 31, 2018 and 2019, respectively.

The elements of lease costs were as follows (in thousands):

	YEAR ENDED DECEMBER 31,	
	2018	2019
Lease cost:		
Operating lease cost	$ 3,367	$ 2,550
Variable lease cost	463	1,020
Total lease cost	$ 3,830	$ 3,570
Other information:		
Operating cash flows for operating liabilities	$ 3,148	$ 2,141
Operating lease liabilities arising from obtaining right-of-use assets	$ 16,573	$ —
Weighted average remaining lease term	9.3 years	8.3 years
Weighted average discount rate	10%	10%

Future lease payments under non-cancelable leases as of December 31, 2019 were (in thousands):

FUTURE OPERATING LEASE PAYMENTS	
2020	$ 2,206
2021	2,272
2022	2,340
2023	2,410
2024	2,483
Thereafter	8,833
Total lease payments	20,544
Less imputed interest	(6,795)
Total operating lease liabilities at December 31, 2019	$ 13,749

(6) Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following as of December 31, 2018 and 2019 (in thousands):

	DECEMBER 31,	
	2018	2019
Accrued compensation and benefits	$1,691	$3,048
Accrued professional fees	541	728
Accrued research and development	336	2,615
Other	384	280
Total accrued expenses and other current liabilities	$2,952	$6,671

(7) Collaboration and License Agreements

The following table summarizes the balance sheet and income statement impact of the collaboration and license agreements on the Company's consolidated balance sheets and consolidated statement of operations and comprehensive loss as of and for the year ended December 31, 2018 and 2019:

Financial information related to the collaboration and license agreements consisted of the following as of and for the years ended December 31, 2018 and 2019 (in thousands):

	YEAR ENDED DECEMBER 31, 2018				
	ACCOUNTS RECEIVABLE	COLLABORATION REVENUE	DEFERRED REVENUE, CURRENT	DEFERRED REVENUE, NET OF CURRENT	DEFERRED REVENUE, TOTAL
Original Roche Agreement	$ —	$ 9,112	$ —	$ —	$ —
Restated Roche Agreement	40,000	—	6,409	39,949	46,358
Biogen License Agreement	45,000	—	10,000	35,000	45,000
Calico License Agreement	1,438	10,252	2,400	2,900	5,300
	$ 86,438	$ 19,364	$ 18,809	$ 77,849	$ 96,658

	YEAR ENDED DECEMBER 31, 2019				
Description	ACCOUNTS RECEIVABLE	COLLABORATION REVENUE	DEFERRED REVENUE, CURRENT	DEFERRED REVENUE, NET OF CURRENT	DEFERRED REVENUE, TOTAL
Restated Roche Agreement	$ —	$ 6,409	$ 12,164	$ 32,784	$ 44,948
Biogen License Agreement	—	2,432	6,141	36,934	43,075
Calico License Agreement	4,348	12,540	2,400	3,000	5,400
	$ 4,348	$ 21,381	$ 20,705	$ 72,718	$ 93,423

Roche Collaboration and License Agreement

Original Roche Agreement Structure

In March 2016, the Company entered into a license agreement (the "Original Roche Agreement") with Hoffmann-La Roche Ltd and Hoffmann-La Roche Inc. ("Roche"). Pursuant to the terms of the Original Roche Agreement, the Company and Roche agreed to collaborate on research activities to develop novel treatments in the field of targeted protein degradation ("TPD") using the Company's degrader technology. Under the terms of the Original Roche Agreement, the Company initially developed TPD therapeutics that utilize degrader technology for up to ten target proteins until the earlier of the exercise of the option right or termination for the last available target. On a target-by target basis, after successful completion of a defined preclinical development phase, Roche had an exclusive option to pursue further clinical development and commercialization.

In exchange for a $15.0 million nonrefundable upfront payment and additional fees for dedicated personnel, the Company performed initial research and development services for drug discovery and preclinical development, provided a non-exclusive research and development license to its technology and participated on the joint research committee (the "Roche JRC"). For each target option exercised by Roche, the Company was eligible to receive up to $277.0 million in research, development and commercial milestone payments, with the commercial milestones being dependent on underlying net sales. Roche was also required to pay the Company up to $150.0 million in one-time sales-based payments for the first product to achieve certain levels of net sales. In addition, Roche was required to pay the Company royalties, at percentages from the mid-single digits to the low double-digits, on a licensed product-by licensed product basis, on worldwide net product sales. The research and development was to be performed by the Company over an estimated period of approximately 42 months per target according to the research plan. Roche also reimbursed the Company for up to five full-time equivalents ("FTEs") ("FTE Funding") per target unless otherwise agreed upon by the Roche JRC.

Restated Roche Agreement Structure

On December 22, 2018, the Company and Roche executed the Amended and Restated Roche License Agreement (the "Restated Roche Agreement"). Under the Restated Roche Agreement, the Company has a more active role in the manufacturing and commercialization of the targets, whereby if certain co-development and co-detailing rights are opted into by the Company, the parties will split future development costs in return for the rights to a larger share of future earnings from commercialization of the target. The target structure was revised to six potential targets, three of which were nominated as of the execution of the Restated Roche Agreement and represent continuations of the initial preclinical research and development efforts begun under the Original Roche Agreement and three additional targets that were not nominated as of the execution of the Restated Roche Agreement. Roche maintained its option rights to license and commercialize these six targets. For certain targets, Roche is required to pay the Company fees of $2.0 million and $3.0 million upon the progression of targets to the lead series identification achievement and good laboratory practice ("GLP") toxicology ("Tox") study phase, respectively. For each target option exercised by Roche, the Company is eligible to receive up to $275.0 million in research and development milestones per target and commercial milestone payments, with the commercial milestones being dependent on underlying net sales. Roche is also required to pay the Company up to $150.0 million per target in one-time sales-based payments if the target achieves certain levels of net sales. In addition, Roche is required to pay the Company royalties, at percentages from the mid-single digits to the low double-digits, on a licensed product-by licensed product basis, on worldwide net product sales.

Under the Restated Roche Agreement:

- the Company received additional upfront consideration of $40.0 million from Roche;
- the Company has an option for co-development and co-detailing rights, whereby it would be required to provide additional financial support in return for the rights to a larger share of future earnings from commercializing one or more of the six targets;
- Roche will no longer provide FTE reimbursement; rather, it will make annual research plan payments of $1.0 million for each active research plan; and
- Adjustments were made to the option exercise fees, whereby certain targets now have option exercise fees of $7.0 million to $12.0 million (those progressed up to or through the GLP Tox studies, respectively) and others have $20.0 million (those progressed through Phase I clinical trials).

The collaboration is managed by a joint research committee. The Company has control over the committee and may terminate the Restated Roche Agreement on a target-by-target or product-by-product basis under several scenarios, upon at least 90 days' prior written notice.

Restated Roche Agreement Accounting

The Restated Roche Agreement is a modification of the Original Roche Agreement under ASC 606 as both the scope and price of the contract were changed under the Restated Roche Agreement and new, distinct performance obligations were created for targets that have different standalone selling prices based on the Company's revised obligations. The Restated Roche Agreement was not determined to be a separate contract for accounting purposes. The modification was accounted for as if it were a termination of the existing contract and the creation of a new contract, for which the unrecognized consideration from the Original Roche Agreement is added to the new

transaction price promised as part of the Restated Roche Agreement and will be recognized as revenue prospectively, as the new performance obligations are satisfied. The Company made this determination after considering the performance obligations under the Restated Roche Agreement. When the amendment was signed, the contract was restructured such that the Company would pursue some of the same targets, but would have additional material responsibility to potentially develop the targets beyond the option exercise point, to either Phase I completion or to a point where the Company will exercise its co-development and co-detailing options and more fully share in the costs and future revenues. The $40.0 million upfront payment, $13.5 million of expected research plan funding payments, plus $6.4 million of remaining deferred revenue from the Original Roche Agreement represent the transaction price as of the outset of the arrangement.

The Company assessed this arrangement in accordance with ASC 606 and concluded that the contract counterparty, Roche, is a customer. The Company identified the following promises at the outset of the Restated Roche Agreement: (1) a non-exclusive royalty-free license to use the Company's intellectual property to conduct research and development activities; (2) research and development services under the research plan for the three initial targets; (3) participation on the Roche JRC; (4) option rights to initiate a research plan for three additional targets; (5) an option to obtain a non-exclusive commercial license to intellectual property and know-how generated from the collaboration, subject to certain exclusivity requirements; (6) option rights to develop, commercialize and manufacture products related to any of the six targets; and (7) rights for Roche to substitute targets prior to completion of a research plan, limited to six exchanges in total across the arrangement and subject to approval by the Roche JRC. The Roche JRC has equal representation from both parties, but the Company holds final decision-making authority in the event of a disagreement until the time at which Roche licenses a target and leads development efforts.

The six potential targets were determined to be distinct from one another, as Roche can derive benefit from each target independent of the others. For each target, the Company determined that the research and development license and research and development services were not distinct from one another, because the research and development services are essential to the license. Roche would receive little to no economic benefit from the license if it did not obtain the research services. Participation on the Roche JRC to oversee the research and development activities and the technology transfer associated with the Original Roche Agreement were determined to be quantitatively and qualitatively immaterial. The Company evaluated Roche's option rights to initiate a research plan for three additional targets as well as the option rights to license and commercialize each target to determine whether they provide Roche with any material rights. The Company concluded that each of the options were issued with an option exercise fee that represented a significant and incremental discount and therefore provide material rights for six of the six targets—three material rights from the option to license the three initial targets at the end of their research terms and three material rights from the option to initiate a research plan for the three additional targets along with the option to license such at the end of their research terms. The consideration allocated to the option rights to initiate the three additional targets is deferred until the underlying option is exercised, at which point the Company will begin recognizing revenue for these targets. The non-exclusive, limited commercial license to the intellectual property and know-how generated from the collaboration was determined to be immaterial and, as such, no consideration was allocated to it.

Based on these assessments, the Company identified twelve performance obligations, including three research services performance obligations, six material rights for the options to purchase a commercial license for six targets and three material rights for the option to initiate research services for the uninitiated three targets as of the outset of the arrangement. The first three performance obligations primarily comprise: (1) the non-exclusive research and development license and (2) the research and development services for the target, including the related substitution rights.

The Company included the $40.0 million upfront payment, $13.5 million of expected research plan funding payments ($1.0 million per active target per year, for a maximum of $3.0 million per target), and $6.4 million of remaining deferred revenue from the Original Roche Agreement in the transaction price as of the outset of the arrangement. The Company also achieved a milestone in 2019, which was added to the transaction price and recognized cumulatively. The transaction price was allocated to the performance obligations based on the estimated stand-alone selling prices at the time of the amendment. For each performance obligation, the stand-alone selling price was determined considering the expected cost of the research and development services and a reasonable

margin for the respective services. The material rights from the option rights were valued based on the estimated discount at which the option is priced and the Company's estimated probability of the options' exercise as of the time of the amendment.

The Company allocated the following amounts of the total transaction price to the performance obligations as of the amendment date:

- $29.0 million to the research and development performance obligations for targets 1-3; and
- $4.1 million to the three material rights, related to the three targets initiated at the outset of the Restated Roche Agreement, which will not begin revenue recognition until the option is exercised or expires.
- $28.8 million to the option to nominate targets 4-6 and the three material rights related to these options.

The Company will recognize the portion of the transaction price allocated to each of the research and development performance obligations as the research and development services are provided, using an input method, according to costs incurred as related to the research and development activities for each individual program and the costs expected to be incurred in the future to satisfy that individual performance obligation. The transfer of control occurs over this time period and, in management's judgment, is the best measure of progress towards satisfying the performance obligation.

Amounts due to the Company that have not yet been received are recorded as accounts receivable and amounts received that have not yet been recognized as revenue are recorded in deferred revenue on the Company's consolidated balance sheet.

Biogen Collaboration Research and License Agreement

In December 2018, the Company entered into a collaboration research and license agreement (the "Biogen License Agreement") with Biogen MA, Inc. ("Biogen"). Pursuant to the terms of the Biogen License Agreement, the Company and Biogen agreed to collaborate on research activities to develop novel treatments in the field of TPD using the Company's degrader technology. Under the terms of the Biogen License Agreement, the Company will initially develop TPD therapeutics that utilize degrader technology for up to five target proteins over a period of 54 months. On a target-by-target basis, after successful completion of a defined target evaluation period, Biogen assumes full rights and responsibility to each degrader to meet certain criteria against a target. Biogen also has the option to pay an additional $62.5 million to extend the contract and select up to five additional targets for development.

In exchange for the non-exclusive research license from Biogen as well as a $45.0 million nonrefundable upfront payment, the Company will grant a license to develop, commercialize and manufacture products related to each of the targets (which is contingent on not cancelling the contract), will perform initial research services for drug discovery, provide a non-exclusive research and commercial license to its intellectual property and will participate on the joint steering committee (the "Biogen JSC"). The Company will also be obligated to participate in early research activities for other potential targets ("Sandbox Activities") at Biogen's election up to a maximum amount; any work performed for these services will be reimbursed by Biogen, and Biogen will reimburse the Company for certain FTE costs. Biogen is also required to pay the Company up to $35.0 million per target in development milestones and $26.0 million per target in one-time sales-based payments for the first product to achieve certain levels of net sales. In addition, Biogen is required to pay the Company royalties on a licensed product-by-licensed product basis, on worldwide net product sales.

The collaboration is managed by the Biogen JSC, which Biogen has control over, and Biogen may terminate the Biogen License Agreement on a target-by-target or product-by-product basis under several scenarios, upon at least 90 days' prior written notice.

The nonrefundable upfront cash payment of $45.0 million is not creditable against any of the target development milestone fees. The research will be performed by the Company over 54 months according to the research plan approved by the Biogen JSC.

Biogen License Agreement Accounting

The Company assessed this arrangement in accordance with ASC 606 and concluded that the contract counterparty, Biogen, is a customer. The Company identified the following promises under the arrangement: (1) a non-exclusive,

royalty-free license to use the Company's intellectual property to conduct research activities; (2) an upfront license to develop, commercialize and manufacture products related to each of the targets (which is contingent on not cancelling the contract); (3) research services for preclinical activities under the research plan; (4) participation on the Biogen JSC; and (5) substitution rights for Biogen via "sandbox activities" to replace targets prior to a program reaching completion of a research plan, limited to five exchanges in total. Substitution is dependent on the original target failing to meet certain criteria; Biogen may only replace a target in this specific scenario. The Company also determined that Biogen's ability to terminate the Agreement at-will with 90 days' notice is not representative of a substantive purchase option to continue to the research and does not provide a material right in the form of a continuous renewal option.

The Company determined that the licenses and research activities were not distinct from one another, as the licenses have limited value without the performance of the research activities by the Company. Participation on the Biogen JSC to oversee the research activities and the technology transfer associated with the Biogen License Agreement were determined to be quantitatively and qualitatively immaterial and therefore are excluded from performance obligations.

Based on these assessments, the Company identified one performance obligation at the outset of the Biogen License Agreement, representing a combined performance obligation consisting of (1) the licenses, (2) the research activities for the target evaluation phase for all five targets and (3) the joint research plan phase for each target.

The Company will recognize the transaction price as the research and development services are provided, using an input method, according to costs incurred as related to the research and development activities for the costs expected to be incurred in the future to satisfy that individual performance obligation. The transfer of control occurs over this time period and, in management's judgment, is the best measure of progress towards satisfying the performance obligation.

Biogen also has the option to fund "sandbox activities" in exchange for consideration, whereby the Company will perform discovery-type research at Biogen's election to develop other potential targets that may be used as replacement targets for the initially nominated targets or two additional targets under the Biogen Agreement. Revenues earned under this option, if initiated, will be recognized as services are performed and are not included in the transaction price. Sandbox research activities will be reimbursed on an FTE basis at market rates, which is adjusted for changes in the "Consumer Price Index" each year. The sandbox activities constitute additional research that can be purchased on an a la carte basis at an amount consistent with standalone selling price. The Company recognizes revenue as the services performed for the sandbox activities are performed, and recognized $0 and $0.5 million of revenue for the years ended December 31, 2018 and 2019, respectively, related to the sandbox activities.

The Company recognizes FTE reimbursement related to sandbox activities as revenue as the hours are incurred each quarter. Amounts due to the Company that have not yet been received are recorded as accounts receivable and amounts received that have not yet been recognized as revenue are recorded in deferred revenue on the Company's consolidated balance sheet.

Calico Collaboration and License Agreement

In March 2017, the Company entered into a collaboration and license agreement (the "Calico License Agreement") with Calico Life Sciences LLC ("Calico"). Pursuant to the terms of the Calico License Agreement, the Company and Calico agreed to collaborate on research activities to develop novel treatments in the field of TPD using the Company's degrader technology. Under the terms of the Calico License Agreement, the Company will initially develop TPD therapeutics that utilize degrader technology for up to five target proteins over a period of five years. On a target-by-target basis, after successful completion of a defined target evaluation period, Calico has an exclusive option to pursue further pre-clinical development and commercialization via a joint research plan for each target.

Under this agreement, Calico paid an upfront amount, certain annual payments, and will pay target initiation fees and reimburse the Company for a number of FTEs, depending on the stage of the research, at specified market rates. Upon completion of the required discovery research and development services on any target, Calico is entitled to pursue commercial development of that target. The Company will perform initial research services for drug discovery

and preclinical development, provide a non-exclusive research and commercial license to its IP and will participate on the Calico joint research committee (the "CJRC"). For each target, the Company is eligible to receive up to $132.0 million in potential research, development and commercial milestone payments, on sales of all products resulting from the collaboration efforts. Calico is also required to pay the Company up to $65.0 million in one-time sales-based payments for the first product to achieve certain levels of net sales. In addition, Calico is required to pay the Company royalties, at percentages in the mid-single digits, on a licensed product-by-licensed product basis, on worldwide net product sales.

The collaboration is managed by a joint research committee. Calico has control over the committee and may terminate the Calico License Agreement on a target-by-target or product-by-product basis under several scenarios, upon prior written notice.

The nonrefundable upfront payment is not creditable against any other payments. Calico will reimburse the Company for a contractually defined number of FTEs ("Calico FTE Funding") per target depending on the phase of development, unless otherwise agreed upon by the CJRC. The research will be performed by the Company over an estimated period of five years according to the research plan. For the years ended December 31, 2018 and 2019, the Company received $0 and $2.0 million in cash consideration for milestone revenue, respectively and no additional consideration in the form of cash received for target initiation fees. The Company recorded an accounts receivable of $1.0 million for additional target initiation fees in 2019, and received payment in 2020.

Calico License Agreement Accounting

The Company assessed this arrangement in accordance with ASC 606 and concluded that the contract counterparty, Calico, is a customer. The Company identified the following promises under the arrangement: (1) the non-exclusive, royalty-free research license and commercial license, which function for purposes of the arrangement as a license and are therefore analyzed together; (2) the target evaluation research services for all five targets; (3) the joint research plan research services related to targets 1 and 2, which were nominated at the execution of the Calico License Agreement; (4) the target initiation rights/options associated with targets 3, 4 and 5, subject to nomination; and (5) the joint research plan services associated with targets 3, 4 and 5, subject to nomination and payment of the target initiation fees from (4). The Company determined that the license and research activities were not distinct from one another, as the license has limited value without the performance of the research activities by the Company. Participation on the CJRC to oversee the R&D activities and the technology transfer associated with the Calico License Agreement were determined to be quantitatively and qualitatively immaterial and therefore are excluded from performance obligations. The Company determined that the option rights to nominate the targets were not distinct from one another or from the other promises in the arrangement, specifically the research license and research services. The Company evaluated the target initiation rights for targets 3, 4 and 5 and the research services associated with the joint research plan nomination for these targets to determine whether they provide Calico with any material rights. The Company concluded that these options were not issued at a significant and incremental discount and therefore do not provide material rights.

Based on these assessments, the Company identified one performance obligation at the outset of the Calico License Agreement, which consists of: (1) the non-exclusive license and (2) the research activities for the target evaluation phase for all five targets and the joint research plan phase for targets 1 and 2.

Under the Calico License Agreement, the transaction price determined by the Company is the upfront amount plus the committed anniversary payments and the target initiation fees related to the targets nominated at the execution of the Calico License Agreement. Based on the ability of Calico to cancel the arrangement for any reason, Calico effectively has an option for continued access to the Company's research license and procurement of research services that they can cancel at any time. Under the Calico License Agreement, the Company amortized the upfront fee received on a straight-line basis over the period services are available to the counterparty (i.e. the contractual term). Straight-line amortization of the upfront payment was considered the best measure of progress because the customer has access to research and development services throughout the period. Incremental fees for research and development services are paid at agreed upon FTE rates and recognized in the period incurred.

Amounts due to the Company that have not yet been received are recorded as accounts receivable and amounts received that have not yet been recognized as revenue are recorded in deferred revenue on the Company's consolidated balance sheet.

Dana Farber License Agreements

On December 15, 2015, the Company entered into a License Agreement (the "DFCI License Agreement") with Dana-Farber Cancer Institute, Inc. (DFCI), through which the Company obtained an exclusive, royalty-bearing license to DFCI's rights to use certain technology to develop licensed products. Pursuant to the DFCI License Agreement and subsequent First and Second Amendments, the Company is responsible for royalty payments associated with commercialization of the products and annual maintenance fees.

Simultaneously with the entry into the DFCI License Agreement, the Company issued 7,620,000 shares of the Company's common stock at the fair value of the stock of $0.25 per share, or $1.9 million.

On October 4, 2016, the Company entered into another license agreement with DFCI (the "DFCI Second License Agreement"), through which the Company obtained an exclusive, royalty-bearing license to DFCI's rights to use certain technology to develop licensed product. The Company paid DFCI a license fee of $0.1 million and reimbursed DFCI $18,000 for patent costs related to the DFCI Second License Agreement. Pursuant to the DFCI Second License Agreement, the Company is responsible for royalty payments associated with commercialization of the products and annual maintenance fees.

The Company made payments under the DFCI Second License Agreement of less than $0.1 million for each of the years ended December 31, 2018 and 2019. The Company terminated the DFCI License Agreement in February 2020 and has no additional payments due under the agreement as of December 31, 2019.

(8) Stockholder's Equity

Common Stock

On November 19, 2015, the Company issued 3,240,000 shares of restricted stock to certain of its founders for $0.0001 per share for net proceeds of less than $1,000. On December 16, 2015, the Company issued 7,620,000 shares of restricted common stock to DFCI in conjunction with the DFCI License Agreement (see Note 7). The fair value of the equity instrument issued was the most reliably measurable fair value of the transaction and the Company recorded the 7,620,000 shares in equity at fair value, or $1.9 million. The founders' common stock vest quarterly over three years (see Note 9) and DFCI's common stock were fully vested at the time of issuance.

Features of the Common Stock

The common stock has a par value of $0.000125, and the holders of common stock are entitled to one vote for each share held at all meetings of stockholders and written actions in lieu of meetings provided. All dividends shall be declared and paid pro rata according to the number of shares held by each member. In the event of a liquidation, dissolution or winding up of the Company, the common stock ranks behind the Preferred Stock in terms of distribution of assets. The holders of the common stock have no preemptive or other subscription rights, and there are no redemption or sinking fund provisions with respect to such stock.

Preferred Stock

The following represents the Preferred Stock transactions of the Company from January 1, 2018 through December 31, 2019. On December 31, 2018, the Company issued 900,900 shares of its Series A Preferred Stock to an investor at $2.22 per share for total gross proceeds of $2.0 million.

As of December 31, 2018 and 2019, Preferred Stock consisted of the following (in thousands, except share data):

	DECEMBER 31, 2018				
	PREFERRED STOCK AUTHORIZED	PREFERRED STOCK ISSUED AND OUTSTANDING	CARRYING VALUE	LIQUIDATION VALUE	COMMON STOCK ISSUABLE UPON CONVERSION
Series Seed Preferred Stock	4,000,000	4,000,000	$ 1,000	$ 1,000	4,000,000
Series A Preferred Stock	110,000,000	109,145,900	109,995	109,995	109,145,900
FF Preferred Stock	32,760,000	—	—	—	—
	146,760,000	113,145,900	$ 110,995	$ 110,995	113,145,900

	DECEMBER 31, 2019				
	PREFERRED STOCK AUTHORIZED	PREFERRED STOCK ISSUED AND OUTSTANDING	CARRYING VALUE	LIQUIDATION VALUE	COMMON STOCK ISSUABLE UPON CONVERSION
Series Seed Preferred Stock	4,000,000	4,000,000	$ 1,000	$ 1,000	4,000,000
Series A Preferred Stock	110,000,000	109,145,900	109,995	109,995	109,145,900
FF Preferred Stock	32,760,000	—	—	—	—
	146,760,000	113,145,900	$ 110,995	$ 110,995	113,145,900

The following is a summary of the rights and privileges of the Preferred Stockholders as of December 31, 2018 and 2019:

Conversion

All series of Preferred Stock are convertible at any time at the option of the holder and mandatorily convertible upon a qualified initial public offering into common stock on a one-to-one basis.

Voting

All series of Preferred Stock have voting rights that are one-for-one with common stock, as if they were converted into common stock.

Redemption

The Preferred Stock is not redeemable except in the event of a liquidation. The Series Seed Preferred Stock and Series A Preferred Stock receive liquidation payments at their respective issuance prices in preference to the common stock. Because the Series A Preferred Stock and Series Seed Preferred Stock are only mandatorily redeemable upon the occurrence of a liquidation event and the preferred stockholders have control of the Company's board of directors, they are classified in the mezzanine section of the balance sheet.

Dividends

The Series A Preferred Stock has dividend preference over all other common and Preferred Stock. The Series Seed Preferred Stock is eligible to receive dividends on a pro rata as-converted basis in proportion to the number of shares of common stock that would be held upon conversion to common stock. The Series A Preferred Stock accrues dividends at a rate of $0.08 per annum, payable only if and when declared by the Company's board of directors.

(9) Stock-based Compensation

On December 28, 2015, the Company's board of directors adopted the 2015 Incentive Stock Option and Grant Plan (the "2015 Plan") and reserved 21,297,353 shares of common stock for issuance under this plan. As of December 31, 2019, 9,968,209 shares remain available for future grant.

The 2015 Plan authorizes the board of directors or a committee of the board to grant incentive stock options, nonqualified stock options and restricted stock awards to eligible employees, outside directors and consultants of the Company. Options generally vest over a period of five or eight years with a cliff vesting at one year and quarterly vesting thereafter and options that lapse or are forfeited are available to be granted again. The contractual life of all options is ten years from the date of grant.

In connection with the issuance of stock options, the Company recorded stock-based compensation expense of $0.4 million and $1.6 million in the years ended December 31, 2018 and 2019, respectively. In connection with the issuance of restricted stock, the Company recorded share-based compensation expense of $0.2 million for the year ended December 31, 2018. As the restricted stock was fully vested as of December 31, 2018, the Company did not record stock-based compensation expense related to restricted stock during the year ended December 31, 2019.

Stock-based compensation expense for the year ended December 31, 2018 and 2019 was classified in the consolidated statement of operations and comprehensive loss as follows (in thousands):

	YEAR ENDED DECEMBER 31,	
	2018	2019
Research and development	$ 159	$ 395
General and administrative	423	1,247
Total stock-based compensation expense	$ 582	$ 1,642

Stock option activity under the 2015 Plan is summarized as follows:

	NUMBER OF OPTIONS	WEIGHTED-AVERAGE EXERCISE PRICE	WEIGHTED-AVERAGE REMAINING CONTRACTUAL TERM (IN YEARS)	AGGREGATE INTRINSIC VALUE
Outstanding as of December 31, 2017	11,111,708	$ 0.29	8.75	
Granted	1,779,000	0.47		
Exercised	(380,186)	0.26		$ 118,726
Cancelled or forfeited	(1,065,525)	0.39		
Outstanding as of December 31, 2018	11,444,997	0.32	8.00	$ 5,187,553
Granted	9,032,859	0.77		
Exercised	(791,187)	0.35		$ 337,222
Expired	(42,500)	0.25		
Cancelled or forfeited	(154,801)	0.46		
Outstanding as of December 31, 2019	19,489,368	0.52	8.11	$ 4,801,387
Options exercisable as of December 31, 2018	3,484,371	0.27	7.61	$ 1,740,528
Options exercisable as of December 31, 2019	6,184,790	0.85	7.41	$ 2,274,980

As of December 31, 2019, the unrecognized compensation cost related to outstanding options was $4.2 million, expected to be recognized over a weighted average period of approximately three years. The aggregate fair value of options that vested during the years ended December 31, 2018 and 2019 was $0.3 million and $1.1 million, respectively.

For the years ended December 31, 2018 and 2019, the weighted average grant date fair value for options granted was $0.28 and $0.49, respectively.

The assumptions used in the Black-Scholes option pricing model to determine the fair value of stock options granted to employees during the years ended December 31, 2018 and 2019 were as follows:

	YEAR ENDED DECEMBER 31,	
	2018	2019
Expected option life (years)	6.35	6.35
Risk-free interest rate	2.75% - 2.98%	1.71% - 2.36%
Expected volatility	58.9% -61.9%	65.5% - 76.8%
Expected dividend yield	0.00%	0.00%
Exercise price	$0.44 -$0.58	$0.77 - $0.79
Fair value of ordinary shares	$0.26 -$0.35	$0.48 - $0.54

All restricted stock units issued to-date were vested as of December 31, 2018, 810,000 of which vested in 2018 and had a weighted-average grant date fair value of $0.25. There was $0.2 million recognized for restricted stock units for the year ending December 31, 2018.

(10) Income Taxes

Income tax expense consists of the following (in thousands):

	DECEMBER 31,	
	2018	2019
Current tax provision:		
Current federal provision	$ —	$ 669
Current state provision	9	135
Total current provision	9	804
Deferred tax provision:		
Deferred federal provision	—	—
Deferred state provision	—	—
Total tax provision	$ 9	$ 804

(a) Tax Rate Reconciliation

A reconciliation of income tax expense/(benefit) computed at the statutory federal rate to income taxes as reflected in the consolidated financial statements is as follows:

	YEAR ENDED DECEMBER 31,	
	2018	2019
Pre-tax book income	21.0%	21.0%
Stock-based compensation	(0.4)	(0.4)
State tax—net of federal	6.9	6.6
State credits	1.7	0.6
Federal credits	2.7	1.1
Valuation allowance	(34.1)	(32.1)
Rate change	1.0	(0.1)
Other permanent differences	1.2	0.9
	0%	(2.4)%

(b) Significant Components of Deferred Taxes

Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and (b) operating losses and tax credit carryforwards. Significant components of the Company's net deferred tax assets are as follows (in thousands):

	DECEMBER 31,	
	2018	2019
Deferred tax assets:		
Capitalized start-up costs	$ 1,331	$ 1,151
Operating lease liability	4,101	3,821
Accrued expenses	27	—
Stock-based compensation	268	542
Net operating losses	10,301	575
R&D and investment tax credits	2,985	441
Deferred revenue	2,593	25,271
Total deferred tax asset	21,606	31,801
Valuation allowance	(16,387)	(27,058)
Net deferred tax assets	5,219	4,743
Deferred tax liabilities:		
Right-of-use asset	(4,416)	(4,017)
Fixed assets	(803)	(726)
Total deferred tax liability	(5,219)	(4,743)
Net deferred tax assets	$ —	$ —

The Company has evaluated the positive and negative evidence bearing upon the realizability of the deferred tax assets. As of December 31, 2018, and December 31, 2019, based on the Company's historical operating losses, the Company has concluded that it is more-likely-than-not that the benefit of its deferred tax assets will not be realized. Accordingly, the Company has provided a full valuation allowance for the deferred tax assets as of December 31, 2018 and December 31, 2019. The valuation allowance for deferred tax assets as of December 31, 2018 and 2019 was $16.4 million and $27.1 million, respectively. The net valuation allowance increase of $10.7 million during the year ended December 31, 2019 was primarily due to the decrease in net operating loss and tax credits carryforward and an increase in deferred revenue recognized during the year.

Under the provisions of the Internal Revenue Code ("IRC), the net operating loss and tax credit carryforwards are subject to review and possible adjustment by the Internal Revenue Service and state tax authorities. Net operating loss and tax credit carryforwards may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant stockholders over a three-year period in excess of 50%, as defined under Sections 382 and 383 of the IRC, respectively, as well as similar state provisions. This could limit the amount of tax attributes that can be utilized annually to offset future taxable income or tax liabilities. The amount of the annual limitation is determined based on the value of the Company immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation in future years. The Company has completed various financings since its inception which may have resulted in a change in control as defined by Sections 382 and 383 of the IRC, and it may complete future financings that could result in a change in control in the future. In 2020, the Company completed a study of ownership changes from inception through May 31, 2020, to assess whether an ownership change has occurred or whether there have been multiple ownership changes since its formation. The result of this study indicated that the Company experienced ownership changes as defined by IRS Section 382 of the Code, however there are no net operating loss carryforwards that will be limited and expire unused as a result of such ownership changes.

As of December 31, 2019, the Company has no gross federal net operating loss carryforwards.

As of December 31, 2019, the Company has total gross state net operating loss carryforwards of $8.2 million which may be available to offset future income tax liabilities that will begin to expire in 2038.

At December 31, 2019, the Company has research credit carryforwards of $0.4 million and $0.1 million for federal and state income tax purposes, respectively, which are available to offset future federal and state income tax expense, if any, at various dates through 2039.

The Company will recognize interest and/or penalties related to uncertain tax benefits in income tax expense as they arise. As of December 31, 2018 and 2019, the Company had no accrued interest or penalties related to uncertain tax benefits.

The Company files income tax returns in the United States, California, Massachusetts and Maryland. The federal and state income tax returns are generally subject to tax examinations for the tax years ended December 31, 2015 through December 31, 2019. To the extent that the Company has tax attribute carryforwards, the tax years in which the attributes were generated may still be adjusted upon examination by the Internal Revenue Services or State tax authorities to the extent utilized in a future period. The Company is not currently under examination by any tax authorities

The Coronavirus Aid, Relief and Economic Security (CARES) Act was enacted on March 27, 2020. The CARES Act is an approximately $2 trillion emergency economic stimulus package in response to the Coronavirus outbreak, which among other things contains numerous income tax provisions. Some of these tax provisions are expected to be effective retroactively for years ending before the date of enactment. The Company is currently evaluating the impact of the CARES Act on its consolidated financial position, results of operations and cash flow, but does not expect the impact to be material.

(11) Loss Per Share

Basic and diluted loss per share is computed by dividing net loss attributable to common stockholders by the weighted-average common shares outstanding (in thousands, except share and per share data):

	YEAR ENDED DECEMBER 31,	
	2018	2019
Numerator:		
Net loss	$ (15,711)	$ (34,099)
Accrual of preferred stock dividends	(8,396)	(8,468)
Net loss attributable to common stockholders—basic and diluted	$ (24,107)	$ (42,567)
Denominator:		
Weighted-average common stock outstanding—basic and diluted	10,905,492	11,603,366
Net loss per share attributable to common stockholders—basic and diluted	$ (2.21)	$ (3.67)

The Company's potentially dilutive securities, which include Preferred Stock and stock options, have been excluded from the computation of diluted net loss per share as the effect would be to reduce the net loss per share. Therefore, the weighted average number of common shares outstanding used to calculate both basic and diluted net loss per share attributable to common stockholders is the same. The Company excluded the following from the computation of diluted net loss per share attributable to common stockholders as of December 31, 2018 and 2019 because including them would have had an anti-dilutive effect:

	DECEMBER 31,	
	2018	2019
Series Seed Preferred Stock	4,000,000	4,000,000
Series A Preferred Stock	109,145,900	109,145,900
Options to purchase common stock	11,444,997	19,489,368
	124,590,897	132,635,268

(12) Defined Contribution Plan

The Company has a 401(k) retirement plan (the 401(k) Plan), whereby all full-time employees may contribute up to 90% of their pre-tax compensation, up to the maximum allowable amount set by the Internal Revenue Service. The Company matches 100% of contributions to the 401(k) Plan up to a maximum of $6,000 per year for each full-time employee. During each of the years ended December 31, 2018 and 2019, the Company contributed approximately $0.4 million to the 401(k) Plan.

(13) Subsequent Events

The Company has evaluated subsequent events from the balance sheet date through the issuance date of these consolidated financial statements and has not identified any requiring disclosure except as noted below.

President and Chief Executive Officer Termination

On March 3, 2020 ("Separation Date"), the Company's president and chief executive officer ("CEO") terminated employment with the Company. Pursuant to the severance agreement, the Company will pay the CEO $0.8 million in the eighteen months following the Separation Date. The Company repurchased all of the CEO's exercised shares for total consideration of $0.1 million. The CEO also relinquished his right to purchase vested options, for total consideration paid by the Company of $0.7 million.

Series B Financing and Term Loan

In June and July, 2020, the Company closed a $150.0 million series B redeemable convertible preferred stock financing ("Series B Financing") with existing and new investors. As part of the Series B Financing, the Company issued 142,857,142 redeemable convertible series B preferred stock shares ("Series B Preferred Stock"), at a purchase price of $1.05 per share, for aggregate gross proceeds of $150.0 million. Series B Preferred Stock shares accrue dividends of $0.084 per annum, payable only if and when declared by the Company's board of directors, and Series B Preferred Stock is only redeemable in the event of a deemed liquidation. Shares of Series B Preferred Stock vote pro rata with common stock, and the Series B stockholders are entitled to elect two members of the Company's board of directors.

In contemplation of the Series B Financing, the Company also entered into a Credit Agreement and Guaranty ("Credit Agreement"), under which the Company may borrow up to $20.0 million from Perceptive Credit Holdings III, LP ("Perceptive") in two tranches. Because of Perceptive's participation in the Series B Financing, the Company's considers them to be a related party. At the closing of the Series B Financing, the Company borrowed $12.5 million, or $12.0 million net of costs, and has the opportunity to draw down another $7.5 million subject to the satisfaction of certain milestones relating to the filing of an IND for certain of the Company's pipeline targets. As part of the Credit Agreement, the Company issued Perceptive warrants to purchase 2,857,142 shares of Series B preferred stock exercisable for $1.05 per share. The loans extended under the Credit Agreement will be repaid beginning on the 30th month following the closing of the June 2020 Series B Financing, in monthly installments through June 2024 at an interest rate of 2.0%. The Company paid a closing fee of $0.4 million related to the loan

and has the right to prepay the loan in its entirety prior to the maturity date by paying the applicable prepayment fee. If the Company does not prepay the loan, the entire unpaid principal balance becomes due on the maturity date, June 5, 2024. The Company is also subject to customary financial covenants in the Credit Agreement that dictate accelerated repayment upon the occurrence of certain events of default, none of which are expected to occur based on the Company's current liquidity.

COVID-19 Pandemic

The impact of the COVID-19 coronavirus outbreak on the financial performance of the Company will depend on future developments, including the duration and spread of the outbreak and related governmental advisories and restrictions. These developments and the impact of COVID-19 on the financial markets and the overall economy are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, the Company's results may be materially adversely affected. The Company is currently unable to determine the extent of the impact of the pandemic to its operations and financial condition, as clinical trials have not started. Once the Company begins its clinical trials, it will assess any potential delays as a result of the pandemic and their financial impact.

Shares

Common Stock

PRELIMINARY PROSPECTUS

Jefferies **Evercore ISI** **BMO Capital Markets** **UBS Investment Bank**

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, to be paid by us in connection with the sale of the shares of common stock being registered hereby. All amounts shown are estimates except for the Securities and Exchange Commission, or SEC, registration fee, the Financial Industry Regulatory Authority, Inc., or FINRA, filing fee and the Nasdaq Global Market initial listing fee.

SEC registration fee	$ *
FINRA filing fee	*
The Nasdaq Global Market listing fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky fees and expenses (including legal fees)	*
Transfer agent and registrar fees and expenses	*
Miscellaneous	*
Total	$ *

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law, or the DGCL, authorizes a corporation to indemnify its directors and officers against liabilities arising out of actions, suits and proceedings to which they are made or threatened to be made a party by reason of the fact that they have served or are currently serving as a director or officer to a corporation. The indemnity may cover expenses (including attorneys' fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by the director or officer in connection with any such action, suit or proceeding. Section 145 permits corporations to pay expenses (including attorneys' fees) incurred by directors and officers in advance of the final disposition of such action, suit or proceeding. In addition, Section 145 provides that a corporation has the power to purchase and maintain insurance on behalf of its directors and officers against any liability asserted against them and incurred by them in their capacity as a director or officer or arising out of their status as such, whether or not the corporation would have the power to indemnify the director or officer against such liability under Section 145.

We have adopted provisions in our certificate of incorporation and bylaws, to be in effect upon the closing of this offering and filed as Exhibits 3.2 and 3.3, respectively, to this registration statement, that limit or eliminate the personal liability of our directors to the fullest extent permitted by the DGCL, as it now exists or may in the future be amended. Consequently, a director will not be personally liable to us or our stockholders for monetary damages or breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- any unlawful payments related to dividends or unlawful stock purchases, redemptions or other distributions; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not alter director liability under the federal securities laws and do not affect the availability of equitable remedies such as an injunction or rescission.

In addition, our bylaws provide that:

- we will indemnify our directors, officers and, in the discretion of our board of directors, certain employees to the fullest extent permitted by the DGCL, as it now exists or may in the future be amended; and

- we will advance reasonable expenses, including attorneys' fees, to our directors and, in the discretion of our board of directors, to our officers and certain employees, in connection with legal proceedings relating to their service for or on behalf of us, subject to limited exceptions.

We intend to enter into indemnification agreements with each of our directors and executive officers. These agreements provide that we will indemnify each of our directors, certain of our executive officers and, at times, their affiliates to the fullest extent permitted by Delaware law. We will advance expenses, including attorneys' fees (but excluding judgments, fines and settlement amounts), to each indemnified director or executive officer in connection with any proceeding in which indemnification is available and we will indemnify our directors and officers for any action or proceeding arising out of that person's services as a director or officer brought on behalf of us or in furtherance of our rights. Additionally, certain of our directors or officers may have certain rights to indemnification, advancement of expenses or insurance provided by their affiliates or other third parties, which indemnification relates to and might apply to the same proceedings arising out of such director's or officer's services as a director referenced herein. Nonetheless, we have agreed in the indemnification agreements that our obligations to those same directors or officers are primary and any obligation of such affiliates or other third parties to advance expenses or to provide indemnification for the expenses or liabilities incurred by those directors are secondary.

We also maintain general liability insurance which covers certain liabilities of our directors and officers arising out of claims based on acts or omissions in their capacities as directors or officers, including liabilities under the Securities Act of 1933, as amended (the Securities Act).

The underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification of us and our directors and officers by the underwriters against certain liabilities under the Securities Act and the Securities Exchange Act of 1934.

Item 15. Recent Sales of Unregistered Securities

In the three years preceding the filing of this registration statement, we have issued the following securities that were not registered under the Securities Act:

(a) Issuances of Capital Stock and Warrant

In June and July 2020, we issued and sold 142,857,142 shares of Series B preferred stock to investors at $1.05 per share. Jefferies LLC, one of our underwriters, acted as one of the placement agents with respect to this offering.

In June 2020, we issued a warrant to purchase 2,857,142 shares of Series B preferred stock to our lender Perceptive Credit Holdings III, LP at an exercise price of $1.05 per share.

In December 2018, we issued and sold 900,900 shares of Series A preferred stock to an investor at $2.22 per share.

The sales of securities described above were deemed to be exempt from registration pursuant to Section 4(a)(2) of the Securities Act, as private placement transactions by an issuer not involving a public offering. All of the purchasers in these transactions represented to us in connection with their purchase that they were acquiring the securities for investment and not distribution, that they could bear the risks of the investment and could hold the securities for an indefinite period of time. Such purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration or an available exemption from such registration. All of the foregoing securities are deemed restricted securities for the purposes of the Securities Act.

(b) Grants and Exercises of Stock Options

We have granted stock options to purchase an aggregate of shares of our common stock, with exercise prices ranging from $ to $ per share, to employees, directors and consultants pursuant to the 2015 Plan. Through the date of filing, shares of common stock have been issued upon the exercise of stock options pursuant to the 2015 Plan.

The issuances of the securities described above were deemed to be exempt from registration pursuant to Section 4(a)(2) of the Securities Act or Rule 701 promulgated under the Securities Act as transactions pursuant to compensatory benefit plans. The shares of common stock issued upon the exercise of options are deemed to be restricted securities for purposes of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules

(a) Exhibits.

EXHIBIT NUMBER	EXHIBIT TABLE
1.1*	Form of Underwriting Agreement
3.1	Fourth Amended and Restated Certificate of Incorporation of the Registrant, as currently in effect
3.2*	Form of Fifth Amended and Restated Certificate of Incorporation of the Registrant, to be in effect upon the closing of this offering
3.3	Amended and Restated Bylaws of the Registrant, as currently in effect
3.4*	Form of Second Amended and Restated Bylaws of the Registrant, to be in effect upon the closing of this offering.
4.1	Amended and Restated Investors' Rights Agreement among the Registrant, its warrant holder and certain of its stockholders, dated June 5, 2020
4.2	Warrant Certificate issued by the Registrant to Perceptive Credit Holdings III, LP dated June 5, 2020
4.3*	Form of Specimen Common Stock Certificate
5.1*	Opinion of Goodwin Procter LLP
10.1#	2015 Stock Option and Grant Plan, as amended and forms of award agreements thereunder
10.2*#	2020 Stock Option and Incentive Plan and forms of award agreements thereunder
10.3*#	2020 Employee Stock Purchase Plan
10.4*#	Form of Indemnification Agreement
10.5†	Collaboration Research and License Agreement between the Registrant and Biogen MA, Inc., dated December 28, 2018
10.6†	Amended and Restated License Agreement among the Registrant, F. Hoffmann-La Roche Ltd and Hoffmann-La Roche Inc., dated December 20, 2018
10.7†	Collaboration and License Agreement between the Registrant and Calico Life Sciences LLC, dated March 13, 2017
10.8†	Credit Agreement and Guaranty among the Registrant, Perceptive Credit Holdings III, LP and the guarantors and lenders party thereto, dated July 5, 2020
10.9	Lease by 480 Arsenal Group LLC to the Registrant, dated July 5, 2017, as amended
21.1	Subsidiaries of the Registrant
23.1*	Consent of KPMG LLP, Independent Registered Public Accounting Firm
23.2*	Consent of Goodwin Procter LLP (included in Exhibit 5.1)
24.1*	Power of Attorney (included on signature page to this registration statement)

* To be filed by amendment.
\# Indicates a management contract or any compensatory plan, contract or arrangement.
† Portions of this exhibit (indicated by asterisks) will be omitted in accordance with the rules of the Securities and Exchange Commission.

(b) Financial Statement Schedules.

None.

Item 17. Undertakings

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Watertown, Commonwealth of Massachusetts, on the day of , 2020.

C4 Therapeutics, Inc.

By: _____
Marc A. Cohen
President and Chief Executive Officer

SIGNATURES AND POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Marc A. Cohen and William McKee, and each of them, either of whom may act without the joinder of the other, as his true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to sign any registration statement for the same offering covered by the registration statement that is to be effective upon filing pursuant to Rule 462(b) promulgated under the Securities Act, and all post-effective amendments thereto, and to file the same, with all exhibits thereto and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his or their substitute or substitutes, may lawfully do or cause to be done or by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities indicated on the day of , 2020.

SIGNATURE	TITLE	DATE
Marc A. Cohen	Co-Founder, Executive Chairman, Director, President and Chief Executive Officer (Principal Executive Officer)	, 2020
William McKee	Chief Financial Officer (Principal Financial Officer)	, 2020
Laura J. Wahlberg	Vice President of Finance and Corporate Controller (Principal Accounting Officer)	, 2020
Kenneth C. Anderson, M.D.	Director	, 2020
Bihua Chen	Director	, 2020
Alain J. Cohen	Director	, 2020
Bruce Downey	Director	, 2020
Elena Prokupets, Ph.D.	Director	, 2020
Malcolm Salter	Director	, 2020

FOURTH AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF C4 THERAPEUTICS, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

C4 Therapeutics, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"),

DOES HEREBY CERTIFY:

1. That the name of this corporation is C4 Therapeutics, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on October 7, 2015 under the name C4 Therapeutics, Inc.

2. That the Board of Directors duly adopted resolutions proposing to amend and restate the Third Amended and Restated Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Third Amended and Restated Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows:

FIRST: The name of this corporation is C4 Therapeutics, Inc. (the "**Corporation**").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 370,000,000 shares of Common Stock, $0.0001 par value per share ("**Common Stock**") and (ii) 264,000,000 shares of Preferred Stock, $0.0005 par value per share ("**Preferred Stock**").

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to the Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to the Certificate of Incorporation or pursuant to the General Corporation Law. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of the Certificate of Incorporation) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

B. PREFERRED STOCK

4,000,000 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series Seed Preferred Stock**," 110,000,000 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series A Preferred Stock**," and 150,000,000 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series B Preferred Stock**," each with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations. Unless otherwise indicated, references to "sections" or "subsections" in this Part B of this Article Fourth refer to sections and subsections of Part B of this Article Fourth.

1. Dividends.

1.1 Accruing Dividends. From and after the date of the issuance of any shares of Series A Preferred Stock, dividends at the rate per annum of $0.08 per share shall accrue on such shares of Series A Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock) (the "**Series A Accruing Dividends**"). From and after the date of the issuance of any shares of Series B Preferred Stock, dividends at the rate per annum of $0.084 per share shall accrue on such shares of Series B Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock) (the "**Series B Accruing Dividends**" and, together with the Series A Accruing Dividends, the "**Accruing Dividends**"). The Accruing Dividends shall accrue from day to day, whether or not declared, and shall be cumulative; provided, however, that except as set forth in Subsections 1.2, 1.3, 2.1 and 2.2, such Accruing Dividends shall be payable only when, as, and if declared by the Board of Directors and the Corporation shall be under no obligation to pay such Accruing Dividends.

1.2 Series B Dividends. The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless (in addition to the obtaining of any consents required elsewhere in the Certificate of Incorporation) the holders of the Series B Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series B Preferred Stock in an amount at least equal to the greater of (i) the amount of the aggregate Series B Accruing Dividends then accrued on such share of Series B Preferred Stock and not previously paid and (ii) (A) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series B Preferred Stock as would equal the product of (1) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (2) the number of shares of Common Stock issuable upon conversion of a share of Series B Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (B) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series B Preferred Stock determined by (1) dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) and (2) multiplying such fraction by an amount equal to the Series B Original Issue Price (as defined below); provided that if the Corporation declares, pays or sets aside, on the same date, a dividend on shares of more than one class or series of capital stock of the Corporation, the dividend payable to the holders of Series B Preferred Stock pursuant to this Subsection 1.2 shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Series B Preferred Stock dividend (the "**Series B Dividend Payment**").

1.3 Series A Dividends. The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless (in addition to the obtaining of any consents required elsewhere in the Certificate of Incorporation), after the payment of the Series B Dividend Payment in full, the holders of the Series A Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series A Preferred Stock in an amount at least equal to the greater of (i) the amount of the aggregate Series A Accruing Dividends then accrued on such share of Series A Preferred Stock and not previously paid and (ii) (A) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series A Preferred Stock as would equal the product of (1) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (2) the number of shares of Common Stock issuable upon conversion of a share of Series A Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (B) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series A Preferred Stock determined by (1) dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) and (2) multiplying such fraction by an amount equal to the Series A Original Issue Price (as defined below); provided that if the Corporation declares, pays or sets aside, on the same date, a dividend on shares of more than one class or series of capital stock of the Corporation, the dividend payable to the holders of Series A Preferred Stock pursuant to this Subsection 1.3 shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Series A Preferred Stock dividend.

1.4 Original Issue Price. The "**Series B Original Issue Price**" shall mean $1.05 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock. The "**Series A Original Issue Price**" shall mean $1.00 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock. The "**Series Seed Original Issue Price**" shall mean $0.25 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series Seed Preferred Stock. The "**Original Issue Price**" shall mean the Series B Original Issue Price in the case of the Series B Preferred Stock, the Series A Original Issue Price in the case of the Series A Preferred Stock, and the Series Seed Original Issue Price in the case of the Series Seed Preferred Stock. For the avoidance of doubt, any dividends on the Preferred Stock shall be subject to this Section 1, and the Corporation shall not declare, pay or set aside any dividends on the Series Seed Preferred Stock or Common Stock unless the holders of the Series B Preferred Stock and the Series A Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend pursuant to Subsections 1.2 and 1.3, respectively.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Preferential Payments to Holders of Series B Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the holders of shares of Series B Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders before any payment shall be made to the holders of Junior Preferred Stock (as defined below) or Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) the Series B Original Issue Price plus the Series B Accruing Dividends in respect of such share plus any other dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of Series B Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (after giving effect to the provisions of Sections 2.2 and 2.3) (the amount payable pursuant to this sentence is hereinafter referred to as the "**Series B Liquidation Amount**"). If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series B Preferred Stock the full amount to which they shall be entitled under this Subsection 2.1, the holders of shares of Series B Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Preferential Payments to Holders of Junior Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, after the payment in full of all Series B Liquidation Amounts required to be paid to the holders of shares of Series B Preferred Stock, the holders of shares of Series A Preferred Stock and Series Seed Preferred Stock (together, the "**Junior Preferred Stock**") then

outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to (a) in the case of Series A Preferred Stock, the greater of (i) the Series A Original Issue Price plus the Series A Accruing Dividends in respect of such share plus any other dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of Series A Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (after giving effect to the provisions of Sections 2.1 and 2.3 and subclause (b) of this sentence) (the amount payable pursuant to this sentence is hereinafter referred to as the "**Series A Liquidation Amount**"), and (b) in the case of Series Seed Preferred Stock, the greater of (i) the Series Seed Original Issue Price plus any dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of Series Seed Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (after giving effect to the provisions of Sections 2.1 and 2.3 and subclause (a) of this sentence) (the amount payable pursuant to this sentence is hereinafter referred to as the "**Series Seed Liquidation Amount**" and, together with the Series B Liquidation Amount and the Series A Liquidation Amount, the "**Preferred Liquidation Amounts**"). If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Junior Preferred Stock the full amount to which they shall be entitled under this Subsection 2.2, the holders of shares of Junior Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.3 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after the payment in full of all Preferred Liquidation Amounts required to be paid to the holders of shares of Preferred Stock, the remaining assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, the consideration not payable to the holders of shares of Preferred Stock pursuant to Subsections 2.1 and 2.2 or the remaining Available Proceeds, as the case may be, shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares held by each such holder.

2.4 Deemed Liquidation Events.

2.4.1 Definition. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of a majority of the outstanding shares of Preferred Stock elect otherwise by written notice sent to the Corporation at least five (5) days prior to the effective date of any such event:

(a) a merger or consolidation in which

(i) the Corporation is a constituent party or

(ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation; or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole (including, without limitation, the Corporation's material intellectual property), or the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

2.4.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 2.4.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction (the "**Merger Agreement**") provides that the consideration payable to the stockholders of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1, 2.2, and 2.3.

(b) In the event of a Deemed Liquidation Event referred to in Subsection 2.4.1(a)(ii) or 2.4.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Preferred Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause; (ii) to require the redemption of such shares of Preferred Stock, and (iii) if the holders of a majority of the then outstanding shares of Preferred Stock so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation)**,** together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "**Available Proceeds**"), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event, to redeem all outstanding shares of Preferred Stock at a price per share equal to (i) the Series B Liquidation Amount in the case of Series B Preferred Stock, (ii) the Series A Liquidation Amount in the case of Series A Preferred Stock, and (iii) the Series Seed Liquidation Amount in the case of Series Seed Preferred Stock. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to

redeem all outstanding shares of Preferred Stock, the Corporation shall ratably redeem each holder's shares of Preferred Stock to the fullest extent of such Available Proceeds and in accordance with the preferences set forth in Subsections 2.1 and 2.2, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Prior to the distribution or redemption provided for in this Subsection 2.4.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event or in the ordinary course of business.

(c) The Corporation shall send written notice of the redemption pursuant to Subsection 2.4.2(b) (the "**Redemption Notice**") to each holder of record of Preferred Stock not less than ninety (90) days after the Deemed Liquidation Event. Each Redemption Notice shall state:

(i) the number of shares of Preferred Stock held by the holder that the Corporation shall redeem;

(ii) the date of redemption (the "**Redemption Date**") and price per share of the Preferred Stock to be redeemed (the "**Redemption Price**");

(iii) the date upon which the holder's right to convert such shares terminates (as determined in accordance with Subsection 4.1); and

(iv) that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of the Preferred Stock to be redeemed.

(d) On or before the Redemption Date, each holder of shares of Preferred Stock, unless such holder has exercised his, her or its right to convert such shares as provided in Section 4, shall surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Redemption Notice, and thereupon the Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof. In the event less than all of the shares of Preferred Stock represented by a certificate are redeemed, a new certificate representing the unredeemed shares of Preferred Stock shall promptly be issued to such holder.

(e) If the Redemption Notice shall have been duly given, and if on the Redemption Date the Redemption Price payable upon redemption of the shares of Preferred Stock to be redeemed on such Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor in a timely manner, then notwithstanding that the certificates evidencing any of the shares of Preferred Stock so called for redemption shall not have been surrendered, dividends with respect to such shares of Preferred Stock shall cease to accrue after such Redemption Date and all rights with respect to such shares shall forthwith after the Redemption Date terminate, except only the right of the holders to receive the Redemption Price without interest upon surrender of their certificate or certificates therefor.

2.4.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation.

2.4.4 Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event pursuant to Subsection 2.4.1(a)(i), if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the "**Additional Consideration**"), the Merger Agreement shall provide that (a) the portion of such consideration that is not Additional Consideration (such portion, the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1, 2.2 and 2.3 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1, 2.2 and 2.3 after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Subsection 2.4.4, consideration placed into escrow or retained as holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or by the other provisions of the Certificate of Incorporation, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class and on an as-converted to Common Stock basis.

3.2 Election of Directors. (i) The holders of record of the shares of Series B Preferred Stock, exclusively and as a separate class, shall be entitled to elect two (2) directors of the Corporation (each, a "**Series B Director**" and collectively, the "**Series B Directors**"), (ii) the holders of record of the shares of Series A Preferred Stock, exclusively and as a separate class, shall be entitled to elect three (3) directors of the Corporation (each, a "**Series**

A Director" and collectively, the "**Series A Directors**"), one of whom shall also serve as the Executive Chairman of the Board of Directors, and (iii) the holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect one (1) director of the Corporation (the "**Common Director**"). Any director elected as provided in the preceding sentence may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class or series of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. If the holders of shares of Series A Preferred Stock, Series B Preferred Stock, or Common Stock, as the case may be, fail to elect a sufficient number of directors to fill all directorships for which they are entitled to elect directors, voting exclusively and as a separate class, pursuant to the first sentence of this Subsection 3.2, then any directorship not so filled shall remain vacant until such time as the holders of the Series A Preferred Stock, Series B Preferred Stock or Common Stock, as the case may be, elect a person to fill such directorship by vote or written consent in lieu of a meeting; and no such directorship may be filled by stockholders of the Corporation other than by the stockholders of the Corporation that are entitled to elect a person to fill such directorship, voting exclusively and as a separate class. The holders of record of the shares of Common Stock and of any other class or series of voting stock (including the Preferred Stock), exclusively and voting together as a single class, shall be entitled to elect the balance of the total number of directors of the Corporation. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. Except as otherwise provided in this Subsection 3.2, a vacancy in any directorship filled by the holders of any class or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or series or by any remaining director or directors elected by the holders of such class or series pursuant to this Subsection 3.2.

3.3 Protective Provisions.

3.3.1 Preferred Stock Protective Provisions. At any time when shares of Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect.

(a) liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any merger or consolidation or any other Deemed Liquidation Event;

(b) amend, alter or repeal any provision of the Certificate of Incorporation or Bylaws of the Corporation in a manner that adversely affects the powers, preferences or rights of any series of the Preferred Stock;

(c) create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock unless the same ranks junior to all series of the Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends and rights of redemption, or increase or decrease the authorized number of shares of any series of Preferred Stock or Common Stock;

(d) (i) reclassify, alter or amend any existing security of the Corporation that is pari passu with any series of the Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to any series of the Preferred Stock in respect of any such right, preference, or privilege or (ii) reclassify, alter or amend any existing security of the Corporation that is junior to any series of the Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or pari passu with any series of the Preferred Stock in respect of any such right, preference or privilege; or

(e) pay or declare any dividend or make any distribution on any shares of Common Stock.

3.3.2 Series B Preferred Stock Protective Provisions. At any time when shares of Series B Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series B Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect.

(a) amend, alter or repeal any provision of the Certificate of Incorporation or Bylaws of the Corporation;

(b) increase or decrease the authorized number of shares of Series B Preferred Stock;

(c) (i) reclassify, alter or amend any existing security of the Corporation that is pari passu with the Series B Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to the Series B Preferred Stock in respect of any such right, preference, or privilege or (ii) reclassify, alter or amend any existing security of the Corporation that is junior to the Series B Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or pari passu with the Series B Preferred Stock in respect of any such right, preference or privilege; or

(d) create, or authorize the creation of, or issue, or authorize the issuance of any debt security or create any lien or security interest (except for purchase money liens or statutory liens of landlords, mechanics, materialmen, workmen, warehousemen and other similar persons arising or incurred in the ordinary course of business) or incur other indebtedness for borrowed money, including but not limited to obligations and

contingent obligations under guarantees, or permit any subsidiary to take any such action with respect to any debt security lien, security interest or other indebtedness for borrowed money, other than (A) equipment leases, bank lines of credit or trade payables incurred in the ordinary course and (B) drawdown from a credit facility in effect as of the Series B Original Issue Date (as defined herein) (excluding any amendments or extensions thereof).

3.3.3 Series A Preferred Stock Protective Provisions. At any time when shares of Series A Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series A Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect.

(a) amend, alter or repeal any provision of the Certificate of Incorporation or Bylaws of the Corporation in a manner that adversely affects the powers, preferences or rights of the Series A Preferred Stock;

(b) increase or decrease the authorized number of shares of Series A Preferred Stock; or

(c) reclassify, alter or amend any existing security of the Corporation that is pari passu with the Series A Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to the Series A Preferred Stock in respect of any such right, preference, or privilege or (ii) reclassify, alter or amend any existing security of the Corporation that is junior to the Series A Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or pari passu with the Series A Preferred Stock in respect of any such right, preference or privilege.

3.3.4 Series Seed Preferred Stock Protective Provisions. At any time when shares of Series Seed Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the holders of a majority of the then outstanding shares of Series Seed Preferred Stock, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect.

(a) amend, alter or repeal any provision of the Certificate of Incorporation or Bylaws of the Corporation in a manner that adversely affects the powers, preferences or rights of the Series Seed Preferred Stock;

(b) increase or decrease the authorized number of shares of Series Seed Preferred Stock; or

(c) (i) reclassify, alter or amend any existing security of the Corporation that is pari passu with the Series Seed Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to the Series Seed Preferred Stock in respect of any such right, preference, or privilege or (ii) reclassify, alter or amend any existing security of the Corporation that is junior to the Series Seed Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or pari passu with the Series Seed Preferred Stock in respect of any such right, preference or privilege.

4. Optional Conversion.

The holders of Preferred Stock shall have conversion rights as follows (the "**Conversion Rights**"):

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and non-assessable shares of Common Stock as is determined by dividing the applicable Original Issue Price by the Applicable Conversion Price (as defined below) in effect at the time of conversion. The "**Series B Conversion Price**" shall initially be equal to $1.05. The "**Series A Conversion Price**" shall initially be equal to $1.00. The "**Series Seed Conversion Price**" shall initially be equal to $0.25. The "**Applicable Conversion Price**" shall mean the Series B Conversion Price in the case of the Series B Preferred Stock, the Series A Conversion Price in the case of the Series A Preferred Stock, and the Series Seed Conversion Price in the case of the Series Seed Preferred Stock. Such initial Applicable Conversion Price of each series of Preferred Stock, and the rate at which shares of Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

4.1.2 Termination of Conversion Rights. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Preferred Stock.

4.2 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board of Directors of the Corporation. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

4.3 Mechanics of Conversion.

4.3.1 Notice of Conversion. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall (a) provide written notice to the Corporation's transfer agent at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) that such holder elects to convert all or any number of such holder's shares of Preferred Stock and, if applicable, any event on which such conversion is contingent and (b), if such holder's shares are certificated, surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the shares of Common Stock to be issued. If required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such notice and, if applicable, certificates (or lost certificate affidavit and agreement) shall be the time of conversion (the "**Conversion Time**"), and the shares of Common Stock issuable upon conversion of the specified shares shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time (i) issue and deliver to such holder of Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (ii) pay in cash such amount as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (iii) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

4.3.2 Reservation of Shares. The Corporation shall at all times when the Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to the Certificate of Incorporation. Before taking any action which would cause an adjustment reducing the Applicable Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of a series of Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock at such adjusted Applicable Conversion Price.

4.3.3 Effect of Conversion. All shares of Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Subsection 4.1 and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

4.3.4 No Further Adjustment. Upon any such conversion, no adjustment to the Applicable Conversion Price shall be made for any declared but unpaid dividends on the shares of Preferred Stock surrendered for conversion or on the Common Stock delivered upon conversion.

4.3.5 Taxes. The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of shares of Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.4 Adjustments to Applicable Conversion Price of the Preferred Stock for Diluting Issues.

4.4.1 Special Definitions. For purposes of this Article Fourth, the following definitions shall apply:

(a) "**Option**" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(b) "**Series B Original Issue Date**" shall mean the date on which the first share of Series B Preferred Stock was issued.

(c) "**Convertible Securities**" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(d) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Subsection 4.4.3 below, deemed to be issued) by the Corporation after the Series B Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "**Exempted Securities**"):

(i) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on the Preferred Stock;

(ii) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Subsection 4.5, 4.6, 4.7 or 4.8;

(iii) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Corporation;

(iv) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security; or

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors of the Corporation.

4.4.2 No Adjustment of Applicable Conversion Price. No adjustment in the Applicable Conversion Price of a series of Preferred Stock shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the holders of a majority of the then outstanding shares of such series of Preferred Stock agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

4.4.3 Deemed Issue of Additional Shares of Common Stock.

(a) If the Corporation at any time or from time to time after the Series B Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in

the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Applicable Conversion Price of a series of Preferred Stock pursuant to the terms of Subsection 4.4.4, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Applicable Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Applicable Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Applicable Conversion Price of a series of Preferred Stock to an amount which exceeds the lower of (i) the Applicable Conversion Price of such series of Preferred Stock in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the Applicable Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Applicable Conversion Price of a series of Preferred Stock pursuant to the terms of Subsection 4.4.4 (either because the consideration per share (determined pursuant to Subsection 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Applicable Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series B Original Issue Date), are revised after the Series B Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Subsection 4.4.3(a) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Applicable Conversion Price of a series of Preferred Stock pursuant to the terms of Subsection 4.4.4, the Applicable Conversion Price shall be readjusted to such Applicable Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Applicable Conversion Price of a series of Preferred Stock provided for in this Subsection 4.4.3 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (b) and (c) of this Subsection 4.4.3). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Applicable Conversion Price of a series of Preferred Stock that would result under the terms of this Subsection 4.4.3 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Applicable Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 Adjustment of Applicable Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Series B Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4.4.3), without consideration or for a consideration per share less than the Applicable Conversion Price of a series of Preferred Stock in effect immediately prior to such issue, then the Applicable Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(a) "CP_2" shall mean the Applicable Conversion Price in effect immediately after such issue of Additional Shares of Common Stock

(b) "CP_1" shall mean the Applicable Conversion Price in effect immediately prior to such issue of Additional Shares of Common Stock;

(c) "A" shall mean the number of shares of Common Stock outstanding immediately prior to such issue of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of Convertible Securities (including the Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

(d) "B" shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

(e) "C" shall mean the number of such Additional Shares of Common Stock issued in such transaction.

4.4.5 Determination of Consideration. For purposes of this Subsection 4.4, the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property: Such consideration shall:

(i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors of the Corporation; and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board of Directors of the Corporation.

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Subsection 4.4.3, relating to Options and Convertible Securities, shall be determined by dividing:

(i) The total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating

thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

4.4.6 Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Applicable Conversion Price of a series of Preferred Stock pursuant to the terms of Subsection 4.4.4, then, upon the final such issuance, such Applicable Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

4.5 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Series B Original Issue Date effect a subdivision of the outstanding Common Stock, the Applicable Conversion Price for each series of Preferred Stock in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Series B Original Issue Date combine the outstanding shares of Common Stock, the Applicable Conversion Price of each series of Preferred Stock in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.6 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series B Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Applicable Conversion Price of each series of Preferred Stock in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Applicable Conversion Price then in effect by a fraction:

(1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing (a) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Applicable Conversion Price of each series of Preferred Stock shall be recomputed accordingly as of the close of business on such record date and thereafter the Applicable Conversion Price shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions; and (b) that no such adjustment shall be made if the holders of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

4.7 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series B Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Preferred Stock had been converted into Common Stock on the date of such event.

4.8 Adjustment for Merger or Reorganization, etc. Subject to the provisions of Subsection 2.4, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not a series of Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Subsections 4.4, 4.6 or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of such series of Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of such series of Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive

pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors of the Corporation) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of such series of Preferred Stock, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of the Applicable Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of such series of Preferred Stock. For the avoidance of doubt, nothing in this Subsection 4.8 shall be construed as preventing the holders of Preferred Stock from seeking any appraisal rights to which they are otherwise entitled under the General Corporation Law in connection with a merger triggering an adjustment hereunder, nor shall this Subsection 4.8 be deemed conclusive evidence of the fair value of the shares of any series of Preferred Stock in any such appraisal proceeding.

4.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Applicable Conversion Price of a series of Preferred Stock pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Applicable Conversion Price of each series of Preferred Stock then in effect, and (ii) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of each series of Preferred Stock.

4.10 Notice of Record Date. In the event:

(a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares

of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

5. Mandatory Conversion.

5.1 Trigger Events. Upon either (a) the closing of the sale of shares of Common Stock to the public at a price of at least $1.12 per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Common Stock), in an underwritten public offering resulting in at least $50 million of gross proceeds to the Corporation ("**Qualified Public Offering**") or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the holders of a majority of the then outstanding shares of Preferred Stock, voting together as a single class on an as-converted basis (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Conversion Time**"), then (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate as calculated pursuant to Subsection 4.1.1, and (ii) such shares may not be reissued by the Corporation.

5.2 Procedural Requirements. All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to Subsection 5.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Subsection 5.2. As soon as practicable after the Mandatory Conversion Time and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and (b) pay cash as provided in Subsection 4.1 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

6. Redeemed or Otherwise Acquired Shares. Any shares of Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Preferred Stock following redemption.

7. Waiver. Any of the rights, powers, preferences and other terms of a series of Preferred Stock set forth herein may be waived on behalf of all holders of such series of Preferred Stock by the affirmative written consent or vote of the holders of a majority of the shares of such series of Preferred Stock then outstanding.

8. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

FIFTH: Subject to any additional vote required by the Certificate of Incorporation or Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

SIXTH: Subject to any additional vote required by the Certificate of Incorporation, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation.

SEVENTH: Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

EIGHTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

NINTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Ninth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article Ninth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

TENTH: To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Tenth shall not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

ELEVENTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Preferred Stock or any partner, member, director, stockholder, employee, affiliate or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation. Any repeal or modification of this Article Eleventh will only be prospective and will not affect the rights under this Article Eleventh in effect at the time of the occurrence of any actions or omissions to act giving rise to liability. Notwithstanding anything to the contrary contained elsewhere in this Certificate of Incorporation, the affirmative vote of the holders of at least a majority of the shares of Preferred Stock the outstanding, voting together as a single class and on an as-converted to Common Stock basis, will be required to amend or repeal, or to adopt any provisions inconsistent with, this Article Eleventh.

TWELFTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article Twelfth shall be held to be invalid, illegal or unenforceable as applied to any person or entity or

circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article Twelfth (including, without limitation, each portion of any sentence of this Article Twelfth containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

THIRTEENTH: The Corporation shall provide the following rights to certain regulated stockholders:

A. BHC Investor Voting Provisions. Upon notice to the Corporation by any stockholder of the Corporation that is subject to the Bank Holding Company Act of 1956 ("**BHC Act**"), as amended (a "**BHC Investor**"), electing to be subject to this Article Thirteenth, Section A, any shares of any class of capital stock of the Corporation held by such BHC Investor that are determined at any time to be in excess of 4.99% of the issued and outstanding shares of such class or of any other class of capital stock of the Corporation entitled to vote or consent on any matter (the "**Voting Capital Stock**") (or such lesser or greater percentage as may be permitted under Section 4(c)(6) of the BHC Act without regard to Section 4(k) thereof), excluding for the purposes of calculating this percentage any shares of capital stock of the Corporation that are non-voting pursuant to this Article Thirteenth, Section A or otherwise (the "**Non-Voting Capital Stock**"), shall be irrevocably designated Non-Voting Capital Stock (whether or not any such shares are subsequently transferred to any other person or entity, unless such transfer is made (i) in a widespread public distribution; (ii) in transfers in which no transferee (or group of associated transferees) would receive two percent (2%) or more of any class of Voting Capital Stock; or (iii) to a transferee that would control more than fifty percent (50%) of such class of Voting Capital Stock without any transfer from the BHC Investor (each such transfer described in (i) to (iii), an "**Excepted Transfer**")), except as provided in the following sentence. Upon the occurrence of any event that would have the effect of changing the number of issued and outstanding shares of Voting Capital Stock, including another BHC Investor obtaining Non-Voting Capital Stock pursuant to this Article Thirteenth, Section A, a recalculation of the capital stock of the Corporation held by all BHC Investors shall be made, and only that portion of any class of Voting Capital Stock held by a BHC Investor that is determined as of such date to be in excess of 4.99% of the class or any other class of Voting Capital Stock, excluding for purposes of calculating this percentage Non-Voting Capital Stock as of such date, shall be Non-Voting Capital Stock. For the avoidance of doubt, Non-Voting Capital Stock that has been transferred by a BHC Investor to another person or entity in a transfer other than an Excepted Transfer shall remain Non-Voting Capital Stock. Any election by any BHC Investor to be subject to this Article Thirteenth, Section A shall be irrevocable. Non-Voting Capital Stock shall not be counted for the purposes of determining under this Certificate of Incorporation whether any vote or consent required hereunder has been approved or given by the requisite percentage of the stockholders, and shall be deemed to have waived any rights to vote or consent with respect to such matters. Except as provided in this Article Thirteenth, Section A, shares of a class of capital stock which are held as Non-Voting Capital Stock shall be identical in all regards to all other capital stock of such class held by stockholders. For purposes of calculating Non-Voting Capital Stock pursuant to this Article Thirteenth, Section A, the capital stock of any BHC Investor shall be aggregated with the capital stock of any of its affiliates (as defined in 12 U.S.C. §1841(k)) that are themselves BHC Investors.

B. BHC Investor Transfers of Convertible Capital Stock. Upon notice to the Corporation by any BHC Investor electing to be subject to this Article Thirteenth, Section B, no shares of any class of capital stock of the Corporation held by such BHC Investor convertible into more than four and ninety-nine hundredths percent (4.99%) of any class of Voting Capital Stock may be transferred by such BHC Investor unless such transfer is made (i) in a widespread public distribution; (ii) in transfers in which no transferee (or group of associated transferees) would receive shares convertible into two percent (2%) or more of any class of Voting Capital Stock; or (iii) to a transferee that would control more than fifty percent (50%) of such class of Voting Capital Stock (or shares convertible into such class of Voting Stock) without any transfer from the BHC Investor. Any such election shall be irrevocable. A BHC Investor shall be deemed to have irrevocably elected to be subject to this Article Thirteenth, Section B if at any time such BHC Investor owns shares of capital stock convertible into 25% or more of any class of Voting Capital Stock. For purposes of calculating shares of Voting Capital Stock pursuant to this Article Thirteenth, Section B, the capital stock of any BHC Investor shall be aggregated with the capital stock of any of its affiliates (as defined in 12 U.S.C. §1841(k)) that are themselves BHC Investors. For the avoidance of doubt, a BHC Investor may elect to be subject to Article Thirteenth, Section A or Article Thirteenth, Section B or both.

* * *

3. That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. That this Fourth Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this Corporation's Third Amended and Restated Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

IN WITNESS WHEREOF, this Fourth Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on June 3, 2020.

By: /s/ Marc Cohen
Name: Marc Cohen
Title: Chief Executive Officer

AMENDED AND RESTATED BY-LAWS
OF
C4 THERAPEUTICS, INC.
(THE "CORPORATION")

1. Stockholders

(a) Annual Meeting. The annual meeting of stockholders shall be held for the election of directors each year at such place, date and time as shall be designated by the Board of Directors. Any other proper business may be transacted at the annual meeting. If no date for the annual meeting is established or said meeting is not held on the date established as provided above, a special meeting in lieu thereof may be held or there may be action by written consent of the stockholders on matters to be voted on at the annual meeting, and such special meeting or written consent shall have for the purposes of these By-laws or otherwise all the force and effect of an annual meeting.

(b) Special Meetings. Special meetings of stockholders may be called by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, a President, or by the Board of Directors, but such special meetings may not be called by any other person or persons. The call for the meeting shall state the place, date, hour and purposes of the meeting. Only the purposes specified in the notice of special meeting shall be considered or dealt with at such special meeting.

(c) Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a notice stating the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present and vote at such meeting, and, in the case of a special meeting, the purpose or purposes of the meeting, shall be given by the Secretary (or other person authorized by these By-laws or by law) not less than ten (10) nor more than sixty (60) days before the meeting to each stockholder entitled to vote thereat and to each stockholder who, under the Certificate of Incorporation or under these By-laws is entitled to such notice. If mailed, notice is given when deposited in the mail, postage prepaid, directed to such stockholder at such stockholder's address as it appears in the records of the Corporation. Without limiting the manner by which notice otherwise may be effectively given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law (the "DGCL").

If a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place, if any, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken, except that if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(d) Quorum. The holders of a majority in interest of all stock issued, outstanding and entitled to vote at a meeting, present in person or represented by proxy, shall constitute a quorum. Any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question, whether or not a quorum is present. The stockholders present at a duly constituted meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough stockholders to reduce the voting shares below a quorum.

(e) Voting and Proxies. Except as otherwise provided by the Certificate of Incorporation or by law, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by either written proxy or by a transmission permitted by Section 212(c) of the DGCL, but no proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period or is irrevocable and coupled with an interest. Proxies shall be filed with the Secretary of the meeting, or of any adjournment thereof. Except as otherwise limited therein, proxies shall entitle the persons authorized thereby to vote at any adjournment of such meeting.

(f) Action at Meeting. When a quorum is present, any matter before the meeting shall be decided by vote of the holders of a majority of the shares of stock voting on such matter except where a larger vote is required by law, by the Certificate of Incorporation or by these By-laws. Any election of directors by stockholders shall be determined by a plurality of the votes cast, except where a larger vote is required by law, by the Certificate of Incorporation or by these By-laws. The Corporation shall not directly or indirectly vote any share of its own stock; provided, however, that the Corporation may vote shares which it holds in a fiduciary capacity to the extent permitted by law.

(g) Presiding Officer. Meetings of stockholders shall be presided over by the Executive Chairman of the Board, if one is elected, or in his or her absence, the Vice Chairman of the Board, if one is elected, or if neither is elected or in their absence, a President. The Board of Directors shall have the authority to appoint a temporary presiding officer to serve at any meeting of the stockholders if the Executive Chairman of the Board, the Vice Chairman of the Board or a President is unable to do so for any reason.

(h) Conduct of Meetings. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the presiding officer of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding officer of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the presiding officer of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

(i) Action without a Meeting. Unless otherwise provided in the Certificate of Incorporation, any action required or permitted by law to be taken at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office, by hand or by certified mail, return receipt requested, or to the Corporation's principal place of business or to the officer of the Corporation having custody of the minute book. Every written consent shall bear the date of signature and no written consent shall be effective unless, within sixty (60) days of the earliest dated consent delivered pursuant to these By-laws, written consents signed by a sufficient number of stockholders entitled to take action are delivered to the Corporation in the manner set forth in these By-laws. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

(j) Stockholder Lists. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Nothing contained in this Section 1(j) shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting in the manner provided by law. The list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law.

2. Directors

(a) Powers. The business of the Corporation shall be managed by or under the direction of a Board of Directors who may exercise all the powers of the Corporation except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws. In the event of a vacancy in the Board of Directors, the remaining directors, except as otherwise provided by law, may exercise the powers of the full Board until the vacancy is filled.

(b) Number and Qualification. Unless otherwise provided in the Certificate of Incorporation or in these By-laws, the number of directors which shall constitute the whole board shall be determined from time to time by resolution of the Board of Directors. Directors need not be stockholders.

(c) Vacancies; Reduction of Board. A majority of the directors then in office, although less than a quorum, or a sole remaining Director, may fill vacancies in the Board of Directors occurring for any reason and newly created directorships resulting from any increase in the authorized number of directors. In lieu of filling any vacancy, the Board of Directors may reduce the number of directors.

(d) Tenure. Except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws, directors shall hold office until their successors are elected and qualified or until their earlier resignation or removal. Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) Removal. To the extent permitted by law, a director may be removed from office with or without cause by vote of the holders of a majority of the shares of stock entitled to vote in the election of directors.

(f) Meetings. Regular meetings of the Board of Directors may be held without notice at such time, date and place as the Board of Directors may from time to time determine. Special meetings of the Board of Directors may be called, orally or in writing, by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, the President, or by two or more Directors, designating the time, date and place thereof. Directors may participate in meetings of the Board of Directors by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting.

(g) Notice of Meetings. Notice of the time, date and place of all special meetings of the Board of Directors shall be given to each director by the Secretary, or Assistant Secretary, or in case of the death, absence, incapacity or refusal of such persons, by the officer or one of the directors calling the meeting. Notice shall be given to each director in person, by telephone, or by facsimile, electronic mail or other form of electronic communications, sent to such director's business or home address at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to such director's business or home address at least forty-eight (48) hours in advance of the meeting.

(h) Quorum. At any meeting of the Board of Directors, a majority of the total number of directors shall constitute a quorum for the transaction of business. Less than a quorum may adjourn any meeting from time to time and the meeting may be held as adjourned without further notice.

(i) Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, unless otherwise provided in the following sentence, a majority of the directors present may take any action on behalf of the Board of Directors, unless a larger number is required by law, by the Certificate of Incorporation or by these By-laws. So long as there are two (2) or fewer Directors, any action to be taken by the Board of Directors shall require the approval of all Directors. In the event of a tie vote of the Board of Directors, the Executive Chairman of the Board shall have the casting vote.

(j) Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the records of the meetings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

(k) Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, establish one or more committees, each committee to consist of one or more directors. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval or (ii) adopting, amending or repealing any provision of these By-laws.

Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but in the absence of such rules its business shall be conducted so far as possible in the same manner as is provided in these By-laws for the Board of Directors. All members of such committees shall hold their committee offices at the pleasure of the Board of Directors, and the Board may abolish any committee at any time.

3. Officers

(a) Enumeration. The officers of the Corporation shall consist of one or more Presidents (who, if there is more than one, shall be referred to as Co-Presidents), a Treasurer, a Secretary, and such other officers, including, without limitation, a Chief Executive Officer and one or more Vice Presidents (including Executive Vice Presidents or Senior Vice Presidents), Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board of Directors may determine. The stockholders or the Board of Directors may elect from among the members of the Board of Directors an Executive Chairman of the Board and a Vice Chairman of the Board.

(b) Election. The Presidents, Treasurer and Secretary shall be elected annually by the Board of Directors at their first meeting following the annual meeting of stockholders. Other officers may be chosen by the Board of Directors at such meeting or at any other meeting.

(c) Qualification. No officer need be a stockholder or Director. Any two or more offices may be held by the same person. Any officer may be required by the Board of Directors to give bond for the faithful performance of such officer's duties in such amount and with such sureties as the Board of Directors may determine.

(d) Tenure. Except as otherwise provided by the Certificate of Incorporation or by these By-laws, each of the officers of the Corporation shall hold office until the first meeting of the Board of Directors following the next annual meeting of stockholders and until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any officer may resign by delivering his or her written resignation to the Corporation, and such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) Removal. The Board of Directors may remove any officer with or without cause by a vote of a majority of the directors then in office.

(f) Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

(g) Executive Chairman of the Board and Vice Chairman. Unless otherwise provided by the Board of Directors, the Executive Chairman of the Board of Directors, if one is elected, shall preside, when present, at all meetings of the stockholders and the Board of Directors. The Executive Chairman of the Board shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

Unless otherwise provided by the Board of Directors, in the absence of the Executive Chairman of the Board, the Vice Chairman of the Board, if one is elected, shall preside, when present, at all meetings of the stockholders and the Board of Directors. The Vice Chairman of the Board shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

(h) Chief Executive Officer. The Chief Executive Officer, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

(i) Presidents. The Presidents shall, subject to the direction of the Board of Directors, each have general supervision and control of the Corporation's business and any action that would typically be taken by a President may be taken by any Co-President. If there is no Executive Chairman of the Board or Vice Chairman of the Board, a President shall preside, when present, at all meetings of stockholders and the Board of Directors. The Presidents shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

(j) Vice Presidents and Assistant Vice Presidents. Any Vice President (including any Executive Vice President or Senior Vice President) and any Assistant Vice President shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

(k) Treasurer and Assistant Treasurers. The Treasurer shall, subject to the direction of the Board of Directors, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. The Treasurer shall have custody of all funds, securities, and valuable documents of the Corporation, except as the Board of Directors may otherwise provide. The Treasurer shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

Any Assistant Treasurer shall have such powers and perform such duties as the Board of Directors may from time to time designate.

(l) Secretary and Assistant Secretaries. The Secretary shall record the proceedings of all meetings of the stockholders and the Board of Directors (including committees of the Board) in books kept for that purpose. In the absence of the Secretary from any such meeting an Assistant Secretary, or if such person is absent, a temporary secretary chosen at the meeting, shall record the proceedings thereof. The Secretary shall have charge of the stock ledger (which may, however, be kept by any transfer or other agent of the Corporation) and shall have such other duties and powers as may be designated from time to time by the Board of Directors.

Any Assistant Secretary shall have such powers and perform such duties as the Board of Directors may from time to time designate.

(m) Other Powers and Duties. Subject to these By-laws, each officer of the Corporation shall have in addition to the duties and powers specifically set forth in these By-laws, such duties and powers as are customarily incident to such officer's office, and such duties and powers as may be designated from time to time by the Board of Directors.

4. Capital Stock

(a) Certificates of Stock. Each stockholder shall be entitled to a certificate of the capital stock of the Corporation in such form as may from time to time be prescribed by the Board of Directors. Such certificate shall be signed by a President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary. Such signatures may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. The Corporation shall be permitted to issue fractional shares.

(b) Transfers. Subject to any restrictions on transfer, shares of stock may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate therefor properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require.

(c) Record Holders. Except as may otherwise be required by law, by the Certificate of Incorporation or by these By-laws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these By-laws.

It shall be the duty of each stockholder to notify the Corporation of such stockholder's post office address.

(d) Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not precede the date on which it is established, and which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, more than ten (10) days after the date on which the record date for stockholder consent without a meeting is established, nor more than sixty (60) days prior to any other action. In such case only stockholders of record on such record date shall be so entitled notwithstanding any transfer of stock on the books of the Corporation after the record date.

If no record date is fixed, (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, (ii) the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in this state, to its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded, and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(e) Lost Certificates. The Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

5. Indemnification

(a) Definitions. For purposes of this Section 5:

(i) "Corporate Status" describes the status of a person who is serving or has served (A) as a Director of the Corporation, (B) as an Officer of the Corporation, (C) as a Non-Officer Employee of the Corporation, or (D) as a director, partner, trustee, officer, employee or agent of any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, foundation, association, organization or other legal entity for which such person is or was serving at the request of the Corporation. For purposes of this Section 5(a)(i), a Director, Officer or Non-Officer Employee of the Corporation who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Corporation. Notwithstanding the foregoing, "Corporate Status" shall not include the status of a person who is serving or has served as a director, officer, employee or agent of a constituent corporation absorbed in a merger or consolidation transaction with the Corporation with respect to such person's activities prior to said transaction, unless specifically authorized by the Board of Directors or the stockholders of the Corporation;

(ii) "Director" means any person who serves or has served the Corporation as a director on the Board of Directors of the Corporation;

(iii) "Disinterested Director" means, with respect to each Proceeding in respect of which indemnification is sought hereunder, a Director of the Corporation who is not and was not a party to such Proceeding;

(iv) "Expenses" means all reasonable attorneys fees, retainers, court costs, transcript costs, fees of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), travel expenses, duplicating costs, printing and binding costs, costs of preparation of demonstrative evidence and other courtroom presentation aids and devices, costs incurred in connection with document review, organization, imaging and computerization, telephone charges, postage, delivery service fees, and all other disbursements, costs or expenses of the type customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settling or otherwise participating in, a Proceeding;

(v) "Liabilities" means judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement;

(vi) "Non-Officer Employee" means any person who serves or has served as an employee or agent of the Corporation, but who is not or was not a Director or Officer;

(vii) "Officer" means any person who serves or has served the Corporation as an officer of the Corporation appointed by the Board of Directors of the Corporation;

(viii) "Proceeding" means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, inquiry, investigation, administrative hearing or other proceeding, whether civil, criminal, administrative, arbitrative or investigative; and

(ix) "Subsidiary" shall mean any corporation, partnership, limited liability company, joint venture, trust or other entity of which the Corporation owns (either directly or through or together with another Subsidiary of the Corporation) either (i) a general partner, managing member or other similar interest or (ii) (A) 50% or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other entity, or (B) 50% or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other entity.

(b) Indemnification of Directors and Officers. Subject to the operation of Section 5(d) of these By-laws, each Director and Officer shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), and to the extent authorized in subsections (i) through (iv) of this Section 5(b).

(i) Actions, Suits and Proceedings Other than By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses and Liabilities that are incurred or paid by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein (other than an action by or in the right of the Corporation), which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(ii) Actions, Suits and Proceedings By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses that are incurred by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein by or in the right of the Corporation, which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, that no indemnification shall be made under this Section 5(b)(ii) in respect of any claim, issue or matter as to which such Director or Officer shall have been finally adjudged by a court of competent jurisdiction to be liable to the Corporation, unless, and only to the extent that, the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite adjudication of liability, but in view of all the circumstances of the case, such Director or Officer is fairly and reasonably entitled to indemnification for such Expenses that such court deems proper.

(iii) Survival of Rights. The rights of indemnification provided by this Section 5(b) shall continue as to a Director or Officer after he or she has ceased to be a Director or Officer and shall inure to the benefit of his or her heirs, executors, administrators and personal representatives.

(iv) Actions by Directors or Officers. Notwithstanding the foregoing, the Corporation shall indemnify any Director or Officer seeking indemnification in connection with a Proceeding initiated by such Director or Officer only if such Proceeding (including any parts of such Proceeding not initiated by such Director or Officer) was authorized in advance by the Board of Directors of the Corporation, unless such Proceeding was brought to enforce such Officer's or Director's rights to indemnification or, in the case of Directors, advancement of Expenses under these By-laws in accordance with the provisions set forth herein.

(c) Indemnification of Non-Officer Employees. Subject to the operation of Section 5(d) of these By-laws, each Non-Officer Employee may, in the discretion of the Board of Directors of the Corporation, be indemnified by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against any or all Expenses and Liabilities that are incurred by such Non-Officer Employee or on such Non-Officer Employee's behalf in connection with any threatened, pending or completed Proceeding, or any claim, issue or matter therein, which such Non-Officer Employee is, or is threatened to be made, a party to or participant in by reason of such Non-Officer Employee's Corporate Status, if such Non-Officer Employee acted in good faith and in a manner such Non-Officer Employee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The rights of indemnification provided by this Section 5(c) shall exist as to a Non-Officer Employee after he or she has ceased to be a Non-Officer Employee and shall inure to the benefit of his or her heirs, personal representatives, executors and administrators. Notwithstanding the foregoing, the Corporation may indemnify any Non-Officer Employee seeking indemnification in connection with a Proceeding initiated by such Non-Officer Employee only if such Proceeding was authorized in advance by the Board of Directors of the Corporation.

(d) Determination. Unless ordered by a court, no indemnification shall be provided pursuant to this Section 5 to a Director, to an Officer or to a Non-Officer Employee unless a determination shall have been made that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal Proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. Such determination shall be made by (i) a majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, (ii) a committee comprised of Disinterested Directors, such committee having been designated by a majority vote of the Disinterested Directors (even though less than a quorum), (iii) if there are no such Disinterested Directors, or if a majority of Disinterested Directors so directs, by independent legal counsel in a written opinion, or (iv) by the stockholders of the Corporation.

(e) Advancement of Expenses to Directors Prior to Final Disposition.

(i) The Corporation shall advance all Expenses incurred by or on behalf of any Director in connection with any Proceeding in which such Director is involved by reason of such Director's Corporate Status within thirty (30) days after the receipt by the Corporation of a written statement from such Director requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Director and shall be preceded or accompanied by an undertaking by or on behalf of such Director to repay any Expenses so advanced if it shall ultimately be determined that such Director is not entitled to be indemnified against such Expenses. Notwithstanding the foregoing, the Corporation shall advance all Expenses incurred by or on behalf of any Director seeking advancement of expenses hereunder in connection with a Proceeding initiated by such Director only if such Proceeding (including any parts of such Proceeding not initiated by such Director) was (A) authorized by the Board of Directors of the Corporation, or (B) brought to enforce such Director's rights to indemnification or advancement of Expenses under these By-laws.

(ii) If a claim for advancement of Expenses hereunder by a Director is not paid in full by the Corporation within thirty (30) days after receipt by the Corporation of documentation of Expenses and the required undertaking, such Director may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and if successful in whole or in part, such Director shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such advancement of Expenses under this Section 5 shall not be a defense to an action brought by a Director for recovery of the unpaid amount of an advancement claim and shall not create a presumption that such advancement is not permissible. The burden of proving that a Director is not entitled to an advancement of expenses shall be on the Corporation.

(iii) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Director has not met any applicable standard for indemnification set forth in the DGCL.

(f) Advancement of Expenses to Officers and Non-Officer Employees Prior to Final Disposition.

(i) The Corporation may, at the discretion of the Board of Directors of the Corporation, advance any or all Expenses incurred by or on behalf of any Officer or any Non-Officer Employee in connection with any Proceeding in which such person is involved by reason of his or her Corporate Status as an Officer or Non-Officer Employee upon the receipt by the Corporation of a statement or statements from such Officer or Non-Officer Employee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Officer or Non-Officer Employee and shall be preceded or accompanied by an undertaking by or on behalf of such person to repay any Expenses so advanced if it shall ultimately be determined that such Officer or Non-Officer Employee is not entitled to be indemnified against such Expenses.

(ii) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Officer or Non-Officer Employee has not met any applicable standard for indemnification set forth in the DGCL.

(g) Contractual Nature of Rights.

(i) The provisions of this Section 5 shall be deemed to be a contract between the Corporation and each Director and Officer entitled to the benefits hereof at any time while this Section 5 is in effect, in consideration of such person's past or current and any future performance of services for the Corporation. Neither amendment, repeal or modification of any provision of this Section 5 nor the adoption of any provision of the Certificate of Incorporation inconsistent with this Section 5 shall eliminate or reduce any right conferred by this Section 5 in respect of any act or omission occurring, or any cause of action or claim that accrues or arises or any state of facts existing, at the time of or before such amendment, repeal, modification or adoption of an inconsistent provision (even in the case of a proceeding based on such a state of facts that is commenced after such time), and all rights to indemnification and advancement of Expenses granted herein or arising out of any act or omission shall vest at the time of the act or omission in question, regardless of when or if any proceeding with respect to such act or omission is commenced. The rights to indemnification and to advancement of expenses provided by, or granted pursuant to, this Section 5 shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributees of such person.

(ii) If a claim for indemnification hereunder by a Director or Officer is not paid in full by the Corporation within sixty (60) days after receipt by the Corporation of a written claim for indemnification, such Director or Officer may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, such Director or Officer shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such indemnification under this Section 5 shall not be a defense to an action brought by a Director or Officer for recovery of the unpaid amount of an indemnification claim and shall not create a presumption that such indemnification is not permissible. The burden of proving that a Director or Officer is not entitled to indemnification shall be on the Corporation.

(iii) In any suit brought by a Director or Officer to enforce a right to indemnification hereunder, it shall be a defense that such Director or Officer has not met any applicable standard for indemnification set forth in the DGCL.

(h) Non-Exclusivity of Rights. The rights to indemnification and advancement of Expenses set forth in this Section 5 shall not be exclusive of any other right which any Director, Officer, or Non-Officer Employee may have or hereafter acquire under any statute, provision of the Certificate or these By-laws, agreement, vote of stockholders or Disinterested Directors or otherwise.

(i) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer or Non-Officer Employee against any liability of any character asserted against or incurred by the Corporation or any such Director, Officer or Non-Officer Employee, or arising out of any such person's Corporate Status, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL or the provisions of this Section 5.

(j) Other Indemnification. The Corporation's obligation, if any, to indemnify or provide advancement of Expenses to any person under this Section 5 as a result of such person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount such person may collect as indemnification or advancement of Expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or enterprise (the "Primary Indemnitor"). Any indemnification or advancement of Expenses under this Section 5 owed by the Corporation as a result of a person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall only be in excess of, and shall be secondary to, the indemnification or advancement of Expenses available from the applicable Primary Indemnitor(s) and any applicable insurance policies.

6. Miscellaneous Provisions

(a) Fiscal Year. Except as otherwise determined by the Board of Directors, the fiscal year of the Corporation shall end on December 31st of each year.

(b) Seal. The Board of Directors shall have power to adopt and alter the seal of the Corporation.

(c) Execution of Instruments. Subject to any limitations which may be set forth in a resolution of the Board of Directors, all deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director action may be executed on behalf of the Corporation by, a President, or by any other officer, employee or agent of the Corporation as the Board of Directors may authorize.

(d) Voting of Securities. Unless the Board of Directors otherwise provides, a President, any Vice President or the Treasurer may waive notice of and act on behalf of this Corporation, or appoint another person or persons to act as proxy or attorney in fact for this Corporation with or without discretionary power and/or power of substitution, at any meeting of stockholders or shareholders of any other corporation or organization, any of whose securities are held by this Corporation.

(e) Resident Agent. The Board of Directors may appoint a resident agent upon whom legal process may be served in any action or proceeding against the Corporation.

(f) Corporate Records. The original or attested copies of the Certificate of Incorporation, By-laws and records of all meetings of the incorporators, stockholders and the Board of Directors and the stock and transfer records, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, shall be kept at the principal office of the Corporation, at the office of its counsel, or at an office of its transfer agent.

(g) Certificate of Incorporation. All references in these By-laws to the Certificate of Incorporation shall be deemed to refer to the Certificate of Incorporation of the Corporation, as amended and in effect from time to time.

(h) Amendments. These By-laws may be altered, amended or repealed, and new By-laws may be adopted, by the stockholders or by the Board of Directors; provided, that (a) the Board of Directors may not alter, amend or repeal any provision of these By-laws which by law, by the Certificate of Incorporation or by these By-laws requires action by the stockholders and (b) any alteration, amendment or repeal of these By-laws by the Board of Directors and any new By-law adopted by the Board of Directors may be altered, amended or repealed by the stockholders.

(i) Waiver of Notice. Whenever notice is required to be given under any provision of these By-laws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting needs to be specified in any written waiver or any waiver by electronic transmission.

ADOPTED DECEMBER 28, 2015

AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

TABLE OF CONTENTS

AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

THIS AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "**Agreement**"), is made as of June 5, 2020, by and among C4 Therapeutics, Inc., a Delaware corporation (the "**Company**"), and each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an "**Investor**", the stockholders set forth on Schedule B hereto as the "**Key Holders**", and any additional purchaser that becomes a party to this Agreement in accordance with Section 6.9 hereof (collectively, the "Additional Purchasers").

RECITALS

WHEREAS, certain of the Investors (the "**Existing Investors**") hold shares of the Company's Series Seed Preferred Stock, Series A Preferred Stock, and/or shares of Common Stock issued upon conversion thereof and possess registration rights, information rights, rights of first offer, and other rights pursuant to that certain Investors' Rights Agreement dated as of December 29, 2015, by and among the Company and such Existing Investors (the "**Prior Agreement**"); and

WHEREAS, the Existing Investors are holders of a majority of the Registrable Securities of the Company (as defined in the Prior Agreement), and desire to amend and restate the Prior Agreement in its entirety and to accept the rights created pursuant to this Agreement in lieu of the rights granted to them under the Prior Agreement;

WHEREAS, certain of the Investors are parties to that certain Series B Preferred Stock Purchase Agreement of even date herewith by and among the Company and such Investors (the "**Purchase Agreement**"), under which certain of the Company's and such Investors' obligations are conditioned upon the execution and delivery of this Agreement by such Investors, Existing Investors holding a majority of the Registrable Securities, and the Company; and

WHEREAS, Perceptive Credit Holdings III, LP holds a warrant to purchase shares of Series B Preferred Stock issued pursuant to that certain Warrant Certificate of even date herewith (the "**Warrant**") and is deemed an Investor hereunder;

NOW, THEREFORE, the Existing Investors hereby agree that the Prior Agreement shall be amended and restated in its entirety, and the parties to this Agreement further agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "**Affiliate**" means, (i) with respect to any specified Person, any other

Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer or director of such Person or any venture capital, private equity or other investment fund now or hereafter existing that is controlled by one or more general partners or managing members or investment advisors of, or shares the same management company or investment advisor with, such Person; and (ii) with respect to a natural Person, any Immediate Family Member of such Person and any trust for the benefit of a such Person.

1.2 "**Common Stock**" means shares of the Company's common stock, par value $0.0001 per share.

1.3 "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.4 "**Derivative Securities**" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly)**,** Common Stock, including options and warrants.

1.5 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.6 "**Excluded Registration**" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.7 "**Form S-1**" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.8 "**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.9 "**GAAP**" means generally accepted accounting principles in the United States.

1.10 "**Holder**" means any holder of Registrable Securities who is a party to this Agreement.

1.11 "**Immediate Family Member**" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including, adoptive relationships, of a natural person referred to herein.

1.12 "**Initiating Holders**" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.13 "**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

1.14 "**Key Employee**" means any executive-level employee (including, division director and vice president-level positions) as well as any employee who, either alone or in concert with others, develops, invents, or designs any Company Intellectual Property (as defined in the Purchase Agreement).

1.15 "**Major Investor**" means any Investor that, individually or together with such Investor's Affiliates, holds at least 1,419,824 shares of Registrable Securities (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof).

1.16 "**Major Holder**" means any Investor and the Key Holders.

1.17 "**New Securities**" means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.18 "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.19 "**Preferred Stock**" means shares of the Company's Series B Preferred Stock, Series A Preferred Stock, and Series Seed Preferred Stock.

1.20 "**Registrable Securities**" means (i) the Common Stock issuable or issued upon conversion of th**e** Preferred Stock; (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company**,** acquired by the Investors on or after the date hereof; and (iii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i) and (ii) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.

1.21 "**Registrable Securities then outstanding**" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities, other than the shares of Common Stock issuable (directly or indirectly) upon the exercise of the Warrant.

1.22 "**Restricted Securities**" means the securities of the Company required to be notated with the legend set forth in Subsection 2.12(b) hereof.

1.23 "**SEC**" means the Securities and Exchange Commission.

1.24 "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.25 "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

1.26 "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.27 "**Selling Expenses**" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Subsection 2.6.

1.28 "**Series A Preferred Stock**" means shares of the Company's Series A Preferred Stock, par value $0.0005 per share.

1.29 "**Series B Preferred Stock**" means shares of the Company's Series B Preferred Stock, par value $0.0005 per share.

1.30 "**Series Seed Preferred Stock**" means shares of the Company's Series Seed Preferred Stock, par value $0.0005 per share.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) two (2) years after the date of this Agreement or (ii) one hundred eighty (180) days after the effective date of the registration statement for the IPO, the Company receives a request from Investors holding at least forty percent (40%) percent of Preferred Stock then outstanding that the Company file a Form S-1 registration statement with respect to at least twenty-five percent (25%) of the Registrable Securities then outstanding or a lesser percent if the anticipated aggregate offering price would exceed $10 million, then the Company shall (x) within ten (10) days after the date such request is given, give notice thereof (the "**Demand Notice**") to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least twenty percent (20%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $3 million, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Subsection 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Company's Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than an aggregate of ninety (90) days after the request of the Initiating Holders is given; provided, however, that the Company shall not register any securities for its own account or that of any other stockholder during such ninety (90) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(a)(i) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two registrations pursuant to Subsection 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Subsection 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(b) (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Subsection 2.1(b) within the twelve (12) month period immediately

preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Subsection 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Subsection 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Subsection 2.1(d).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its Common Stock under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Subsection 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Subsection 2.2(b) before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Subsection 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Subsection 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Subsection 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Subsection 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Subsection 2.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Subsection 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below twenty percent (20%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Subsection 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such one hundred twenty (120) day period shall be extended for up to ninety (90) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one counsel for the selling Holders ("**Selling Holder Counsel**"), shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Subsection 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Subsections 2.1(a) or 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Subsections 2.1(a) or 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as

defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Subsections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Subsection 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Subsection 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the

commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Subsection 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Subsection 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Subsection 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Subsection 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Subsection 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Subsection 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Subsection 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Subsection 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the holders of a majority of the shares of Preferred Stock then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that (i) would provide to such holder the right to include securities in any registration on other than either a pro rata basis with respect to the Registrable Securities or on a subordinate basis after all Holders have had the opportunity to include in the registration and offering all shares of Registrable Securities that they wish to so include; provided that this limitation shall not apply to any additional Investor who becomes a party to this Agreement in accordance with Subsection 6.9.

2.11 "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1 or Form S-3, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of the IPO), or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities

convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock (whether such shares or any such securities are then owned by the Holder or are thereafter acquired) or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Subsection 2.11 shall only apply to the IPO unless an Affiliate or other representative of the Holder is member of the Company's Board of Directors at the time of the commencement of the foregoing period, and shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, or the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value, and shall be applicable to the Holders only if all officers and directors are subject to the same restrictions. The underwriters in connection with such registration are intended third-party beneficiaries of this Subsection 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Subsection 2.11 or that are necessary to give further effect thereto.

2.12 Restrictions on Transfer.

(a) The Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Subsection 2.12(c)) be notated with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Subsection 2.12.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; provided that each transferee agrees in writing to be subject to the terms of this Subsection 2.12. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Subsection 2.12(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Subsections 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) the closing of a Deemed Liquidation Event, as such term is defined in the Company's Certificate of Incorporation;

(b) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration; and

(c) the fifth anniversary of the IPO.

3. Information Rights.

3.1 Delivery of Financial Statements. The Company shall deliver to each Major Investor, provided that the Board of Directors has not reasonably determined that such Major Investor is a competitor of the Company:

(a) as soon as practicable, but in any event within one hundred eighty (180) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants of nationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each of the four (4) quarters of each fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event within thirty (30) days of the end of each month, an unaudited income statement for such month, and an unaudited balance sheet as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(d) as soon as practicable, but in any event thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the "**Budget**"), prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company; and

(e) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Major Investor may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Subsection 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Subsection 3.1 to the contrary, the Company may cease providing the information set forth in this Subsection 3.1 during the period starting with the date sixty (60) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Subsection 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Major Investor (provided that the Board of Directors has not reasonably determined that such Major Investor is a competitor of the Company), at such Major Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; provided, however, that the Company shall not be obligated pursuant to this Subsection 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Termination of Information Rights. The covenants set forth in Subsection 3.1 and Subsection 3.2 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Deemed Liquidation Event, as such term is defined in the Company's Certificate of Incorporation, whichever event occurs first.

3.4 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Subsection 3.4 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Subsection 3.4; (iii) to any existing or prospective Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, regulation, rule, court order or subpoena, provided that the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

4. Rights to Future Stock Issuances.

4.1 Right of First Offer. Subject to the terms and conditions of this Subsection 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Major Holder. A Major Holder shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among itself and its Affiliates.

(a) The Company shall give notice (the "**Offer Notice**") to each Major Holder, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Major Holder may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Common Stock then held by such Major Holder (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held by such Major Holder) bears to the total Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Preferred Stock and other Derivative Securities). The closing of any sale pursuant to this Subsection 4.1(b) shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Subsection 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Subsection 4.1(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Subsection 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Holders in accordance with this Subsection 4.1.

(d) The right of first offer in this Subsection 4.1 shall not be applicable to (i) Exempted Securities (as defined in the Company's Certificate of Incorporation); (ii) shares of Common Stock issued in the IPO; and (iii) the issuance of shares of Series B Preferred Stock to Additional Purchasers (as defined in the Purchase Agreement).

4.2 Termination. The covenants set forth in Subsection 4.1 shall terminate and be of no further force or effect (i) immediately before the consummation of the Qualified Public Offering (as defined in the Company's Certificate of Incorporation), (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Deemed Liquidation Event (as defined in the Company's Certificate of Incorporation), whichever event occurs first.

5. Additional Covenants.

5.1 Insurance. The Company shall use its commercially reasonable efforts to obtain, within ninety (90) days of the date hereof, from financially sound and reputable insurers Directors and Officers liability insurance in an amount and on terms and conditions satisfactory to the Board of Directors, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board of Directors determines that such insurance should be discontinued.

5.2 Employee Agreements. The Company will cause (i) each person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure and proprietary rights assignment agreement; and (ii) each Key Employee to enter into a nonsolicitation agreement, substantially in the form approved by the Board of Directors. In addition, the Company shall not amend, modify, terminate, waive, or otherwise alter, in whole or in part, any of the above-referenced agreements or any restricted stock agreement between the Company and any employee, without the consent of the Board of Directors.

5.3 Employee Stock. Unless otherwise approved by the Board of Directors, all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months, and (ii) a market stand-off provision substantially similar to that in Subsection 2.11. In addition, unless otherwise approved by the Board of Directors, the Company shall retain a "right of first refusal" on employee transfers until the Company's IPO and shall have the right to repurchase unvested shares at cost upon termination of employment of a holder of restricted stock.

5.4 Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office, the Board of Directors shall meet at least quarterly in accordance with an agreed-upon schedule. The Company shall reimburse the nonemployee directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board of Directors.

5.5 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board of Directors as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, its Certificate of Incorporation, or elsewhere, as the case may be.

5.6 Indemnification Matters. The Company hereby acknowledges that one (1) or more of the directors nominated to serve on the Board of Directors by the Investors (each a "**Fund Director**") may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of the Investors and certain of their Affiliates (collectively, the "**Fund Indemnitors**"). The Company hereby agrees (a) that it is the indemnitor of first resort (*i.e.*, its obligations to any such Fund Director are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Fund Director are secondary), (b) that it shall be required to advance the full amount of expenses incurred by such Fund Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Fund Director to the extent legally permitted and as required by the Company's Certificate of Incorporation or Bylaws of the Company (or any agreement between the Company and such Fund Director), without regard to any rights such Fund Director may have against the Fund Indemnitors, and, (c) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of any such Fund Director with respect to any claim for which such Fund Director has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Fund Director against the Company.

5.7 Termination of Covenants. The covenants set forth in this Section 5, except for Subsection 5.7, shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Deemed Liquidation Event, as such term is defined in the Company's Certificate of Incorporation, whichever event occurs first.

6. Miscellaneous.

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that(i) is an Affiliate of a Holder; (ii) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; or (iii) after such transfer, holds at least twenty-five (25%) of such Holder's Registrable Securities (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations); provided, however, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Subsection 2.11; and (z) such transferee qualifies as an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided further that all transferees who would not qualify individually for assignment of rights shall have a single attorney-in-fact for

the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.2 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Delaware.

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes**.**

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A or Schedule B (as applicable) hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Subsection 6.5. If notice is given to the Company, a copy shall also be sent to Lawrence S. Wittenberg, Goodwin Procter LLP, 100 Northern Avenue, Boston, MA 02110.

6.6 Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of a majority of the Registrable Securities then outstanding; provided that the Company may in its sole discretion waive compliance with Subsection 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Subsection 2.12(c) shall be deemed to be a waiver); and provided further that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or

waiver applies to all Investors in the same fashion (it being agreed that a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to all Investors in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Investors may nonetheless, by agreement with the Company, purchase securities in such transaction). Further, Section 4 of this Agreement may not be amended, and no provision thereof may be waived, in each case, in any way which would adversely affect the rights of the Key Holders thereunder in a manner disproportionate to any adverse effect such amendment or waiver would have on the rights of the Investors thereunder, without also the written consent of the Key Holders. Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Subsection 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Company's Series B Preferred Stock after the date hereof, whether pursuant to the Purchase Agreement or otherwise, any purchaser of such shares of Series B Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

6.10 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled. Upon the effectiveness of this Agreement, the Prior Agreement shall be deemed amended and restated and superseded and replaced in its entirety by this Agreement, and shall be of no further force or effect.

6.11 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of the Commonwealth of Massachusetts and to the jurisdiction of the United States District Court for the District of Massachusetts for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to

commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of the Commonwealth of Massachusetts or the United States District Court for the District of Massachusetts, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.12 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

COMPANY:

C4 THERAPEUTICS, INC.

By: /s/ Marc Cohen
Name: Marc Cohen
Title: Chief Executive Officer

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

T. Rowe Price Health Sciences Fund, Inc.
TD Mutual Funds – TD Health Sciences Fund
VALIC Company I – Health Sciences Fund
T. Rowe Price Health Sciences Portfolio
Each account, severally and not jointly

By: T. Rowe Price Associates, Inc., Investment Adviser or Subadviser, as applicable

By: /s/ Andrew Baek
Name: Andrew Baek
Title: Vice President

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

ADAGE CAPITAL PARTNERS, LP

By: Adage Capital Partners, GP, LLC, its General Partner

By: Adage Capital Advisors, LLC, its Managing Member

By: /s/ Dan Lehan
Name: Dan Lehan
Title: Chief Operating Officer

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

AXIL LIFE SCIENCE & HEALTHCARE FUND I INVESTMENT LIMITED PARTNERSHIP

ITS GENERAL PARTNER, AXIL CAPITAL PARTNERS LLP

By: /s/ Frederick Shane
Name: Frederick Shane
Title: Managing Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

BAIN CAPITAL LIFE SCIENCES FUND II, L.P.

By: Bain Capital Life Sciences Investors II, LLC
its general partner

By: Bain Capital Life Sciences Investors, LLC
its manager

By: /s/ Andrew Hack
Name: Andrew Hack
Title: Managing Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

BC DYNAMOPHARM LIMITED

By: /s/ Qianye Karen Liu
Name: Qianye Karen Liu
Title: Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

BCIP LIFE SCIENCES ASSOCIATES, L.P.

By: Boylston Coinvestors, LLC
its general partner

By: /s/ Andrew Hack
Name: Andrew Hack
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

BLACKWELL PARTNERS LLC – SERIES A

By: /s/ Abayomi A. Adigun
Name: Abayomi A. Adigun
Title: Investment Manager
DUMAC, Inc., Authorized Signatory

By: /s/ Jannine M. Lall
Name: Jannine M. Lall
Title: Head of Finance & Controller
DUMAC, Inc., Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

COBRO VENTURES OPPORTUNITY FUND, L.P.

By: /s/ Todd Kaloudis
Name: Todd Kaloudis
Title: Managing Member of Cobro Opportunity Fund GP, LLC, General Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

COMMODORE CAPITAL MASTER LP

By: /s/ Michael Kramarz, MD
Name: Michael Kramarz, MD
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

DREW O'CONNOR DENNISON
REVOCABLE TRUST DATED DECEMBER 12, 2016

By: /s/ Drew O'Connor Dennison
Name: Drew O'Connor Dennison
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Geoffrey Meyerson
Geoffrey Meyerson

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

HBM HEALTHCARE INVESTMENTS (CAYMAN) LTD.

By: /s/ Jean-Marc LeSieur
Name: Jean-Marc LeSieur
Title: Managing Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON BIOTECH INNOVATION MASTER FUND LIMITED

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON CAPITAL FUNDS PLC ON BEHALF OF ITS SERIES JANUS HENDERSON GLOBAL LIFE SCIENCES FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON GLOBAL LIFE SCIENCES FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON HORIZON FUND-BIOTECHNOLOGY FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

LC CURIOSITY LLC

By: /s/ Rodger O. Riney
Name: Rodger O. Riney
Title: Managing Member

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

LOGOS OPPORTUNITIES FUND II, L.P.

By: Logos Opportunities GP, LLC
Its General Partner

By: /s/ Graham Walmsley
Name: Graham Walmsley
Title: Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

MIZUHO SECURITIES PRINCIPAL INVESTMENT CO., LTD.

By: /s/ Ryota Suzuki
Name: Ryota Suzuki
Title: President & CEO

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

NEXTECH VI ONCOLOGY SCSP

Nextech VI GP S.à r.l. as General Partner on behalf of
Nextech VI Oncology SCSp'

By: /s/ James Pledger
Name: James Pledger
Title: Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

PERCEPTIVE LIFE SCIENCES MASTER FUND, LTD

By: /s/ James H. Mannix
Name: James H. Mannix
Title: Chief Operating Officer

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RA CAPITAL HEALTHCARE FUND, L.P.

By: RA Capital Healthcare Fund GP, LLC
Its General Partner

By: /s/ Peter Kolchinsky
Name: Peter Kolchinsky
Title: Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RA CAPITAL NEXUS FUND, L.P.

By: RA Capital Nexus Fund GP, LLC
Its: General Partner

By: /s/ Peter Kolchinsky
Name: Peter Kolchinsky
Title: Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RTW INNOVATION MASTER FUND, LTD.

By: /s/ Roderick Wong, M.D.
Name: Roderick Wong, M.D.
Title: Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RTW MASTER FUND, LTD.

By: /s/ Roderick Wong, M.D.
Name: Roderick Wong, M.D.
Title: Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RTW VENTURE FUND LIMITED

By: RTW Investments, LP, its Investment Manager

By: /s/ Roderick Wong, M.D.
Name: Roderick Wong, M.D.
Title: Managing Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

SPHERA BIOTECH MASTER FUND L.P.

By: /s/ Doron Breen
Name: Doron Breen
Title: Portfolio Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

SUPERSTRING CAPITAL MASTER FUND LP

By: /s/ Ting Guo
Name: Ting Guo
Title: Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

TAIWANIA CAPITAL BUFFALO II BIOVENTURES, LP

By its investment manager, Taiwania Capital Management Corporation

By: /s/ Jerome Shen, PhD
Name: Jerome Shen, PhD
Title: General Partner, Bio Fund

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

WYANDANCH PARTNERS, L.P.

By: /s/ Keith R. Gollust

By: Keith R. Gollust
President, Gollust Management, Inc.
General Partner Wyandanch Partners, L.P.

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

YONGLI (CAYMAN) LIMITED

By: /s/ Ni Wenjie
Name: Ni Wenjie
Title: Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

YONJIN VENTURE LLC

By: /s/ Wang Daguang
Name: Wang Daguang
Title: Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

A. Robert Zeff Revocable Trust

By: /s/ A. Robert Zeff
Name: A. Robert Zeff
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Alan Stone
Alan Stone

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Alexander Keith Stewart
Alexander Keith Stewart

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Bruce Downey

Bruce Downey

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

CYNTHIA E. ANDERSON 2015
IRREVOCABLE TRUST DATED AUGUST 10, 2015

By: /s/ Cynthia E. Anderson
Name: Cynthia E. Anderson
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

DF Investment Partners LLC

By: /s/ Glenn Dubin
Name: Glenn Dubin
Title: Managing Member

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Dharminder Chauhan
Dharminder Chauhan

/s/ Reetu Chauhan
Reetu Chauhan

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Don Brown

Don Brown

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Evan Andrew Knisely
Evan Knisely

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Evan Andrew Knisely Trust u/a dtd 10/13/2017

By: /s/ Evan Andrew Knisely
Name: Evan Andrew Knisely
Title: Co-Trustee

By: /s/ Trisha Nicole Arteaga Knisely
Name: Trisha Nicole Arteaga Knisely
Title: Co-Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Gus Kaloudis
Gus Kaloudis

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Herman Cohen
Herman Cohen

/s/ Suzanne Cohen
Suzanne Cohen

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Jason Fisherman
Jason Fisherman

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

KENNETH C. ANDERSON 2015
IRREVOCABLE TRUST DATED AUGUST 10, 2015

By: /s/ David Anderson
Name: David Anderson
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Kirk Ott
Kirk Ott

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Malcolm Salter
Malcolm Salter

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

MC4, LLC

By: /s/ Arthur Becker
Name: Arthur Becker
Title: Managing Member

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Mike Smith
Mike Smith

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Nikhil Munshi
Nikhil Munshi

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Peter Rukeyser
Peter Rukeyser

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Philip W. McCarty
Philip W. McCarty

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Pierre Rovani

Pierre Rovani

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Rama Elluru

Rama Elluru

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Steven Allen

Steven Allen

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Teru Hideshima
Teru Hideshima

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Wakara Healthcare Investments, LLC

By: /s/ John Malooly
Name: John Malooly
Title: Managing Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

2014 Exchange Place Fund A, LLC

By: /s/ David Henken
Name: David Henken
Title: Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

2014 Exchange Place Fund B, LLC

By: /s/ David Henken
Name: David Henken
Title: Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Alain Cohen
Alain Cohen

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Alex Williams
Alex Williams

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Amy Digeso.
Amy Digeso.

/s/ Paul Rakowski, Sr.
Paul Rakowski, Sr.

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Beach Trust

By: /s/ Marcie Stuchin
Name: Marcie Stuchin
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Marcie Stuchin
Marcie Stuchin

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Berenice Ronthal
Berenice Ronthal

/s/ Michael Ronthal
Michael Ronthal

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

C4Ever, LLC

By: /s/ Sara Mokhtari
Name: Sara Mokhtari
Title: Managing Member

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Carol Nakhuda
Carol Nakhuda

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Cormorant Global Healthcare Master Fund, LP

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of GP

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Cormorant Private Healthcare Fund 1, LP

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of GP

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

CRMA SPV, L.P.

By: Cormorant Asset Management, LLC, its Attorney-in-Fact

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of GP

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Cynthia E. Anderson 2016 Grantor Retained Annuity Trust

By: /s/ Cynthia E. Anderson
Name: Cynthia E. Anderson
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Cynthia Anderson
Cynthia Anderson

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Elizabeth Klein

Elizabeth Klein

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

ERP Business Holdings, LP

By: /s/ Elena Prokupets
Name: Elena Prokupets
Title: General Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Evan Knisely
Evan Knisely

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Evan Andrew Knisely Trust u/a dtd 10/13/2017

By: /s/ Evan Andrew Knisely
Name: Evan Andrew Knisely
Title: Co-Trustee

By: /s/ Trisha Nicole Arteaga Knisely
Name: Trisha Nicole Arteaga Knisely
Title: Co-Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Evans Investment Management, LLC

By: /s/ Bruce Evans
Name: Bruce Evans
Title: Managing Member

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Francis Rhoads

Francis Rhoads

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Gracie Partners LLC

By: /s/ David R. Salomon
Name: David R. Salomon
Title: Managing Member

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Greg Phelps
Greg Phelps

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Kenneth C. Anderson 2016 Grantor Retained Annuity Trust

By: /s/ Kenneth C. Anderson
Name: Kenneth C. Anderson
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Kenneth C. Anderson
Kenneth C. Anderson

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Lawrence S. Wittenberg

Lawrence S. Wittenberg and Barbara J. Kane
JTWROS

/s/ Barbara J. Kane

Lawrence S. Wittenberg and Barbara J. Kane
JTWROS

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Lisa Popitz
Lisa Popitz

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Lori Alf

Lori Alf

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Marc Grenouilleau
Marc Grenouilleau

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Novartis Institutes for Biomedical Research, Inc.

By: /s/ Scott Brown
Name: Scott Brown
Title: Vice President and General Counsel

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Paul Anderson
Paul Anderson

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Roger K. Taylor Preservation Trust Agreement

By: /s/ Jerry B. McQueen
Name: Jerry B. McQueen
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Ronald W. Kaiser

Ronald W. Kaiser and Teresa Kaiser JTWROS

/s/ Teresa Kaiser

Ronald W. Kaiser and Teresa Kaiser JTWROS

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Schermerhorn 2012 Dynasty Trust

By: /s/ Miriam Esteve
Name: Miriam Esteve
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Stephen Brown
Stephen Brown

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Susan Korsmeyer

Susan Korsmeyer

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

The John F. W. Rogers 2008 Family Trust

By: /s/ Deborah Lehr
Name: Deborah Lehr
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

The Paula Berliner Revocable Trust dated May 3, 2016, as amended and restated

By: /s/ Deborah Reiss
Name: Deborah Reiss
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

WCS, Jr. 2012 Family Trust

By: /s/ Rebecca L. Sanders
Name: Rebecca L. Sanders
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ Marc Cohen
Marc Cohen

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Celgene Rivot LLC

By: /s/ Daniel O'Connell
Name: Daniel O'Connell
Title: Officer

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

/s/ John Rogers
John Rogers

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

Roche Finance Ltd

By: /s/ Carole Nuechterlein
Name: Carole Nuechterlein
Title: Authorized Signatory

By: /s/ Beat Krähenmann
Name: Beat Krähenmann
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

PERCEPTIVE CREDIT HOLDINGS III, LP

By: Perceptive Credit Opportunities GP, LLC, its general partner

By: /s/ Sandeep Dixit
Name: Sandeep Dixit
Title: Chief Credit Officer

By: /s/ Sam Chawla
Name: Sam Chawla
Title: Portfolio Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

KEY HOLDER:

Dana Farber Cancer Institute, Inc.

By: /s/ Melissa J. Chammas
Name: Melissa J. Chammas
Title: Senior Director of Financial Operations

SCHEDULE A

Investors

Name and Address

Cobro Ventures Opportunity Fund, L.P.
1000 Wilson Blvd. #1800
Arlington, VA 22209

LC Curiosity LLC
P.O. Box 31729
St. Louis, MO 63131
Attn: Rodger Riney, Managing Member

Drew O'Connor Dennison Revocable Trust dated December 12, 2016
2 Bellerive Country Club Grounds Drive St. Louis, MO 63141
Attn: Drew O'Connor Dennison, Trustee

Geoffrey Meyerson
88 Woodbine Circle
Needham, MA 02494

Yongli (Cayman) Limited (1)
Governors Square, Suite#5-204
23 Lime Tree Bay Avenue
P.O.Box 2547
Grand Cayman, KYI-1104
Cayman Islands

Superstring Capital Master Fund LP
150 E 52nd St, Suite 5004
New York, NY, 10022

Yonjin Venture LLC
3500 South DuPont Highway
Dover, County of Kent, DE 19901

Taiwania Capital Buffalo II Bioventures, LP
Rm 1806, 18th Floor, No. 333, Sec.1, Keelung Rd.
Xinyi District, Taipei City, Taiwan 11012

Axil Life Science & HealthCare Fund I Investment, L.P.
c/o Axil Capital Partners LLP
Nihonbashi Life Science Building 2
11-5, Nihonbashi -honcho 3-chome Chuo-ku, Tokyo, Japan

BC DynamoPharm Limited
Trinity Chambers, PO Box 4301, Road Town, Tortola, British Virgin Islands

With a copy for notice:
Suite 701, Tower C, Tsinghua Science Park, No. 1 Zhongguancun East Road, Haidian District
Beijing, 100084, China
Attn: Qianye Karen Liu
Email: karen.liu@3ebio.com

Mizuho Securities Principal Investment Co., Ltd.
Ochanomizu First Bldg. 10F
2-5-1 Kandasurugadai, Chiyoda-ku Tokyo 101-0062, Japan

Wyandanch Partners, L.P.
645 Madison Avenue
20th Floor
New York, NY 10022
Attn: Keith R Gollust

Perceptive Life Sciences Master Fund LTD.
51 Astor Place 10th Floor
New York, NY 10003
Attn: Adam Stone

Adage Capital Partners, LP
200 Clarendon Street, Floor 52
Boston, MA 02116

BCIP Life Sciences Associates, L.P.
200 Clarendon Street
Boston, MA 02116
Attn: Andrew Hack

Bain Capital Life Sciences Fund II, L.P.
200 Clarendon Street
Boston, MA 02116
Attn: Andrew Hack

Commodore Capital Master LP
c/o Commodore Capital LP
55 Hudson Yards, Fl. 29
New York, NY 10001

HBM Healthcare Investments (Cayman) Ltd.
Governors Square, Suite #4-212-2
23 Lime Tree Bay Avenue
PO Box 30852
Grand Cayman, KY1-9006, Cayman Islands
Tel: ++1.345.946.8002
Fax: ++1.345.946.8003

Janus Henderson Global Life Sciences Fund
c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206
Attention: Andy Acker and Angela Morton
Email: Andy.Acker@JanusHenderson.com; Angela.Morton@JanusHenderson.com

With a copy (which shall not constitute notice) to: Adrian Rich
Perkins Coie LLP
3150 Porter Drive Palo Alto, CA 94306
Email: arich@perkinscoie.com

Janus Henderson Capital Funds plc - Janus Henderson Global Life Sciences Fund
c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206
Attention: Andy Acker and Angela Morton
Email: Andy.Acker@JanusHenderson.com; Angela.Morton@JanusHenderson.com

With a copy (which shall not constitute notice) to:
Adrian Rich
Perkins Coie LLP
3150 Porter Drive Palo Alto, CA 94306
Email: arich@perkinscoie.com

Janus Henderson Biotech Innovation Master Fund Limited
c/o Janus Capital Management LLC,
151 Detroit Street
Denver, CO 80206
Attention: Andy Acker and Angela Morton
Email: Andy.Acker@JanusHenderson.com; Angela.Morton@JanusHenderson.com

With a copy (which shall not constitute notice) to: Adrian Rich
Perkins Coie LLP
3150 Porter Drive Palo Alto, CA 94306
Email: arich@perkinscoie.com

Janus Henderson Horizon Fund-Biotechnology Fund
c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206
Attention: Andy Acker and Angela Morton
Email: Andy.Acker@JanusHenderson.com; Angela.Morton@JanusHenderson.com

With a copy (which shall not constitute notice) to:
Adrian Rich
Perkins Coie LLP
3150 Porter Drive Palo Alto, CA 94306
Email: arich@perkinscoie.com

Logos Opportunities Fund II, L.P.
1 Letterman Drive
Building D, Suite D3-700
San Francisco, CA 94129

Nextech VI Oncology SCSP
8 rue Lou Hemmer L-1748 Senningerberg
Grand Duchy of Luxembourg

RA Capital Healthcare Fund, L.P.
c/o RA Capital Management, L.P.
200 Berkeley Street
18th Floor Boston, MA 02116
Attn: General Counsel

Blackwell Partners LLC – Series A
280 S. Mangum Street
Suite 210
Durham, NC 27701
Attn: Jannine Lall

RA Capital Nexus Fund, L.P.
c/o RA Capital Management, L.P.
200 Berkeley Street
18th Floor Boston, MA 02116
Attn: General Counsel

RTW Master Fund, Ltd.
c/o RTW Investments, LP
412 West 15th Street, Floor 9
New York, NY 10011

With a copy (which shall not constitute notice) to:
Ryan A. Murr
Gibson, Dunn & Crutcher LLP
555 Mission Street, San Francisco, CA 94105-0921
Fax: +1 415.374.8430
Email: rmurr@gibsondunn.com

RTW Innovation Master Fund, Ltd
c/o RTW Investments, LP
412 West 15th Street, Floor 9
New York, NY 10011

With a copy (which shall not constitute notice) to:
Ryan A. Murr
Gibson, Dunn & Crutcher LLP
555 Mission Street, San Francisco, CA 94105-0921
Fax: +1 415.374.8430
Email: rmurr@gibsondunn.com

RTW Venture Fund Limited
c/o RTW Investments, LP 412 West 15th Street, Floor 9
New York, NY 10011

With a copy (which shall not constitute notice) to:
Ryan A. Murr
Gibson, Dunn & Crutcher LLP
555 Mission Street, San Francisco, CA 94105-0921
Fax: +1 415.374.8430
Email: rmurr@gibsondunn.com

Sphera Biotech Master Fund L.P. c/o Maples Corporate Services Limited P.O. Box 309
Ugland House, Grand Cayman KY1-1104 Cayman Islands

T. Rowe Price Health Sciences Fund, Inc.
c/o T. Rowe Price Associates, Inc.
100 East Pratt Street
Baltimore, MD 21202
Attn: Andrew Baek, Vice President

TD Mutual Funds – TD Health Sciences Fund
c/o T. Rowe Price Associates, Inc.
100 East Pratt Street
Baltimore, MD 21202
Attn: Andrew Baek, Vice President

VALIC Company I – Health Sciences Fund
c/o T. Rowe Price Associates, Inc.
100 East Pratt Street
Baltimore, MD 21202
Attn: Andrew Baek, Vice President

T. Rowe Price Health Sciences Portfolio
c/o T. Rowe Price Associates, Inc.
100 East Pratt Street
Baltimore, MD 21202
Attn: Andrew Baek, Vice President

Perceptive Credit Holdings III, LP
c/o Perceptive Advisors LLC
51 Astor Place, 10th Floor New York, NY 10003
Attention: Sandeep Dixit
E-mail: Sandeep@perceptivelife.com

with a copy to:
Chapman and Cutler LLP
1270 Avenue of the Americas
New York, NY 10020
Attention: Nicholas Whitney
whitney@chapman.com

Marc Cohen
6455 Kedleston Court
McLean, VA 22101

Alain Cohen
181 Chain Bridge Rd.
McLean, VA 22101

Cormorant Private Healthcare Fund I, LP
200 Clarendon Street, 52nd Floor
Boston, MA 02116
Attention: Bihua Chen

Cormorant Global Healthcare Master Fund, LP
200 Clarendon Street, 52nd Floor
Boston, MA 02116
Attention: Bihua Chen

CRMA SPV, L.P.
P.O. Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

KPC Venture Capital LLC
C/O The Kraft Group
One Patriot Place
Foxborough, MA 02035
Attention: Bill Scalzulli

JAK II LLC
C/O The Kraft Group
One Patriot Place
Foxborough, MA 02035
Attention: Bill Scalzulli

TWO R LLC
C/O The Kraft Group
One Patriot Place
Foxborough, MA 02035
Attention: Bill Scalzulli

Daniel A. Kraft
C/O The Kraft Group
One Patriot Place
Foxborough, MA 02035
Attention: Bill Scalzulli

Joshua M. Kraft
C/O The Kraft Group
One Patriot Place
Foxborough, MA 02035
Attention: Bill Scalzulli

Novartis Institutes for Biomedical Research, Inc.
250 Massachusetts Avenue
Cambridge, MA 02139
Attention: Scott Brown

ERP Business Holdings, LP
515 Park Avenue, 15th Floor
New York, NY 10022-1196
Attention: Elena Prokupets

Marc Grenouilleau
Shore Point 25 Niger Road
Cupecoy Sint Maarten (DWI)

Bruce Downey
8120 Spring Hill Farm Drive
McLean, VA 22102

Evans Investment Management, LLC
c/o Paul McCoy Family Office Services
31 St. James Avenue, Suite 740
Boston, MA 02116
Attention: Bruce Evans

John Rogers
200 West Street
New York, NY 10282

The John Rogers F.W. 2008 Family Trust
Goldman Sachs Family Office
200 West Street, 40th Floor
New York, NY 10282
Attn: Deborah Lehr

EGC4, LLC
39 West 54th Street
New York, NY 10019
Attention: Jay Eastman

Berenice and Michael Ronthal
94 Beacon Street
Boston, MA 02108

Susan Korsmeyer
207 Washington Street
#470571
Brookline, MA 02447

Rama Elluru
520 John Carlyle Street
Unit 406
Alexandria, VA 22314

Peter Rukeyser
8 Philips Lane
Rye, NY 10580

Alex Williams
96 Governor Road
Rochester, NY 14610

Gus Kaloudis
140 East 83rd Street, #15A
New York, NY 10028

Francis Rhoads
6596 E. Lakeridge Road
New Market, MD 21774

The Paula Berliner Revocable Trust Agreement
11908 Cantal Circle S
Parkland, FL 33076
Attn: Deborah Reiss

A. Robert Zeff Revocable Trust
200 Maple Park Blvd., Suite 208
St. Clair Shores, MI 48081
Attention: Susie Zeff

Kenneth Anderson
264 Weston Rd.
Wellesley, MA 02482

Kenneth C. Anderson 2016 Grantor Retained Annuity Trust
264 Weston Road
Wellesley, MA 02482
Attn: Kenneth Anderson

Kenneth C. Anderson 2015 Irrevocable Trust dated August 10, 2015
264 Weston Road
Wellesley, MA 02482
Attention: David Anderson

Cynthia Anderson
264 Weston Road
Wellesley, MA 02482

Cynthia E. Anderson 2016 Grantor Retained Annuity Trust
264 Weston Road
Wellesley, MA 02482
Attn: Cynthia Anderson

Cynthia E. Anderson 2015 Irrevocable Trust dated August 10, 2015
264 Weston Road
Wellesley, MA 02482
Attention: Cynthia Anderson

Roger K. Taylor Preservation Trust Agreement
60 W Broad, Suite 300
Bethlehem, PA 18018
Attn: Jerry B. McQueen

MC4, LLC
c/o Arthur Becker
145 Spring Street, 3rd Floor
New York, NY 10012
Attention: Arthur Becker

Miles M. Stuchin and Marcie Stuchin JTWROS
400 Park Avenue, 19th Floor
New York, NY 10022
Attention: Marcie Stuchin

Beach Trust
400 Park Avenue, 19th Floor
New York, NY 10022
Attention: Marcie Stuchin

Lori Alf
1235 Marble Way
Boca Raton, FL 33432

Don Brown
4421 McCurdy Road
Indianapolis, IN 46234

Sean Dobson 2004 Grantor Retained Annuity Trust
4201 Churchill Downs
Austin, TX 78746
Attention: Joslyn Dobson

Joslyn Dobson 2004 Family Trust
4201 Churchill Downs
Austin, TX 78746
Attention: Joslyn Dobson

Stephen Brown
5 Taylor's Rise
Rochester, NY 14618

Ronald Kirshner
141 Sandringham Road
Rochester, NY 14610

Wakara Healthcare Investments, LLC
C/O John Malooly
906 Shirecliff Road
Salt Lake City, UT 84108
Attention: John Malooly

Greg Phelps
75 Farley Pond Lane
Needham, MA 02492

Herman and Suzanne Cohen
3605 R Street NW
Washington, DC 20007

Ronald W. Kaiser and Teresa Kaiser JTWROS
10 Stehle Street
Annapolis, MD 21401
Attention: Ronald W. Kaiser

Neil Martin and Lisa Warsinger Martin
7201 Loch Edin Ct.
Potomach, MD 20854

C4Ever, LLC
3299 K Street #404
Washington, DC 20007
Attention: Sara Mokhtari

Kirk Ott
8 Stevens Circle
Westwood, MA 02090

Mike Smith
905 Gentlewood Street
Gaithersburg, MD 20878

Carol Nakhuda
5600 McLean Drive
Bethesda, MD 20814

Schermerhorn 2012 Dynasty Trust
791 Crandon Blvd., #208
Key Biscayne, FL 33149
Attention: Gary Schermerhorn

Steven Allen
15 Woodgreen Lane
Roslyn Heights, NY 11577

Amy Digeso and Paul Rakowski, Sr.
80 Central Park West
Apt. 20A
New York, NY 10023

Malcolm Salter
18 Traill Street #1
Cambridge, MA 02138

Alan Stone
3614 S Street NW
Washington, DC 20007

WCS, Jr. 2012 Family Trust
7713 Carlton Place
McLean, VA 22102
Attention: Bill Sanders

Phil McCarty
2 Carsha Drive
Natick, MA 01760

Jason Fisherman
144 Cottage Street
Brookline, MA 02445

Nikhil Munshi
77 Booth Street
Needham, MA 02494

Lawrence S. Wittenberg and Barbara J. Kane JTWROS
40 Arlo Road
Newton, MA 02464
Attention: Lawrence S. Wittenberg

2014 Exchange Place Fund A, LLC
c/o Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210
Attention: David Henken

2014 Exchange Place Fund B, LLC
c/o Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210 Attention: David Henken

Gracie Partners LLC
c/o East End Advisors LLC
610 Fifth Avenue, 5th Floor
New York, NY 10020
Attention: Rick Solomon

Roche Finance Ltd
Head, Roche Venture Fund
Roche Finance Ltd
Grenzacherstrasse 124
Bldg 21/50
CH-4070 Basel
Switzerland

Celgene Rivot LLC
86 Morris Avenue
Summit, NJ 07901

DF Investment Partners LLC
55 Hudson Yards, 29th Floor
New York, NY 10001

Alexander Keith Stewart
11748 East Bloomfield Drive
Scottsdale, AZ 85259

Dharminder and Reetu Chauhan
8 Wedgewood Road
Natick, MA 01760

Elizabeth Klein
12 East 86th Street #15522
New York, NY 10028

Evan Knisely
1005 Turkey Run Road
Mclean, VA 22101

Evan Andrew Knisely Trust u/a dtd 10/13/17
1005 Turkey Run Road
Mclean, VA 22101
Attention: Evan Andrew Knisely
Attention: Trisha Nicole Arteaga Knisely

Hamish McKenzie
6 West Common Way
Harpenden
Herts
AL5 2LF
United Kingdom

IRA Resources, Inc. FBO: Richard Stern Press IRA 35-35937
101 Bogle Street
Weston, MA 02493

Lauren Talarico, as Trustee for Frank Angelo Talarico
6455 Kedleston Court
McLean, VA 22101

Lisa Popitz
PO Box 920371
Needham, MA 02492

Paul Anderson
25 Jerome Avenue
Auburn, MA 02501

Pierre Rovani
1800 Hoban Road NW
Washington, DC 20007

Robert and Gloria Fulton
6455 Kedleston CT
McLean, VA 22101

Teru Hideshima
72 Francis Street
Brookline, MA 02446

SCHEDULE B

Key Holders

Name and Address

Dana-Farber Cancer Institute, Inc.
Belfer Office for Dana-Farber Innovations
450 Brookline Avenue, BP304E
Boston, MA 02215
Attention: Chief Research Business Development Officer

WARRANT CERTIFICATE

THIS WARRANT CERTIFICATE AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "***SECURITIES ACT***"), OR QUALIFIED UNDER ANY STATE OR FOREIGN SECURITIES LAWS AND MAY NOT BE OFFERED FOR SALE, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR ASSIGNED UNLESS (I) A REGISTRATION STATEMENT COVERING SUCH SHARES IS EFFECTIVE UNDER THE SECURITIES ACT AND IS QUALIFIED UNDER APPLICABLE STATE AND FOREIGN LAW OR (II) THE TRANSACTION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS UNDER THE SECURITIES ACT AND THE QUALIFICATION REQUIREMENTS UNDER APPLICABLE STATE AND FOREIGN LAW.

Warrant Shares Issuable:	2,857,142 Shares of Series B Preferred Stock
Warrant Certificate No.:	B-1
Issue Date:	June 5, 2020 (the "***Issue Date***")

FOR VALUE RECEIVED, C4 Therapeutics, Inc., a Delaware corporation (the "***Company***"), hereby certifies that Perceptive Credit Holdings III, LP or any of its registered assigns (collectively, the "***Holder***") is entitled to purchase from the Company up to 2,857,142 duly authorized, validly issued, fully paid and nonassessable shares of the Company's Series B Preferred Stock at the applicable per share Exercise Price (defined below), all subject to the terms, conditions and adjustments set forth below in this Warrant Certificate. Certain capitalized terms used herein are defined in **Section 1**.

This Warrant Certificate has been issued pursuant to the terms of the Credit and Guaranty Agreement, dated as of June 5, 2020 (as amended or otherwise modified from time to time, the "***Credit Agreement***"), among the Company, as the borrower, the guarantors party thereto and Perceptive Credit Opportunities Fund III, LP, as the lender. In connection with the execution of this Warrant Certificate, Holder shall also become a party to the Investors' Rights Agreement as an "Investor" thereunder. For the avoidance of doubt, shares of Common Stock issuable (directly or indirectly) upon the exercise of the Warrant shall be deemed Registrable Securities (as defined in the Investors' Rights Agreement) before such exercise.

Section 1. Definitions. The following terms when used herein have the following meanings:

"***Act***" has the meaning set forth in **Section 10(a)(i)**.

"***Aggregate Exercise Price***" means, with respect to any exercise of this Warrant Certificate for Warrant Shares, an amount equal to the product of (i) the number of Warrant Shares in respect of which this Warrant Certificate is then being exercised pursuant to **Section 3** multiplied by (ii) the Exercise Price.

"***Assignee***" has the meaning set forth in **Exhibit B**.

"***Bloomberg***" has the meaning set forth within the definition of VWAP.

"***Board***" means the board of directors of the Company.

"***Business Day***" means any day, except a Saturday, Sunday or legal holiday, on which banking institutions in the city of New York, New York are authorized or obligated by law or executive order to close.

"***Cashless Exercise***" has the meaning set forth in **Section 3(b)**.

"***Charter***" means the Company's Fourth Amended and Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware on June 5, 2020 (as amended).

"***Common Stock***" means the common stock, par value $0.0001 per share, of the Company, and any capital stock into which such Common Stock shall have been converted, exchanged or reclassified following the date hereof.

"***Company***" has the meaning set forth in the preamble.

"***Credit Agreement***" has the meaning set forth in the preamble.

"***DTC***" means the Depository Trust Company.

"***DWAC***" has the meaning set forth in **Section 3(i)**.

"***Exercise Certificate***" has the meaning set forth in **Section 3(a)(i)**.

"***Exercise Date***" means, for any given exercise of this Warrant Certificate, whether in whole or in part, the date on which the conditions to such exercise as set forth in **Section 3** shall have been satisfied at or prior to 5:00 p.m., Eastern time, on a Business Day, including, without limitation, the receipt by the Company of the Exercise Certificate and the applicable Aggregate Exercise Price.

"***Exercise Period***" has the meaning set forth in **Section 2**.

"***Exercise Price***" means a per share price equal to **$1.05**.

"***Fair Market Value***" means, if the Warrant Shares are listed on a Trading Market, as of any particular Trading Day, (i) the VWAP of such Warrant Shares for such day or (ii) if there have been no sales on any Trading Market on any such day, the average of the highest bid and lowest asked prices for such Warrant Shares on all applicable Trading Markets at the end of such day. If the Warrant Shares are not listed, quoted or otherwise available for trading, the "Fair Market Value" of the Warrant Shares shall be the fair market value, per share, of such Warrant Shares as determined in reasonable, good faith judgement of the Board (subject to the dispute mechanism set forth in **Section 3(j)**).

"***FAST***" has the meaning set forth in **Section 3(i)**.

"***Fundamental Change***" means any event or circumstance that constitutes or results in (i) a Change in Control, as defined in the Credit Agreement (as in effect as of the date hereof) or (ii) the liquidation, bankruptcy, dissolution or winding-up (or the occurrence of any analogous proceeding) of the Company.

"***Holder***" has the meaning set forth in the preamble.

"***Investors' Rights Agreement***" means that certain Amended and Restated Investors' Rights Agreement by and among the Company and certain investors party thereto dated as of June, 5, 2020, as may be amended, updated or supplemented from time to time.

"***Issue Date***" has the meaning set forth in the preamble.

"***Liquidity Event***" means a transaction that qualifies as a "Deemed Liquidation Event" as defined in the Charter.

"***Nasdaq***" means The Nasdaq Stock Market, Inc.

"***OTC Bulletin Board***" means the National Association of Securities Dealers, Inc. OTC Bulletin Board.

"***Person***" means any individual, sole proprietorship, partnership, limited liability company, corporation, joint venture, trust, incorporated organization or government or department or agency thereof.

"***Prospectus***" means the prospectus or prospectuses included in any Registration Statement, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference in such prospectus or prospectuses.

"***Registration Statement***" means any registration statement of the Company which covers any of the Registrable Securities, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all materials incorporated by reference in such Registration Statement.

"***SEC***" means the Securities and Exchange Commission or any successor thereto.

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Series B Preferred Stock***" means the Series B Preferred Stock, par value $0.0005 per share, of the Company, and any capital stock into which such Series B Preferred Stock shall have been converted, exchanged or reclassified following the date hereof.

"***Substitute Warrant Certificate***" has the meaning set forth in **Exhibit B**.

"***Trading Day***" means a day on which the principal Trading Market is open for trading.

"***Trading Market***" means Nasdaq or, if the Company's equity securities are not listed on Nasdaq, such other principal US or foreign exchange or market (including the OTC Bulletin Board) on which the Company's equity securities issuable upon the exercise of this Warrant are quoted or available for trading.

"***Transfer Agent***" has the meaning set forth in **Section 3(c)(ii)**.

"***Unrestricted Conditions***" has the meaning set forth in **Section 10(a)(ii)**.

"***VWAP***" means, for any security as of any day or period of days (as the case may be), the volume weighted average sale price on Nasdaq as reported by, or based upon data reported by Bloomberg Financial Markets or an equivalent, reliable reporting service reasonably acceptable to the Holder and the Company (collectively, "***Bloomberg***") or, if Nasdaq is not the principal trading market for such security, the volume weighted average sale price of such security on the principal securities exchange or trading market where such security is listed or traded as reported by Bloomberg or, if no volume weighted average sale price is reported for such security by Bloomberg, then the last closing trade price of such security as reported by Bloomberg, or, if no last closing trade price is reported for such security by Bloomberg, the average of the bid prices of any market makers for such security that are listed in the over the counter market by the Financial Industry Regulatory Authority, Inc. or on the OTC Bulletin Board (or any successor) or in the "pink sheets" (or any successor) by the OTC Markets Group, Inc.; provided that if VWAP cannot be calculated for such security on such date in the manner provided above, the VWAP shall be the fair market value as determined jointly by the Company and the Holder (subject to the dispute mechanism set forth in **Section 3(j)**).

"***Warrant Certificate***" means this Warrant Certificate and all subsequent warrant certificates issued upon division, combination or transfer of, or in substitution for, this Warrant Certificate.

"***Warrant Register***" has the meaning set forth in **Section 5**.

"***Warrant Shares***" means the shares of Series B Preferred Stock, or other capital stock of the Company then purchasable upon exercise of this Warrant Certificate in accordance with the terms of this Warrant Certificate.

Section 2. Term of Warrant Certificate. Subject to the terms and conditions hereof, at any time or from time to time on or after the Issue Date and prior to 5:00 p.m., Eastern time, on the tenth anniversary of such date or, if such day is not a Business Day, on the next preceding Business Day (the "***Exercise Period***"), the Holder of this Warrant Certificate may exercise this Warrant Certificate for all or any part of the Warrant Shares purchasable hereunder (subject to adjustment as provided herein).

Section 3. Exercise of Warrant Certificate.

(a) **Exercise Procedure**. This Warrant Certificate may be exercised from time to time on any Business Day during the Exercise Period, for all or any part of the unexercised Warrant Shares, upon:

(i) delivery to the Company at its then principal executive office of an Exercise Certificate in the form attached hereto as **Exhibit A** (each, an "***Exercise Certificate***"), duly completed (including specifying the number of Warrant Shares to be purchased) and executed;

(ii) payment to the Company of the Aggregate Exercise Price in accordance with **Section 3(b);** and

(iii) delivery to the Company of joinders to any applicable right of first refusal and co-sale agreement, voting agreement, or other similar agreement to which the holders of Series B Preferred Stock are a party.

(b) **Payment of the Aggregate Exercise Price**. Payment of the Aggregate Exercise Price shall be made, at the option of the Holder as expressed in the Exercise Certificate, by any of the following methods:

(i) by delivery to the Company of a certified or official bank check payable to the order of the Company or by wire transfer of immediately available funds to an account designated in writing by the Company, in the amount of such Aggregate Exercise Price;

(ii) "net exercise" by instructing the Company to withhold a number of Warrant Shares then issuable upon exercise of this Warrant Certificate with an aggregate Fair Market Value as of the Exercise Date equal to such Aggregate Exercise Price;

(iii) by cancellation of any debt of the Company owed to the Holder or its affiliates (including the principal amount thereof plus accrued and unpaid interest); or

(iv) any combination of the foregoing.

In the event of any withholding of Warrant Shares pursuant to **Section 3(b)(ii)**, **(iii)** or **(iv)** (solely to the extent of such withholding or surrender, a "***Cashless Exercise***") where the number of shares whose value is equal to the Aggregate Exercise Price is not a whole number, the number of shares withheld by or surrendered to the Company shall be rounded up to the nearest whole share and the Company shall make a cash payment to the Holder (by delivery of a certified or official bank check or by wire transfer of immediately available funds) based on the incremental fraction of a share being so withheld by or surrendered to the Company in an amount equal to the product of (x) such incremental fraction of a share being so withheld or surrendered multiplied by (y) in the case of Series B Preferred Stock, the Fair Market Value per Warrant Share as of the Exercise Date, and, in all other cases, the value thereof as of the Exercise Date determined in accordance with **Section 3(b)(iii)(y)**.

For purposes of Rule 144, to the extent permitted by applicable law, it is acknowledged and agreed that (i) the Warrant Shares issuable upon any exercise of this Warrant Certificate in any Cashless Exercise transaction shall be deemed to have been acquired on the Issue Date, and (ii) the holding period for any Warrant Shares issuable upon the exercise of this Warrant Certificate in any Cashless Exercise transaction shall be deemed to have commenced on the Issue Date; provided, that the Company makes no representation or warranty regarding the commencement of the holding period of any Warrant Shares.

(c) **Delivery of Stock Certificates**.

(i) With respect to any exercise of this Warrant Certificate by the Holder, upon receipt by the Company of an Exercise Certificate and delivery of the Aggregate Exercise Price (in accordance with **Section 3(b)**), the Company shall, within 5 Business Days, issue and deliver (or cause its Transfer Agent to issue and deliver) in accordance with the terms hereof to or upon the order of the Holder that number Warrant Shares for the portion of this Warrant Certificate so exercised on such date, together with cash in lieu of any fraction of a share, as provided in **Section 3(d)**. The stock certificate or certificates so delivered shall be, to the extent possible, in such denomination or denominations as the exercising Holder shall reasonably request in the Exercise Certificate and shall be registered in the name of the Holder or, subject to compliance with **Section 6**, such other Person's name as shall be designated in the Exercise Certificate. This Warrant Certificate shall be deemed to have been exercised and such certificate or certificates of Warrant Shares shall be deemed to have been issued, and the Holder or any other Person so designated to be named therein shall be deemed to have become a holder of record of such Warrant Shares for all purposes, as of the Exercise Date.

(ii) If, at the time of exercise, the Company has a Transfer Agent, then upon the exercise this Warrant Certificate in whole or in part, the Company shall, at its own cost and expense, take all necessary action, to assure that the Company's transfer agent (the "***Transfer Agent***") shall issue Warrant Shares in the name of the Holder (or its nominee) or such other Persons as designated by the Holder (in compliance with **Section 6**) and in such denominations to be specified in the applicable Exercise Certificate and, if the Unrestricted Conditions are met, will not contain a legend restricting the resale or transferability of the Warrant Shares. The Company represents and warrants that no instructions other than the foregoing instructions will be given to the Transfer Agent and that, unless waived by the Holder, this Warrant Certificate and the Warrant Shares will be transferable in accordance with the terms of this Warrant Certificate and will not contain a legend restricting the resale or transferability of the Warrant Shares if the Unrestricted Conditions are met.

(d) **Fractional Shares**. The Company shall not be required to issue a fractional Warrant Share upon exercise of any Warrant Certificate. As to any fraction of a Warrant Share that the Holder would otherwise be entitled to purchase upon such exercise, the Company shall pay to such Holder an amount in cash (by delivery of a certified or official bank check or by wire transfer of immediately available funds) equal to the product of (i) such fraction multiplied by (ii) the Fair Market Value of one Warrant Share on the Exercise Date.

(e) **Surrender of this Warrant Certificate; Delivery of New Warrant Certificate**.

(i) The Holder shall not be required to physically surrender this Warrant Certificate to the Company until the Holder has purchased all of the Warrant Shares available hereunder and this Warrant Certificate has been exercised in full, in which case, the Holder shall, at the written request of the Company, surrender this Warrant Certificate to the Company for cancellation within three (3) Business Days after the date the final Exercise Certificate is delivered to the Company. Partial exercises of this Warrant Certificate resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to

the applicable number of Warrant Shares that have been issued hereunder as a result of previous exercises, withheld in connection with Cashless Exercises, and fractional shares for which cash was received in lieu thereof in accordance with **Section 3(d)**. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Holder and any assignee, by acceptance of this Warrant Certificate, acknowledge and agree that, by reason of the provisions of this **Section 3(e)**, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.

(ii) Notwithstanding the foregoing, the Holder may request that the Company (and the Company shall), at the time of delivery of the certificate or certificates representing the Warrant Shares being issued in accordance with **Section 3(c)**, deliver to the Holder a new Warrant Certificate evidencing the rights of the Holder to purchase the unexpired and unexercised Warrant Shares called for by this Warrant Certificate. Unless otherwise agreed upon by the Holder in its sole discretion, such new Warrant Certificate shall in all other respects be identical to this Warrant Certificate.

(f) **Valid Issuance of Warrant Certificate and Warrant Shares; Payment of Taxes**. The Company hereby represents, covenants and agrees:

(i) This Warrant Certificate is, and any Warrant Certificate issued in substitution for or replacement of this Warrant Certificate shall be, upon issuance, duly authorized and validly issued.

(ii) All Warrant Shares issuable upon the exercise of this Warrant Certificate (or any substitute or replacement Warrant Certificate) pursuant to the terms hereof shall be, upon issuance, and the Company shall take all such actions as may be necessary or appropriate in order that such Warrant Shares are, validly issued, fully paid and non-assessable, issued without violation of any preemptive or similar rights of any stockholder of the Company and free and clear of all taxes, liens and charges.

(iii) The Company shall take all such actions as may be necessary to ensure that all such Warrant Shares are issued without violation by the Company of any applicable law or governmental regulation or any requirements of any Trading Market upon which shares of Series B Preferred Stock, Common Stock or other securities constituting Warrant Shares may be listed at the time of such exercise (except for official notice of issuance which shall be immediately delivered by the Company upon each such issuance).

(iv) The Company shall pay all expenses in connection with, and all taxes and other governmental charges that may be imposed on the Company with respect to, the issuance or delivery of Warrant Shares upon exercise of this Warrant Certificate.

(v) The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant Certificate, pursuant to the terms hereof.

(g) **Conditional Exercise**. Notwithstanding any other provision hereof, if an exercise of any portion of this Warrant Certificate is to be made in connection with a public offering, a Fundamental Change or any Liquidity Event such exercise may, at the election of the Holder, be conditioned upon the consummation of such transaction, in which case such exercise shall not be deemed to be effective until immediately prior to the consummation of such transaction.

(h) **Reservation of Shares**.

(i) During the Exercise Period, the Company shall at all times reserve and keep available out of its authorized but unissued shares of Series B Preferred Stock or other securities constituting Warrant Shares, solely for the purpose of issuance upon the exercise of this Warrant Certificate, the maximum number of Warrant Shares issuable upon the exercise of this Warrant Certificate, and the par value per Warrant Share shall at all times be less than or equal to the Exercise Price. The Company shall not increase the par value of any Warrant Shares receivable upon the exercise of this Warrant Certificate above the Exercise Price, and shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Series B Preferred Stock upon the exercise of this Warrant Certificate.

(ii) During the Exercise Period, the Company shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock or such other securities into which the Warrant Shares may be convertible, solely for the purpose of issuance upon the conversion of the Warrant Shares, the maximum number of shares of Common Stock issuable upon the conversion of the Warrant Shares. The Company shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock or other securities upon the conversion of the Warrant Shares.

(i) **Delivery of Electronic Shares**. If the Company has a Transfer Agent and the Transfer Agent is participating in the DTC Fast Automated Securities Transfer ("***FAST***") program, upon written request of the Holder and in lieu of delivering physical certificates representing any shares of Series B Preferred Stock or Common Stock (including any Warrant Shares) to be delivered under or in connection with this Warrant Certificate, the Company shall use its commercially reasonable efforts to cause the Transfer Agent to electronically transmit the such Series B Preferred Stock or Common Stock, as the case may be, to the Holder by crediting the account of the Holder's prime broker with the DTC through its Deposit Withdrawal Agent Commission ("***DWAC***") system. The time periods for delivery described herein shall apply to the electronic transmittals described herein. Any delivery not effected by electronic transmission shall be effected by delivery of physical certificates.

(j) **Dispute Resolution**. In the case of any dispute as to the determination of Fair Market Value, any closing sales price or VWAP of the Company's Series B Preferred Stock or Common Stock, the arithmetic calculation of the Exercise Price or any other computation required to be made hereunder, in the event the Holder and the Company are unable to settle such dispute within five (5) Business Days (or such longer period as the parties may agree), then either party may elect to submit the disputed matter(s) for resolution by an independent accountant, appraiser or investment bank (with relevant experience) acceptable to the other party. Such independent party's determination of such disputed matter(s) shall be binding upon all parties absent demonstrable error.

(k) **Automatic Exercise on a Liquidity Event**. If a Liquidity Event occurs with respect to the Company at any time prior to the expiration of the Exercise Period and there remain any Warrant Shares subject to this Warrant Certificate, this Warrant Certificate shall be deemed to be automatically exercised in full for the full number of remaining Warrant Shares, without the requirement for the delivery of an Exercise Certificate, and the Holder shall receive its pro rata share of the proceeds from such Liquidity Event as if the Warrant Shares were outstanding immediately prior to the Liquidity Event (subject to set-off against the Aggregate Exercise Price); *provided that* (i) unless the giving of notice is not possible due to the circumstances of the Liquidity Event, the Company shall give the Holder notice of any anticipated Liquidity Event as soon as practicable but in any event not less than five (5) Business Days prior to the anticipated consummation of the Liquidity Event and (ii) there shall be no automatic exercise if the price per share to be received by the Holder for the Warrant Shares in respect of such Liquidity Event is less than the then-applicable Exercise Price and this Warrant and Holder's right to acquire any Warrant Shares hereunder shall terminate as of the consummation of the Liquidity Event without further consideration.

(l) **Automatic Exercise Prior to Expiration**. If immediately prior to the expiration of the Exercise Period there remain any Warrant Shares subject to this Warrant Certificate, and as of such time, the Fair Market Value of one Warrant Share is greater than the then applicable Exercise Price, then this Warrant Certificate shall be deemed to have been automatically exercised by the Holder, in full, immediately prior to the expiration of the Exercise Period on a Cashless Exercise basis for the full number of remaining Warrant Shares, without the requirement for the delivery of an Exercise Certificate.

Section 4. Anti-Dilution Adjustments. In order to prevent dilution of the purchase rights granted under this Warrant Certificate, the Exercise Price and the number of Warrant Shares issuable upon exercise of this Warrant Certificate shall be subject to adjustment from time to time as provided in this **Section 4** (in each case after taking into consideration any prior adjustments pursuant to this **Section 4)**.

(a) **Anti-Dilution Rights**. Anti-dilution rights applicable to the Series B Preferred Stock purchasable hereunder are as set forth in the Charter and shall be applicable with respect to the Series B Preferred Stock issuable hereunder (including, for the avoidance of doubt, any waivers of anti-dilution adjustments with respect to the Series B Preferred Stock effected from time to time in accordance with the terms of the Charter). For the avoidance of doubt, there shall be no duplicate anti-dilution adjustment pursuant to this **Section 4** and the Charter.

(b) **Stock Dividends, Splits, Etc**. At any time or from time to time after the Issue Date, if the Company declares or pays a dividend or distribution on the outstanding shares of the Series B Preferred Stock payable in Common Stock or other securities or property (other than cash), then upon exercise of this Warrant Certificate, for each Warrant Share acquired, Holder shall receive, without additional cost to Holder, the total number and kind of securities and/or property which Holder would have received had Holder owned the Warrant Shares of record as of the date the dividend or distribution occurred. At any time or from time to time after the Issue Date, if the Company subdivides the outstanding shares of the Series B Preferred Stock by reclassification or otherwise into a greater number of shares, the number of Warrant Shares purchasable hereunder shall be proportionately increased and the Exercise Price shall be

proportionately decreased. At any time or from time to time after the Issue Date if the outstanding shares of the Series B Preferred Stock are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Exercise Price shall be proportionately increased and the number of Warrant Shares shall be proportionately decreased.

(c) **Reclassification, Exchange, Combinations or Substitution**. Upon any event whereby all of the outstanding shares of the Series B Preferred Stock are reclassified, exchanged, combined, substituted, or replaced for, into, with or by Company securities of a different class and/or series (including, without limitation, the conversion of the Series B Preferred Stock into Common Stock in connection with the Company's initial public offering and sale of its Common Stock pursuant to an effective registration statement under the Securities Act), then from and after the consummation of such event, this Warrant Certificate will be exercisable for the number, class and series of Company securities that Holder would have received had the Warrant Shares been outstanding on and as of the consummation of such event, and subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant Certificate (without taking into account any limitations or restrictions on the exercisability of this Warrant Certificate). The Company shall make appropriate adjustment with respect to the Holder's rights under this Warrant Certificate to insure that the provisions of this **Section 4** shall thereafter be applicable, as nearly as possible, to this Warrant Certificate in relation to any shares of stock, securities or assets thereafter acquirable upon exercise of this Warrant Certificate. The provisions of this **Section 4(c)** shall similarly apply to successive reclassifications, exchanges, combinations substitutions, replacements or other similar events.

(d) **Conversion of Preferred Stock**. In the event that all outstanding shares of the Series B Preferred Stock are converted, automatically or by action of the holders thereof, into Common Stock pursuant to the Charter, including, without limitation, in connection with the Company's initial, underwritten public offering and sale of its Common Stock pursuant to an effective registration statement under the Securities Act, then from and after the date on which all outstanding shares of the Series B Preferred Stock have been so converted, this Warrant Certificate shall be exercisable for such number of shares of Common Stock into which the Warrant Shares would have been converted had the Warrant Shares been outstanding on the date of such conversion, and the Exercise Price shall equal the Exercise Price in effect as of immediately prior to such conversion divided by the number of shares of Common Stock into which one Warrant Share would have been converted, all subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant Certificate.

(e) **Certificate as to Adjustment**. The Company shall, as promptly as reasonably practicable following any adjustment of the Exercise Price or the number of Warrant Shares issuable upon exercise of this Warrant Certificate, or at any time upon written request from Holder, furnish Holder with a certificate of its Chief Executive Officer or Chief Financial Officer stating the Exercise Price and the number of Warrant Shares for which this Warrant Certificate is exercisable, as of the effective date of such adjustment or written request a statement, including reasonable detail, of the computation of such adjustment and the facts upon which such adjustment is based.

(f) **Notices**. In the event that the Company shall take a record of the holders of its Series B Preferred Stock (or other capital stock or securities at the time issuable upon exercise of this Warrant Certificate):

(i) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any other security or to vote at a meeting (or by written consent) to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities; or

(ii) approving or enabling any capital reorganization of the Company, any reclassification of the Series B Preferred Stock of the Company or any Fundamental Change;

then, and in each such case, the Company shall send or cause to be sent to the Holder at least five (5) days prior to the applicable record date or the applicable expected effective date, as the case may be, for the event, a written notice specifying, as the case may be, (A) the record date for such dividend, distribution, meeting or consent or other right or action, and a description of such dividend, distribution or other right or action to be taken at such meeting or by written consent, or (B) the effective date on which such Fundamental Change is proposed to take place, and the date, if any is to be fixed, as of which the books of the Company shall close or a record shall be taken with respect to which the holders of record of Series B Preferred Stock (or such other capital stock or securities at the time issuable upon exercise of this Warrant Certificate) shall be entitled to exchange their shares of Series B Preferred Stock (or such other capital stock or securities) for securities or other property deliverable upon such Fundamental Change, and the amount per share and character of such exchange applicable to this Warrant Certificate and the Warrant Shares.

Section 5. Warrant Register. The Company shall keep and properly maintain at its principal executive offices a register (the "***Warrant Register***") for all outstanding warrants issued by the Company and shall include the registration of this Warrant Certificate and any transfers thereof in such Warrant Register. The Company may deem and treat the Person in whose name this Warrant Certificate is registered on such register as the Holder thereof for all purposes, and the Company shall not be affected by any notice to the contrary, except any assignment, division, combination or other transfer of this Warrant Certificate effected in accordance with the provisions of this Warrant Certificate.

Section 6. Transfer of Warrant Certificate. Subject to **Section 10** hereof, this Warrant Certificate and all rights hereunder are transferable, in whole or in part, by the Holder without charge to the Holder, upon surrender of this Warrant Certificate to the Company at its then principal executive offices with a properly completed and duly executed Assignment in the form attached hereto as **Exhibit B**, together with funds sufficient to pay any transfer taxes in connection with the making of such transfer. Upon such compliance, surrender and delivery and, if required, such payment, the Company shall execute and deliver a new Warrant Certificate or Warrant Certificates in the name of the assignee or assignees and in the denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant Certificate evidencing the portion of this Warrant Certificate, if any, not so assigned and this Warrant Certificate shall promptly be cancelled.

Section 7. The Holder Not Deemed a Stockholder; Limitations on Liability. Except as otherwise specifically provided herein, prior to the issuance to the Holder of the Warrant Shares to which the Holder is then entitled to receive upon the due exercise of this Warrant Certificate, the Holder shall not be entitled to vote or receive dividends or be deemed the holder of shares of capital stock of the Company for any purpose, nor shall anything contained in this Warrant Certificate be construed to confer upon the Holder, as such, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise. In addition, nothing contained in this Warrant Certificate shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant Certificate or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. Notwithstanding this **Section 7**, the Company shall provide the Holder with copies of the same notices and other information given to the stockholders of the Company generally, contemporaneously with the giving thereof to the stockholders, including without limitation the financial information set forth in Section 3 (Information Rights) of the Investors' Rights Agreement and notices relating to any preemptive rights, right of first offer or tag along right set forth in the Company's Amended and Restated Right of First Refusal and Co-Sale Agreement, dated on or about the Issue Date (as the same may be amended).

Section 8. Replacement on Loss; Division and Combination.

(a) **Replacement of Warrant Certificate on Loss**. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant Certificate and upon delivery of an indemnity reasonably satisfactory to it (it being understood that a written indemnification agreement or affidavit of loss of the Holder shall be a sufficient indemnity) and, in case of mutilation, upon surrender of such Warrant Certificate for cancellation to the Company, the Company at its own expense shall execute and deliver to the Holder, in lieu hereof, a new Warrant Certificate of like tenor and exercisable for an equivalent number of Warrant Shares as this Warrant Certificate so lost, stolen, mutilated or destroyed; provided that, in the case of mutilation, no indemnity shall be required if this Warrant Certificate in identifiable form is surrendered to the Company for cancellation.

(b) **Division and Combination of Warrant Certificate**. Subject to compliance with the applicable provisions of this Warrant Certificate as to any transfer or other assignment which may be involved in such division or combination, this Warrant Certificate may be divided or, following any such division of this Warrant Certificate, subsequently combined with other Warrant Certificates, upon the surrender of this Warrant Certificate or Warrant Certificates to the Company at its then principal executive offices, together with a written notice specifying the names and denominations in which new Warrant Certificates are to be issued, signed by the respective Holders or their agents or attorneys. Subject to compliance with the applicable provisions of this Warrant Certificate as to any transfer or assignment which may be involved in such division or combination, the Company shall at its own expense execute and deliver a new Warrant Certificate or Warrant Certificates in exchange for this Warrant Certificate or Warrant Certificates so surrendered in accordance with such notice. Such new Warrant Certificate or Warrant Certificates shall be of like tenor to the surrendered Warrant Certificate or Warrant Certificates and shall be exercisable in the aggregate for an equivalent number of Warrant Shares as this Warrant Certificate or Warrant Certificates so surrendered in accordance with such notice.

Section 9. No Impairment. The Company shall not, by amendment of its Charter or Bylaws, by contract, or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed by it hereunder, and shall at all times in good faith assist in the carrying out of all the provisions of this Warrant Certificate and in the taking of all such action as may reasonably be requested by the Holder in order to protect the exercise rights of the Holder against dilution or other impairment, consistent with the tenor and purpose of this Warrant Certificate.

Section 10. Compliance with the Securities Act.

(a) **Agreement to Comply with the Securities Act, etc.**

(i) **Legend**. The Holder, by acceptance of this Warrant Certificate, agrees to comply in all respects with the provisions of this **Section 10** and the restrictive legend requirements set forth on the face of this Warrant Certificate and further agrees that such Holder shall not offer, sell or otherwise dispose of this Warrant Certificate or any Warrant Shares to be issued upon exercise hereof except under circumstances that will not result in a violation of the Securities Act. Subject to **clause (ii)** below, this Warrant Certificate and all Warrant Shares issued upon exercise of this Warrant Certificate (unless registered under the Securities Act) shall be stamped or imprinted with a legend in substantially the following form:

> "THIS WARRANT CERTIFICATE AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "***ACT***"), OR QUALIFIED UNDER ANY STATE OR FOREIGN SECURITIES LAWS AND MAY NOT BE OFFERED FOR SALE, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR ASSIGNED UNLESS (I) A REGISTRATION STATEMENT COVERING SUCH SHARES IS EFFECTIVE UNDER THE ACT AND IS QUALIFIED UNDER APPLICABLE STATE AND FOREIGN LAW OR (II) THE TRANSACTION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS UNDER THE ACT AND THE QUALIFICATION REQUIREMENTS UNDER APPLICABLE STATE AND FOREIGN LAW AND, IF THE COMPANY REQUESTS, AN OPINION SATISFACTORY TO THE COMPANY TO SUCH EFFECT HAS BEEN RENDERED BY COUNSEL."

(ii) **Removal of Restrictive Legends**. Neither this Warrant Certificate nor any certificates evidencing Warrant Shares shall contain any legend restricting the transfer thereof (including the legend set forth above in **clause (i)**) in any of the following circumstances: (A) while a Registration Statement covering the sale or resale of Warrant Shares is effective under the Securities Act, (B) following any sale of this Warrant Certificate or any Warrant Shares pursuant to Rule 144, (C) if this Warrant Certificate or Warrant Shares are eligible for sale under Rule 144(b)(1), or (D) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of

the SEC) (collectively, the "***Unrestricted Conditions***"). The Company shall cause its counsel to issue a legal opinion, at the Company's cost, to the Transfer Agent if required by such Transfer Agent to effect the issuance of Warrant Shares, without a restrictive legend or removal of the legend hereunder. If the Unrestricted Conditions are met at the time of issuance of this Warrant Certificate or the Warrant Shares, then this Warrant Certificate, Warrant Shares, as the case may be, shall be issued free of all legends.

(iii) **Replacement Warrant Certificate**. The Company agrees that at such time as the Unrestricted Conditions have been satisfied it shall promptly (but in any event within five (5) Business Days) following written request from the Holder issue a replacement Warrant Certificate or replacement Warrant Shares, as the case may be, free of all restrictive legends.

(iv) **Sale of Unlegended Shares**. The Holder agrees that the removal of the restrictive legend from this Warrant Certificate and any certificates representing securities as set forth in **Section 10(a)(ii)** above is predicated upon the Company's reliance that the Holder will sell this Warrant Certificate or any such securities pursuant to either an effective Registration Statement or otherwise pursuant to the requirements of the Securities Act, including any applicable prospectus delivery requirements, or an exemption therefrom, and that if such securities are sold pursuant to a Registration Statement, they will be sold in compliance with the plan of distribution set forth therein.

(b) **Representations of the Holder**. In connection with the issuance of this Warrant Certificate, the Holder specifically represents, as of the date hereof, to the Company by acceptance of this Warrant Certificate as follows:

(i) The Holder is an "accredited investor" as defined in Rule 501 of Regulation D promulgated under the Securities Act. The Holder is acquiring this Warrant Certificate and the Warrant Shares to be issued upon exercise hereof for investment for its own account and not with a view towards, or for resale in connection with, the public sale or distribution of this Warrant Certificate or the Warrant Shares, except pursuant to sales registered or exempted under the Securities Act.

(ii) The Holder understands and acknowledges that this Warrant Certificate and the Warrant Shares to be issued upon exercise hereof are "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that, under such laws and applicable regulations, such securities may be resold without registration under the Securities Act only in certain limited circumstances. In addition, the Holder represents that it is familiar with Rule 144 under the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

(iii) The Holder acknowledges that it can bear the economic and financial risk of its investment for an indefinite period, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in this Warrant Certificate and the Warrant Shares. The Holder has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of this Warrant Certificate and the business, properties, prospects and financial condition of the Company.

Section 11. Representations, Warranties and Covenants of the Company. The Company represents, warrants and covenants to the Holder that:

(i) the Company has the legal capacity or corporate power and authority to enter into this Warrant Certificate and to carry out its obligations hereunder. The Company is duly organized and validly existing under the laws of its jurisdiction of organization, and the execution of this Warrant Certificate and the consummation of the transactions contemplated herein have been duly authorized by all necessary action. No other act or proceeding, corporate or otherwise, on its part is necessary to authorize the execution of Warrant Certificate or the consummation of any of the transactions contemplated hereby thereby. This Warrant Certificate has been duly executed by the Company and constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms of this Warrant Certificate;

(ii) no consent, waiver, approval, authorization, exemption, registration, license or declaration is required to be made or obtained by the Company, other than those which have been made or obtained, in connection with (i) the execution or enforceability of this Warrant Certificate or (ii) the consummation of any of the transactions contemplated hereby;

(iii) as of the date hereof, and after giving effect to the transactions contemplated hereby, Schedule I sets forth (a) the authorized capital stock of the Company; (b) the number of shares of capital stock issued and outstanding; (c) the number of shares of capital stock issuable pursuant to the Company's stock plans; and (d) the number of shares of capital stock issuable and reserved for issuance pursuant to securities exercisable for, or convertible into or exchangeable for any shares of capital stock of the Company. All of the issued and outstanding shares of capital stock of the Company have been duly authorized and are validly issued, are fully paid and nonassessable and, except as set forth on Schedule I are not subject to any preemptive rights, rights of first refusal or similar rights, and were issued in compliance with applicable state and federal securities laws and any rights of third parties. Except as described on Schedule I, there are no outstanding warrants, options, convertible securities or other rights, agreements or arrangements of any character under which the Company and any of its subsidiaries is or may be obligated to issue any equity securities of any kind and neither the Company nor any of its subsidiaries is currently in negotiations for the issuance of any equity securities of any kind;

(iv) all Warrant Shares issuable and deliverable pursuant to this Warrant Certificate shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the original issuance thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue);

(v) the issuance of this Warrant Certificate shall constitute full authority to its officers who are charged with the duty of executing stock certificates to execute and issue the necessary certificates for the Warrant Shares upon the exercise of the purchase rights under this Warrant Certificate;

(vi) the Warrant Shares, when issued and paid for in accordance with the terms of this Warrant Certificate, will be issued free and clear of all security interests, claims, liens and other encumbrances other than restrictions imposed by applicable securities laws;

(vii) the Company will take all such action as may be reasonably necessary to assure that the shares constituting Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of any securities exchange or automated quotation system upon which the shares constituting Warrant Shares may be listed.

Section 12. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses indicated below (or at such other address for a party as shall be specified in a notice given in accordance with this **Section 12**).

If to the Company:

C4 Therapeutics, Inc.
490 Arsenal Way, Suite 200
Watertown, MA 02472
Attention: Chief Executive Officer
E-mail: mcohen.usa@gmail.com

with a copy to:

Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210
Attention: Lawrence S. Wittenberg
E-mail: LWittenberg@goodwinlaw.com

If to the Holder:

Perceptive Credit Holdings III, LP
c/o Perceptive Advisors LLC
51 Astor Place, 10th Floor
New York, NY 10003
Attention: Sandeep Dixit
E-mail: Sandeep@perceptivelife.com
PCOFReporting@perceptivelife.com

with a copy to:

Chapman and Cutler LLP
1270 Avenue of the Americas
New York, NY 10020
Attention: Nicholas Whitney
whitney@chapman.com

Section 13. Cumulative Remedies. The rights and remedies provided in this Warrant Certificate are cumulative and are not exclusive of, and are in addition to and not in substitution for, any other rights or remedies available at law, in equity or otherwise.

Section 14. Equitable Relief. Each of the Company and the Holder acknowledges that a breach or threatened breach by such party of any of its obligations under this Warrant Certificate would give rise to irreparable harm to the other party hereto for which monetary damages would not be an adequate remedy and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, the other party hereto shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction. The Holder and the Company further acknowledge and agree that (i) the amount of loss or damages likely to be incurred by the Holder as a result of the Company's breach of any its obligations hereunder is incapable or is difficult to precisely estimate and (ii) the parties hereto are sophisticated business parties and have been represented by sophisticated and able legal and financial counsel and negotiated this Agreement at arm's length.

Section 15. Entire Agreement. This Warrant Certificate constitutes the sole and entire agreement of the parties to this Warrant Certificate with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

Section 16. Successor and Assigns. This Warrant Certificate and the rights evidenced hereby shall be binding upon and shall inure to the benefit of the parties hereto and the successors of the Company and the successors and permitted assigns of the Holder. Such successors and/or permitted assigns of the Holder shall be deemed to be a "Holder" for all purposes hereunder.

Section 17. No Third-Party Beneficiaries. This Warrant Certificate is for the sole benefit of the Company and the Holder and their respective successors and, in the case of the Holder, permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Warrant Certificate.

Section 18. Headings. The headings in this Warrant Certificate are for reference only and shall not affect the interpretation of this Warrant Certificate.

Section 19. Amendment and Modification; Waiver. Except as otherwise provided herein, this Warrant Certificate may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by the Company or the Holder of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Warrant Certificate shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 20. Severability. If any term or provision of this Warrant Certificate is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Warrant Certificate or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 21. Governing Law. This Warrant Certificate shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of New York.

Section 22. Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or based upon this Warrant Certificate or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of New York in each case located in the city of New York and county of New York, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by certified or registered mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

Section 23. Waiver of Jury Trial. EACH OF THE COMPANY AND THE HOLDER ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS WARRANT CERTIFICATE IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS WARRANT CERTIFICATE OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 24. Counterparts. This Warrant Certificate may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Warrant Certificate delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Warrant Certificate.

Section 25. No Strict Construction. This Warrant Certificate shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has duly executed this Warrant Certificate on the Issue Date.

C4 THERAPEUTICS, INC.

By /s/ Marc Cohen
Name: Marc Cohen
Title: Chief Executive Officer

Accepted and agreed,

PERCEPTIVE CREDIT HOLDINGS III, LP

By: Perceptive Credit Opportunities GP, LLC, its general partner

By: /s/ Sandeep Dixit
Name: Sandeep Dixit
Title: Chief Credit Officer

By: /s/ Sam Chawla
Name: Sam Chawla
Title: Portfolio Manager

SCHEDULE I: Capitalization

Type	Shares
Common Stock	10,860,000
Series Seed Preferred Stock	4,000,000
Series A Preferred Stock	109,145,900
Series B Preferred Stock	138,571,428
Series B Preferred Stock Warrant	2,857,142
Stock Plan – Common Stock	1,569,110
Stock Plan – Options Outstanding	8,942,156
Stock Plan – Shares Available	32,147,089
Non-Plan – Options Outstanding	76,712

Exhibit A
to Warrant Certificate

FORM OF EXERCISE CERTIFICATE

(To be signed only upon exercise of Warrant Certificate)

To: _____

The undersigned, as holder of a right to purchase shares of Series B Preferred Stock of C4 Therapeutics, Inc., a Delaware corporation (the "***Company***") (or other Warrant Shares), pursuant to that certain Warrant Certificate of the Company, dated as of June 5, 2020 and bearing Warrant Certificate No. B-1 (the "***Warrant Certificate***"), hereby irrevocably elects to exercise the purchase right represented by such Warrant Certificate for, and to purchase thereunder, [_____ (_____)] shares of Series B Preferred Stock of the Company and herewith makes payment of [_____ Dollars ($_____)] therefor by the following method:

(Check all that apply):

_____ (check if applicable) The undersigned hereby elects to make payment of the Aggregate Exercise Price of [_____ Dollars ($_____)] for [(_____)] shares of Series B Preferred Stock using the method described in **Section 3(b)(i)**.

_____ (check if applicable) The undersigned hereby elects to make payment of the Aggregate Exercise Price of [_____ Dollars ($_____)] for [(_____)] shares of Series B Preferred Stock using the method described in **Section 3(b)(ii)**.

_____ (check if applicable) The undersigned hereby elects to make payment of the Aggregate Exercise Price of [_____ Dollars ($_____)] for [(_____)] shares of Series B Preferred Stock using the method described in **Section 3(b)(iii)**.

Unless otherwise defined herein, capitalized terms have the meanings provided in the Warrant Certificate.

DATED: _____

PERCEPTIVE CREDIT HOLDINGS III, LP

By _____
Name:
Title:

Exhibit B
to Warrant Certificate

FORM OF ASSIGNMENT

THE UNDERSIGNED, Perceptive Credit Holdings III, LP, is the holder (in such capacity, the "***Holder***") of a warrant certificate issued by C4 Therapeutics, Inc., a Delaware corporation (the "***Company***"), bearing Warrant Certificate No. B-1 (the "***Warrant Certificate***"), entitling the Holder to purchase up to 2,857,142 shares of the Company's Series B Preferred Stock. Unless otherwise defined, capitalized terms used herein have the meanings ascribed thereto in the Warrant Certificate.

FOR VALUE RECEIVED, the Holder hereby sells, assigns and transfers to [NAME OF ASSIGNEE] (the "***Assignee***") the right to acquire [all Warrant Shares entitled to be purchased upon exercise of the Warrant Certificate] [_____ of the Warrant Shares entitled to be purchased upon exercise of the Warrant Certificate]. In furtherance of the foregoing assignment, the Holder hereby irrevocably instructs the Company to (i) memorialize such assignment on the Warrant Register as required pursuant to **Section 5** of the Warrant Certificate, and (ii) pursuant to **Section 6** of the Warrant Certificate, execute and deliver to the Assignee [and the Holder] a new Warrant Certificate [new Warrant Certificates] reflecting the foregoing assignment ([each] a "***Substitute Warrant Certificate***").

The Assignee acknowledges and agrees that its Substitute Warrant Certificate and the Warrant Shares to be issued upon exercise thereof are being acquired for investment and that the Assignee will not offer, sell or otherwise dispose of its Substitute Warrant Certificate or any Warrant Shares to be issued upon exercise or conversion thereof except under circumstances which will not result in a violation of the Securities Act or any applicable state securities laws. The Assignee represents and warrants for the benefit of the Company that the Assignee is an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended.

To the extent required pursuant to **Section 10** of the Warrant Certificate, the Assignee acknowledges and agrees that a restrictive legend shall be applied to the Assignee's Substitute Warrant Certificate and the Warrant Shares issuable upon exercise of such certificate substantially consistent with the legend set forth in **Section 10(a)(i)**.

[SIGNATURE PAGE FOLLOWS]

PERCEPTIVE CREDIT HOLDINGS III, LP

By _____
Name:
Title:

Accepted and agreed,

[NAME OF ASSIGNEE]

By _____
Name:
Title:

C4 THERAPEUTICS, INC.

2015 STOCK OPTION AND GRANT PLAN

SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of the plan is the C4 Therapeutics, Inc. 2015 Stock Option and Grant Plan (the "Plan"). The purpose of the Plan is to encourage and enable the officers, employees, directors, Consultants and other key persons of C4 Therapeutics, Inc., a Delaware corporation (including any successor entity, the "Company") and its Subsidiaries, upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business, to acquire a proprietary interest in the Company.

The following terms shall be defined as set forth below:

"*Affiliate*" of any Person means a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the first mentioned Person. A Person shall be deemed to control another Person if such first Person possesses directly or indirectly the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise.

"*Award*" or "*Awards,*" except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock Awards, Unrestricted Stock Awards, Restricted Stock Units or any combination of the foregoing.

"Award Agreement" means a written or electronic agreement setting forth the terms and provisions applicable to an Award granted under the Plan. Each Award Agreement may contain terms and conditions in addition to those set forth in the Plan; *provided, however,* in the event of any conflict in the terms of the Plan and the Award Agreement, the terms of the Plan shall govern**.**

"*Board*" means the Board of Directors of the Company.

"*Cause*" shall have the meaning as set forth in the Award Agreement(s). In the case that any Award Agreement does not contain a definition of "Cause," it shall mean (i) the grantee's dishonest statements or acts with respect to the Company or any Affiliate of the Company, or any current or prospective customers, suppliers vendors or other third parties with which such entity does business; (ii) the grantee's commission of (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud; (iii) the grantee's failure to perform his assigned duties and responsibilities to the reasonable satisfaction of the Company which failure continues, in the reasonable judgment of the Company, after written notice given to the grantee by the Company; (iv) the grantee's gross negligence, willful misconduct or insubordination with respect to the Company or any Affiliate of the Company; or (v) the grantee's material violation of any provision of any agreement(s) between the grantee and the Company relating to noncompetition, nonsolicitation, nondisclosure and/or assignment of inventions.

"Chief Executive Officer" means the Chief Executive Officer of the Company or, if there is no Chief Executive Officer, then the President of the Company.

"*Code*" means the Internal Revenue Code of 1986, as amended, and any successor Code, and related rules, regulations and interpretations.

"*Committee*" means the Committee of the Board referred to in Section 2.

"Consultant" means any natural person that provides bona fide services to the Company (including a Subsidiary), and such services are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities.

"*Disability*" means "disability" as defined in Section 422(c) of the Code.

"*Effective Date*" means the date on which the Plan is adopted as set forth on the final page of the Plan.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"*Fair Market Value*" of the Stock on any given date means the fair market value of the Stock determined in good faith by the Committee based on the reasonable application of a reasonable valuation method not inconsistent with Section 409A of the Code. If the Stock is admitted to trade on a national securities exchange, the determination shall be made by reference to the closing price reported on such exchange. If there is no closing price for such date, the determination shall be made by reference to the last date preceding such date for which there is a closing price. If the date for which Fair Market Value is determined is the first day when trading prices for the Stock are reported on a national securities exchange, the Fair Market Value shall be the "Price to the Public" (or equivalent) set forth on the cover page for the final prospectus relating to the Company's Initial Public Offering.

"Good Reason" shall have the meaning as set forth in the Award Agreement(s). In the case that any Award Agreement does not contain a definition of "Good Reason," it shall mean (i) a material diminution in the grantee's base salary except for across-the-board salary reductions similarly affecting all or substantially all similarly situated employees of the Company or (ii) a change of more than 50 miles in the geographic location at which the grantee provides services to the Company, so long as the grantee provides at least 90 days notice to the Company following the initial occurrence of any such event and the Company fails to cure such event within 30 days thereafter.

"*Grant Date"* means the date that the Committee designates in its approval of an Award in accordance with applicable law as the date on which the Award is granted, which date may not precede the date of such Committee approval.

"Holder" means, with respect to an Award or any Shares, the Person holding such Award or Shares, including the initial recipient of the Award or any Permitted Transferee.

"*Incentive Stock Option*" means any Stock Option designated and qualified as an "incentive stock option" as defined in Section 422 of the Code.

"*Initial Public Offering*" means the consummation of the first firm commitment underwritten public offering pursuant to an effective registration statement under the Securities Act covering the offer and sale by the Company of its equity securities, as a result of or following which the Stock shall be publicly held.

"*Non-Qualified Stock Option*" means any Stock Option that is not an Incentive Stock Option.

"*Option*" or "*Stock Option*" means any option to purchase shares of Stock granted pursuant to Section 5.

"*Permitted Transferees*" shall mean any of the following to whom a Holder may transfer Shares hereunder (as set forth in Section 9(a)(ii)(A)): the Holder's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the Holder's household (other than a tenant or employee), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons control the management of assets, and any other entity in which these persons own more than fifty percent of the voting interests*; provided, however,* that any such trust does not require or permit distribution of any Shares during the term of the Award Agreement unless subject to its terms. Upon the death of the Holder, the term Permitted Transferees shall also include such deceased Holder's estate, executors, administrators, personal representatives, heirs, legatees and distributees, as the case may be.

"*Person*" shall mean any individual, corporation, partnership (limited or general), limited liability company, limited liability partnership, association, trust, joint venture, unincorporated organization or any similar entity.

"Restricted Stock Award" means Awards granted pursuant to Section 6 and *"Restricted Stock"* means Shares issued pursuant to such Awards.

"Restricted Stock Unit" means an Award of phantom stock units to a grantee, which may be settled in cash or Shares as determined by the Committee, pursuant to Section 8.

"*Sale Event"* means the consummation of (i) the dissolution or liquidation of the Company, (ii) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, (iii) a merger, reorganization or consolidation pursuant to which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity (or its ultimate parent, if applicable), (iv) the acquisition of all or a majority of the outstanding voting stock of the Company in a single transaction or a series of related transactions by a Person or group of Persons, or (v) any other acquisition of the business of the Company, as determined by the Board; *provided, however,* that the Company's Initial Public Offering, any subsequent public offering or another capital raising event, or a merger effected solely to change the Company's domicile shall not constitute a "Sale Event."

"Section 409A" means Section 409A of the Code and the regulations and other guidance promulgated thereunder.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"Service Relationship" means, except as otherwise set forth in an Award Agreement, any relationship as a full-time employee, part-time employee, director or other key person (including Consultants) of the Company or any Subsidiary or any successor entity (e.g., a Service Relationship shall be deemed to continue without interruption in the event an individual's status changes from full-time employee to part-time employee or Consultant).

"Shares" means shares of Stock.

"*Stock*" means the Common Stock, par value $0.0001 per share, of the Company.

"*Subsidiary*" means any corporation or other entity (other than the Company) in which the Company has more than a 50 percent interest, either directly or indirectly.

"Ten Percent Owner" means an employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10 percent of the combined voting power of all classes of stock of the Company or any parent of the Company or any Subsidiary.

"Termination Event" means the termination of the Award recipient's Service Relationship with the Company and its Subsidiaries for any reason whatsoever, regardless of the circumstances thereof, and including, without limitation, upon death, disability, retirement, discharge or resignation for any reason, whether voluntarily or involuntarily. The following shall not constitute a Termination Event (unless specifically set forth in an Award Agreement): (i) a transfer to the service of the Company from a Subsidiary or from the Company to a Subsidiary, or from one Subsidiary to another Subsidiary or (ii) an approved leave of absence for military service or sickness, or for any other purpose approved by the Committee, if the individual's right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee otherwise so provides in writing.

"*Unrestricted Stock Award"* means any Award granted pursuant to Section 7 and *"Unrestricted Stock"* means Shares issued pursuant to such Awards.

SECTION 2. ADMINISTRATION OF PLAN; COMMITTEE AUTHORITY TO SELECT GRANTEES AND DETERMINE AWARDS

(a) Administration of Plan. The Plan shall be administered by the Board, or at the discretion of the Board, by a committee of the Board, comprised of not less than two directors. All references herein to the "Committee" shall be deemed to refer to the group then responsible for administration of the Plan at the relevant time (i.e., either the Board of Directors or a committee or committees of the Board, as applicable).

(b) Powers of Committee. The Committee shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) to select the individuals to whom Awards may from time to time be granted;

(ii) to determine the time or times of grant, and the amount, if any, of Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock Awards, Unrestricted Stock Awards, Restricted Stock Units, or any combination of the foregoing, granted to any one or more grantees;

(iii) to determine the number of Shares to be covered by any Award and, subject to the provisions of the Plan, the price, exercise price, conversion ratio or other price relating thereto;

(iv) to determine and, subject to Section 12, to modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and grantees, and to approve the form of Award Agreements;

(v) to accelerate at any time the exercisability or vesting of all or any portion of any Award;

(vi) to impose any limitations on Awards, including limitations on transfers, repurchase provisions and the like, and to exercise repurchase rights or obligations;

(vii) subject to Section 5(a)(ii) and any restrictions imposed by Section 409A, to extend at any time the period in which Stock Options may be exercised; and

(viii) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including Award Agreements); to make all determinations it deems advisable for the administration of the Plan; to decide all disputes arising in connection with the Plan; and to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Committee shall be binding on all persons, including the Company and all Holders.

(c) Award Agreement. Awards under the Plan shall be evidenced by Award Agreements that set forth the terms, conditions and limitations for each Award.

(d) Indemnification. Neither the Board nor the Committee, nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board and the Committee (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under the Company's governing documents, including its certificate of incorporation or bylaws, or any directors' and officers' liability insurance coverage which may be in effect from time to time and/or any indemnification agreement between such individual and the Company.

(e) Foreign Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which the Company and any Subsidiary operate or have employees or other individuals eligible for Awards, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which Subsidiaries, if any, shall be covered by the Plan; (ii) determine which individuals, if any, outside the United States are

eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to individuals outside the United States to comply with applicable foreign laws; (iv) establish subplans and modify exercise procedures and other terms and procedures, to the extent the Committee determines such actions to be necessary or advisable (and such subplans and/or modifications shall be attached to the Plan as appendices); provided, however, that no such subplans and/or modifications shall increase the share limitation contained in Section 3(a) hereof; and (v) take any action, before or after an Award is made, that the Committee determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals.

SECTION 3. STOCK ISSUABLE UNDER THE PLAN; MERGERS AND OTHER TRANSACTIONS; SUBSTITUTION

(a) Stock Issuable. The maximum number of Shares reserved and available for issuance under the Plan shall be 21,297,353 Shares, subject to adjustment as provided in Section 3(b). For purposes of this limitation, the Shares underlying any Awards that are forfeited, canceled, reacquired by the Company prior to vesting, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) and Shares that are withheld upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding shall be added back to the Shares available for issuance under the Plan. Subject to such overall limitations, Shares may be issued up to such maximum number pursuant to any type or types of Award, and no more than 212,973,530 Shares may be issued pursuant to Incentive Stock Options. The Shares available for issuance under the Plan may be authorized but unissued Shares or Shares reacquired by the Company. Beginning on the date that the Company becomes subject to Section 162(m) of the Code, Options with respect to no more than 21,297,353 Shares shall be granted to any one individual in any calendar year period.

(b) Changes in Stock. Subject to Section 3(c) hereof, if, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Company's capital stock, the outstanding Shares are increased or decreased or are exchanged for a different number or kind of shares or other securities of the Company, or additional Shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such Shares or other securities, in each case, without the receipt of consideration by the Company, or, if, as a result of any merger or consolidation, or sale of all or substantially all of the assets of the Company, the outstanding Shares are converted into or exchanged for other securities of the Company or any successor entity (or a parent or subsidiary thereof), the Committee shall make an appropriate and proportionate adjustment in (i) the maximum number of Shares reserved for issuance under the Plan, (ii) the number and kind of Shares or other securities subject to any then outstanding Awards under the Plan, (iii) the repurchase price, if any, per Share subject to each outstanding Award, and (iv) the exercise price for each Share subject to any then outstanding Stock Options under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of Stock Options) as to which such Stock Options remain exercisable. The Committee shall in any event make such adjustments as may be required by Section 25102(o) of the California Corporation Code and the rules and regulations promulgated thereunder. The adjustment by the Committee shall be final, binding and conclusive. No fractional Shares shall be issued under the Plan resulting from any such adjustment, but the Committee in its discretion may make a cash payment in lieu of fractional shares.

(c) Sale Events.

(i) Options.

(A) In the case of and subject to the consummation of a Sale Event, the Plan and all outstanding Options issued hereunder shall terminate upon the effective time of any such Sale Event unless assumed or continued by the successor entity, or new stock options or other awards of the successor entity or parent thereof are substituted therefor, with an equitable or proportionate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree (after taking into account any acceleration hereunder and/or pursuant to the terms of any Award Agreement).

(B) In the event of the termination of the Plan and all outstanding Options issued hereunder pursuant to Section 3(c), each Holder of Options shall be permitted, within a period of time prior to the consummation of the Sale Event as specified by the Committee, to exercise all such Options which are then exercisable or will become exercisable as of the effective time of the Sale Event; *provided, however*, that the exercise of Options not exercisable prior to the Sale Event shall be subject to the consummation of the Sale Event.

(C) Notwithstanding anything to the contrary in Section 3(c)(i)(A), in the event of a Sale Event, the Company shall have the right, but not the obligation, to make or provide for a cash payment to the Holders of Options, without any consent of the Holders, in exchange for the cancellation thereof, in an amount equal to the difference between (A) the value as determined by the Committee of the consideration payable per share of Stock pursuant to the Sale Event (the "Sale Price") times the number of Shares subject to outstanding Options being cancelled (to the extent then vested and exercisable, including by reason of acceleration in connection with such Sale Event, at prices not in excess of the Sale Price) and (B) the aggregate exercise price of all such outstanding vested and exercisable Options.

(ii) Restricted Stock and Restricted Stock Unit Awards.

(A) In the case of and subject to the consummation of a Sale Event, all unvested Restricted Stock and unvested Restricted Stock Unit Awards (other than those becoming vested as a result of the Sale Event) issued hereunder shall be forfeited immediately prior to the effective time of any such Sale Event unless assumed or continued by the successor entity, or awards of the successor entity or parent thereof are substituted therefor, with an equitable or proportionate adjustment as to the number and kind of shares subject to such awards as such parties shall agree (after taking into account any acceleration hereunder and/or pursuant to the terms of any Award Agreement).

(B) In the event of the forfeiture of Restricted Stock pursuant to Section 3(c)(ii)(A), such Restricted Stock shall be repurchased from the Holder thereof at a price per share equal to the original per share purchase price paid by the Holder (subject to adjustment as provided in Section 3(b)) for such Shares.

(C) Notwithstanding anything to the contrary in Section 3(c)(ii)(A), in the event of a Sale Event, the Company shall have the right, but not the obligation, to make or provide for a cash payment to the Holders of Restricted Stock or Restricted Stock Unit Awards, without consent of the Holders, in exchange for the cancellation thereof, in an amount equal to the Sale Price times the number of Shares subject to such Awards, to be paid at the time of such Sale Event or upon the later vesting of such Awards.

SECTION 4. ELIGIBILITY

Grantees under the Plan will be such full or part-time officers and other employees, directors, Consultants and key persons of the Company and any Subsidiary who are selected from time to time by the Committee in its sole discretion; provided, however, that Awards shall be granted only to those individuals described in Rule 701(c) of the Securities Act.

SECTION 5. STOCK OPTIONS

Upon the grant of a Stock Option, the Company and the grantee shall enter into an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee, and such terms and conditions may differ among individual Awards and grantees.

Stock Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. Incentive Stock Options may be granted only to employees of the Company or any Subsidiary that is a "subsidiary corporation" within the meaning of Section 424(f) of the Code. To the extent that any Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

(a) Terms of Stock Options. The Committee in its discretion may grant Stock Options to those individuals who meet the eligibility requirements of Section 4. Stock Options shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable.

(i) Exercise Price. The exercise price per share for the Shares covered by a Stock Option shall be determined by the Committee at the time of grant but shall not be less than 100 percent of the Fair Market Value on the Grant Date. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the exercise price per share for the Shares covered by such Incentive Stock Option shall not be less than 110 percent of the Fair Market Value on the Grant Date.

(ii) Option Term. The term of each Stock Option shall be fixed by the Committee, but no Stock Option shall be exercisable more than ten years from the Grant Date. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the term of such Stock Option shall be no more than five years from the Grant Date.

(iii) Exercisability; Rights of a Stockholder. Stock Options shall become exercisable and/or vested at such time or times, whether or not in installments, as shall be determined by the Committee at or after the Grant Date. The Award Agreement may permit a grantee to exercise all or a portion of a Stock Option immediately at grant; provided that the Shares issued upon such exercise shall be subject to restrictions and a vesting schedule identical to the vesting schedule of the related Stock Option, such Shares shall be deemed to be Restricted Stock for purposes of the Plan, and the optionee may be required to enter into an additional or new Award Agreement as a condition to exercise of such Stock Option. An optionee shall have the rights of a

stockholder only as to Shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options. An optionee shall not be deemed to have acquired any Shares unless and until a Stock Option shall have been exercised pursuant to the terms of the Award Agreement and this Plan and the optionee's name has been entered on the books of the Company as a stockholder.

(iv) Method of Exercise. Stock Options may be exercised by an optionee in whole or in part, by the optionee giving written or electronic notice of exercise to the Company, specifying the number of Shares to be purchased. Payment of the purchase price may be made by one or more of the following methods (or any combination thereof) to the extent provided in the Award Agreement:

(A) In cash, by certified or bank check, by wire transfer of immediately available funds, or other instrument acceptable to the Committee;

(B) If permitted by the Committee, by the optionee delivering to the Company a promissory note, if the Board has expressly authorized the loan of funds to the optionee for the purpose of enabling or assisting the optionee to effect the exercise of his or her Stock Option; provided, that at least so much of the exercise price as represents the par value of the Stock shall be paid in cash if required by state law;

(C) If permitted by the Committee and the Initial Public Offering has occurred (or the Stock otherwise becomes publicly-traded), through the delivery (or attestation to the ownership) of Shares that have been purchased by the optionee on the open market or that are beneficially owned by the optionee and are not then subject to restrictions under any Company plan. To the extent required to avoid variable accounting treatment under ASC 718 or other applicable accounting rules, such surrendered Shares if originally purchased from the Company shall have been owned by the optionee for at least six months. Such surrendered Shares shall be valued at Fair Market Value on the exercise date;

(D) If permitted by the Committee and the Initial Public Offering has occurred (or the Stock otherwise becomes publicly-traded), by the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company for the purchase price; provided that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Committee shall prescribe as a condition of such payment procedure; or

(E) If permitted by the Committee, and only with respect to Stock Options that are not Incentive Stock Options, by a "net exercise" arrangement pursuant to which the Company will reduce the number of Shares issuable upon exercise by the largest whole number of Shares with a Fair Market Value that does not exceed the aggregate exercise price.

Payment instruments will be received subject to collection. No certificates for Shares so purchased will be issued to the optionee or, with respect to uncertificated Stock, no transfer to the optionee on the records of the Company will take place, until the Company has completed all steps it has deemed necessary to satisfy legal requirements relating to the issuance and sale of the Shares, which steps may include, without limitation, (i) receipt of a representation from the optionee at the time of exercise of the Option that the optionee is purchasing the Shares for the optionee's own account and not with a view to any sale or distribution of the Shares or other representations relating to compliance with applicable law governing the issuance of securities, (ii) the legending of the certificate (or notation on any book entry) representing the Shares to evidence the foregoing restrictions, and (iii) obtaining from optionee payment or provision for all withholding taxes due as a result of the exercise of the Option. The delivery of certificates representing the shares of Stock (or the transfer to the optionee on the records of the Company with respect to uncertificated Stock) to be purchased pursuant to the exercise of a Stock Option will be contingent upon (A) receipt from the optionee (or a purchaser acting in his or her stead in accordance with the provisions of the Stock Option) by the Company of the full purchase price for such Shares and the fulfillment of any other requirements contained in the Award Agreement or applicable provisions of laws and (B) if required by the Company, the optionee shall have entered into any stockholders agreements or other agreements with the Company and/or certain other of the Company's stockholders relating to the Stock. In the event an optionee chooses to pay the purchase price by previously-owned Shares through the attestation method, the number of Shares transferred to the optionee upon the exercise of the Stock Option shall be net of the number of Shares attested to.

(b) Annual Limit on Incentive Stock Options. To the extent required for "incentive stock option" treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the Grant Date) of the Shares with respect to which Incentive Stock Options granted under the Plan and any other plan of the Company or its parent and any Subsidiary that become exercisable for the first time by an optionee during any calendar year shall not exceed $100,000 or such other limit as may be in effect from time to time under Section 422 of the Code. To the extent that any Stock Option exceeds this limit, it shall constitute a Non-Qualified Stock Option.

(c) Termination. Any portion of a Stock Option that is not vested and exercisable on the date of termination of an optionee's Service Relationship shall immediately expire and be null and void. Once any portion of the Stock Option becomes vested and exercisable, the optionee's right to exercise such portion of the Stock Option (or the optionee's representatives and legatees as applicable) in the event of a termination of the optionee's Service Relationship shall continue until the earliest of: (i) the date which is: (A) 12 months following the date on which the optionee's Service Relationship terminates due to death or Disability (or such longer period of time as determined by the Committee and set forth in the applicable Award Agreement), or (B) three months following the date on which the optionee's Service Relationship terminates if the termination is due to any reason other than death or Disability (or such longer period of time as determined by the Committee and set forth in the applicable Award Agreement), or (ii) the Expiration Date set forth in the Award Agreement; provided that notwithstanding the foregoing, an Award Agreement may provide that if the optionee's Service Relationship is terminated for Cause, the Stock Option shall terminate immediately and be null and void upon the date of the optionee's termination and shall not thereafter be exercisable.

SECTION 6. RESTRICTED STOCK AWARDS

(a) Nature of Restricted Stock Awards. The Committee may, in its sole discretion, grant (or sell at par value or such other purchase price determined by the Committee) to an eligible individual under Section 4 hereof a Restricted Stock Award under the Plan. The Committee shall determine the restrictions and conditions applicable to each Restricted Stock Award at the time of grant. Conditions may be based on continuing employment (or other Service Relationship), achievement of pre-established performance goals and objectives and/or such other criteria as the Committee may determine. Upon the grant of a Restricted Stock Award, the Company and the grantee shall enter into an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee, and such terms and conditions may differ among individual Awards and grantees.

(b) Rights as a Stockholder. Upon the grant of the Restricted Stock Award and payment of any applicable purchase price, a grantee of Restricted Stock shall be considered the record owner of and shall be entitled to vote the Restricted Stock if, and to the extent, such Shares are entitled to voting rights, subject to such conditions contained in the Award Agreement. The grantee shall be entitled to receive all dividends and any other distributions declared on the Shares; provided, however, that the Company is under no duty to declare any such dividends or to make any such distribution. Unless the Committee shall otherwise determine, certificates evidencing the Restricted Stock shall remain in the possession of the Company until such Restricted Stock is vested as provided in subsection (d) below of this Section, and the grantee shall be required, as a condition of the grant, to deliver to the Company a stock power endorsed in blank and such other instruments of transfer as the Committee may prescribe.

(c) Restrictions. Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein or in the Award Agreement. Except as may otherwise be provided by the Committee either in the Award Agreement or, subject to Section 12 below, in writing after the Award Agreement is issued, if a grantee's Service Relationship with the Company and any Subsidiary terminates, the Company or its assigns shall have the right, as may be specified in the relevant instrument, to repurchase some or all of the Shares subject to the Award at such purchase price as is set forth in the Award Agreement.

(d) Vesting of Restricted Stock. The Committee at the time of grant shall specify in the Award Agreement the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which the substantial risk of forfeiture imposed shall lapse and the Restricted Stock shall become vested, subject to such further rights of the Company or its assigns as may be specified in the Award Agreement.

SECTION 7. UNRESTRICTED STOCK AWARDS

The Committee may, in its sole discretion, grant (or sell at par value or such other purchase price determined by the Committee) to an eligible person under Section 4 hereof an Unrestricted Stock Award under the Plan. Unrestricted Stock Awards may be granted in respect of past services or other valid consideration, or in lieu of cash compensation due to such grantee.

SECTION 8. RESTRICTED STOCK UNITS

(a) Nature of Restricted Stock Units. The Committee may, in its sole discretion, grant to an eligible person under Section 4 hereof Restricted Stock Units under the Plan. The Committee shall determine the restrictions and conditions applicable to each Restricted Stock Unit at the time of grant. Vesting conditions may be based on continuing employment (or other Service Relationship), achievement of pre-established performance goals and objectives and/or other such

criteria as the Committee may determine. Upon the grant of Restricted Stock Units, the grantee and the Company shall enter into an Award Agreement. The terms and conditions of each such Award Agreement shall be determined by the Committee and may differ among individual Awards and grantees. On or promptly following the vesting date or dates applicable to any Restricted Stock Unit, but in no event later than March 15 of the year following the year in which such vesting occurs, such Restricted Stock Unit(s) shall be settled in the form of cash or shares of Stock, as specified in the Award Agreement. Restricted Stock Units may not be sold, assigned, transferred, pledged, or otherwise encumbered or disposed of.

(b) Rights as a Stockholder. A grantee shall have the rights of a stockholder only as to Shares, if any, acquired upon settlement of Restricted Stock Units. A grantee shall not be deemed to have acquired any such Shares unless and until the Restricted Stock Units shall have been settled in Shares pursuant to the terms of the Plan and the Award Agreement, the Company shall have issued and delivered a certificate representing the Shares to the grantee (or transferred on the records of the Company with respect to uncertificated stock), and the grantee's name has been entered in the books of the Company as a stockholder.

(c) Termination. Except as may otherwise be provided by the Committee either in the Award Agreement or in writing after the Award Agreement is issued, a grantee's right in all Restricted Stock Units that have not vested shall automatically terminate upon the grantee's cessation of Service Relationship with the Company and any Subsidiary for any reason.

SECTION 9. TRANSFER RESTRICTIONS; COMPANY RIGHT OF FIRST REFUSAL; COMPANY REPURCHASE RIGHTS

(a) Restrictions on Transfer.

(i) Non-Transferability of Stock Options. Stock Options and, prior to exercise, the Shares issuable upon exercise of such Stock Option, shall not be transferable by the optionee otherwise than by will, or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the optionee's lifetime, only by the optionee, or by the optionee's legal representative or guardian in the event of the optionee's incapacity. Notwithstanding the foregoing, the Committee, in its sole discretion, may provide in the Award Agreement regarding a given Stock Option that the optionee may transfer by gift, without consideration for the transfer, his or her Non-Qualified Stock Options to his or her family members (as defined in Rule 701 of the Securities Act), to trusts for the benefit of such family members, or to partnerships in which such family members are the only partners (to the extent such trusts or partnerships are considered "family members" for purposes of Rule 701 of the Securities Act), provided that the transferee agrees in writing with the Company to be bound by all of the terms and conditions of this Plan and the applicable Award Agreement, including the execution of a stock power upon the issuance of Shares. Stock Options, and the Shares issuable upon exercise of such Stock Options, shall be restricted as to any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" (as defined in the Exchange Act) or any "call equivalent position" (as defined in the Exchange Act) prior to exercise.

(ii) Shares. No Shares shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law, unless (i) the transfer is in compliance with the terms of the applicable Award Agreement, all applicable securities laws (including, without limitation, the Securities Act),

and with the terms and conditions of this Section 9, (ii) the transfer does not cause the Company to become subject to the reporting requirements of the Exchange Act, and (iii) the transferee consents in writing to be bound by the provisions of the Plan and the Award Agreement, including this Section 9. In connection with any proposed transfer, the Committee may require the transferor to provide at the transferor's own expense an opinion of counsel to the transferor, satisfactory to the Committee, that such transfer is in compliance with all foreign, federal and state securities laws (including, without limitation, the Securities Act). Any attempted transfer of Shares not in accordance with the terms and conditions of this Section 9 shall be null and void, and the Company shall not reflect on its records any change in record ownership of any Shares as a result of any such transfer, shall otherwise refuse to recognize any such transfer and shall not in any way give effect to any such transfer of Shares. The Company shall be entitled to seek protective orders, injunctive relief and other remedies available at law or in equity including, without limitation, seeking specific performance or the rescission of any transfer not made in strict compliance with the provisions of this Section 9. Subject to the foregoing general provisions, and unless otherwise provided in the applicable Award Agreement, Shares may be transferred pursuant to the following specific terms and conditions (provided that with respect to any transfer of Restricted Stock, all vesting and forfeiture provisions shall continue to apply with respect to the original recipient):

(A) Transfers to Permitted Transferees. The Holder may transfer any or all of the Shares to one or more Permitted Transferees; *provided, however*, that following such transfer, such Shares shall continue to be subject to the terms of this Plan (including this Section 9) and such Permitted Transferee(s) shall, as a condition to any such transfer, deliver a written acknowledgment to that effect to the Company and shall deliver a stock power to the Company with respect to the Shares. Notwithstanding the foregoing, the Holder may not transfer any of the Shares to a Person whom the Company reasonably determines is a direct competitor or a potential competitor of the Company or any of its Subsidiaries.

(B) Transfers Upon Death. Upon the death of the Holder, any Shares then held by the Holder at the time of such death and any Shares acquired after the Holder's death by the Holder's legal representative shall be subject to the provisions of this Plan, and the Holder's estate, executors, administrators, personal representatives, heirs, legatees and distributees shall be obligated to convey such Shares to the Company or its assigns under the terms contemplated by the Plan and the Award Agreement.

(b) Right of First Refusal. In the event that a Holder at any time after but not prior to the expiration of the Repurchase Period (as defined below) desires to sell or otherwise transfer all or any part of his or her Shares (other than shares of Restricted Stock which by their terms are not transferrable), the Holder first shall give written notice to the Company of the Holder's intention to make such transfer. Such notice shall state the number of Shares that the Holder proposes to sell (the "Offered Shares"), the price and the terms at which the proposed sale is to be made and the name and address of the proposed transferee. At any time within 30 days after the receipt of such notice by the Company, the Company or its assigns may elect to purchase all or any portion of the Offered Shares at Fair Market Value and on the terms offered by the proposed transferee and specified in the notice. The Company or its assigns shall exercise this right by mailing or delivering written notice to the Holder within the foregoing 30-day period. If the Company or its assigns elect to exercise its purchase rights under this Section 9(b), the closing for such purchase shall, in any event, take place within 45 days after the receipt by the Company of the initial notice

from the Holder. In the event that the Company or its assigns do not elect to exercise such purchase right, or in the event that the Company or its assigns do not pay the full purchase price within such 45-day period, the Holder shall be required to pay a transaction processing fee of $10,000 to the Company (unless waived by the Committee) and then may, within 60 days thereafter, sell the Offered Shares to the proposed transferee and at the same price and on the same terms as specified in the Holder's notice. Any Shares not sold to the proposed transferee shall remain subject to the Plan. If the Holder is a party to any stockholders agreements or other agreements with the Company and/or certain other of the Company's stockholders relating to the Shares, (i) the transferring Holder shall comply with the requirements of such stockholders agreements or other agreements relating to any proposed transfer of the Offered Shares, and (ii) any proposed transferee that purchases Offered Shares shall enter into such stockholders agreements or other agreements with the Company and/or certain of the Company's stockholders relating to the Offered Shares on the same terms and in the same capacity as the transferring Holder.

(c) Company's Right of Repurchase.

(i) Right of Repurchase for Shares Issued Under the Plan. Upon a Termination Event, the Company or its assigns shall have the right and option to repurchase from a Holder any Shares acquired under the Plan. Such repurchase rights may be exercised by the Company within 18 months following the date of such Termination Event (or, if later, six months and one day following the acquisition of Shares upon exercise of a Stock Option) (the "Repurchase Period").

(ii) Repurchase Price. The Repurchase Price shall be equal to (a) in the case of Shares which are vested as of the date of the Termination Event giving rise to the repurchase, (x) in the case of a repurchase following a termination of the Holder's Service Relationship for Cause, the lesser of the per share price paid by the Holder, subject to adjustment as provided in Section 3(b) of the Plan, and the Fair Market Value of such Shares as of the date the Company elects to exercise its repurchase rights or (y) in the case of any other Termination Event, the Fair Market Value of such Shares as of the date the Company elects to exercise its repurchase rights and (b) in the case of Shares which are unvested as of the date of the Termination Event giving rise to the repurchase, the lesser of the per share price paid by the Holder, subject to adjustment as provided in Section 3(b) of the Plan, and the Fair Market Value of such Shares as of the date the Company elects to exercise its repurchase rights.

(iii) Procedure. Any repurchase right of the Company shall be exercised by the Company or its assigns by giving the Holder written notice on or before the last day of the repurchase period of its intention to exercise such repurchase right. Upon such notification, the Holder shall promptly surrender to the Company, free and clear of any liens or encumbrances, any certificates representing the Shares being purchased, together with a duly executed stock power for the transfer of such Shares to the Company or the Company's assignee or assignees. Upon the Company's or its assignee's receipt of the certificates from the Holder, the Company or its assignee or assignees shall deliver to him, her or them a check for the applicable repurchase price; *provided, however*, that the Company may pay the repurchase price by offsetting and canceling any indebtedness then owed by the Holder to the Company.

(d) Drag Along Right. In the event the holders of a majority of the Company's equity securities then outstanding (the "Majority Shareholders") determine to enter into a Sale Event in a bona fide negotiated transaction (a "Sale"), with any non-Affiliate of the Company or any majority shareholder (in each case, the "Buyer"), a Holder of Shares, including any Permitted Transferee, shall be obligated to and shall upon the written request of the Majority Shareholders: (a) sell, transfer and deliver, or cause to be sold, transferred and delivered, to the Buyer, his or her Shares (including for this purpose all of such Holder's Shares that presently or as a result of any such transaction may be acquired upon the exercise of an Option (following the payment of the exercise price therefor)) on substantially the same terms applicable to the Majority Shareholders (with appropriate adjustments to reflect the conversion of convertible securities, the redemption of redeemable securities and the exercise of exercisable securities as well as the relative preferences and priorities of preferred stock); and (b) execute and deliver such instruments of conveyance and transfer and take such other action, including voting such Shares in favor of any Sale proposed by the Majority Shareholders and executing any purchase agreements, merger agreements, indemnity agreements, escrow agreements or related documents as the Majority Shareholders or the Buyer may reasonably require in order to carry out the terms and provisions of this Section 9(d).

(e) Escrow Arrangement.

(i) Escrow. In order to carry out the provisions of this Section 9 of this Plan more effectively, the Company shall hold any Shares issued pursuant to Awards granted under the Plan in escrow together with separate stock powers executed by the Holder in blank for transfer. The Company shall not dispose of the Shares except as otherwise provided in this Plan. In the event of any repurchase by the Company (or any of its assigns), the Company is hereby authorized by the Holder, as the Holder's attorney-in-fact, to date and complete the stock powers necessary for the transfer of the Shares being purchased and to transfer such Shares in accordance with the terms hereof. At such time as any Shares are no longer subject to the Company's repurchase and first refusal rights, the Company shall, at the written request of the Holder, deliver to the Holder a certificate representing such Shares with the balance of the Shares to be held in escrow pursuant to this Section.

(ii) Remedy. Without limitation of any other provision of this Plan or other rights, in the event that a Holder or any other Person is required to sell a Holder's Shares pursuant to the provisions of Sections 9(b), (c) or (d) hereof and in the further event that he or she refuses or for any reason fails to deliver to the Company or its designated purchaser of such Shares the certificate or certificates evidencing such Shares together with a related stock power, the Company or such designated purchaser may deposit the applicable purchase price for such Shares with a bank designated by the Company, or with the Company's independent public accounting firm, as agent or trustee, or in escrow, for such Holder or other Person, to be held by such bank or accounting firm for the benefit of and for delivery to him, her, them or it, and/or, in its discretion, pay such purchase price by offsetting any indebtedness then owed by such Holder as provided above. Upon any such deposit and/or offset by the Company or its designated purchaser of such amount and upon notice to the Person who was required to sell the Shares to be sold pursuant to the provisions of Sections 9(b), (c) or (d), such Shares shall at such time be deemed to have been sold, assigned, transferred and conveyed to such purchaser, such Holder shall have no further rights thereto (other than the right to withdraw the payment thereof held in escrow, if applicable), and the Company shall record such transfer in its stock transfer book or in any appropriate manner.

(f) Lockup Provision. If requested by the Company, a Holder shall not sell or otherwise transfer or dispose of any Shares (including, without limitation, pursuant to Rule 144 under the Securities Act) held by him or her for such period following the effective date of a public offering by the Company of Shares as the Company shall specify reasonably and in good faith. If requested by the underwriter engaged by the Company, each Holder shall execute a separate letter confirming his or her agreement to comply with this Section.

(g) Adjustments for Changes in Capital Structure. If, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Common Stock, the outstanding Shares are increased or decreased or are exchanged for a different number or kind of securities of the Company, the restrictions contained in this Section 9 shall apply with equal force to additional and/or substitute securities, if any, received by Holder in exchange for, or by virtue of his or her ownership of, Shares.

(h) Termination. The terms and provisions of Section 9(b), Section 9(c) (except for the Company's right to repurchase Shares still subject to a risk of forfeiture upon a Termination Event) and Section 9(d) shall terminate upon the closing of the Company's Initial Public Offering or upon consummation of any Sale Event, in either case as a result of which Shares are registered under Section 12 of the Exchange Act and publicly-traded on any national security exchange.

SECTION 10. TAX WITHHOLDING

(a) Payment by Grantee. Each grantee shall, no later than the date as of which the value of an Award or of any Shares or other amounts received thereunder first becomes includable in the gross income of the grantee for income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld by the Company with respect to such income. The Company and any Subsidiary shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the grantee. The Company's obligation to deliver stock certificates (or evidence of book entry) to any grantee is subject to and conditioned on any such tax withholding obligations being satisfied by the grantee.

(b) Payment in Stock. If permitted by the Committee, the Company's minimum required tax withholding obligation may be satisfied, in whole or in part, by the Company withholding from Shares to be issued pursuant to an Award a number of Shares having an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the minimum withholding amount due.

SECTION 11. SECTION 409A AWARDS.

To the extent that any Award is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A (a "409A Award"), the Award shall be subject to such additional rules and requirements as may be specified by the Committee from time to time. In this regard, if any amount under a 409A Award is payable upon a "separation from service" (within the meaning of Section 409A) to a grantee who is considered a "specified employee" (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the grantee's separation from service, or (ii) the grantee's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A. The Company makes no representation or warranty and shall have no liability to any grantee under the Plan or any other Person with respect to any penalties or taxes under Section 409A that are, or may be, imposed with respect to any Award.

SECTION 12. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan and the Committee may, at any time, amend or cancel any outstanding Award for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall adversely affect rights under any outstanding Award without the consent of the holder of the Award. The Committee may exercise its discretion to reduce the exercise price of outstanding Stock Options or effect repricing through cancellation of outstanding Stock Options and by granting such holders new Awards in replacement of the cancelled Stock Options. To the extent determined by the Committee to be required either by the Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code or otherwise, Plan amendments shall be subject to approval by the Company stockholders entitled to vote at a meeting of stockholders. Nothing in this Section 12 shall limit the Board's or Committee's authority to take any action permitted pursuant to Section 3(c). The Board reserves the right to amend the Plan and/or the terms of any outstanding Stock Options to the extent reasonably necessary to comply with the requirements of the exemption pursuant to paragraph (f)(4) of Rule 12h-1 of the Exchange Act.

SECTION 13. STATUS OF PLAN

With respect to the portion of any Award that has not been exercised and any payments in cash, Stock or other consideration not received by a grantee, a grantee shall have no rights greater than those of a general creditor of the Company unless the Committee shall otherwise expressly so determine in connection with any Award.

SECTION 14. GENERAL PROVISIONS

(a) No Distribution; Compliance with Legal Requirements. The Committee may require each person acquiring Shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the Shares without a view to distribution thereof. No Shares shall be issued pursuant to an Award until all applicable securities law and other legal and stock exchange or similar requirements have been satisfied. The Committee may require the placing of such stop-orders and restrictive legends on certificates for Stock and Awards as it deems appropriate.

(b) Delivery of Stock Certificates. Stock certificates to grantees under the Plan shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company shall have mailed such certificates in the United States mail, addressed to the grantee, at the grantee's last known address on file with the Company; provided that stock certificates to be held in escrow pursuant to Section 9 of the Plan shall be deemed delivered when the Company shall have recorded the issuance in its records. Uncertificated Stock shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company shall have given to the grantee by electronic mail (with proof of receipt) or by United States mail, addressed to the grantee, at the grantee's last known address on file with the Company, notice of issuance and recorded the issuance in its records (which may include electronic "book entry" records).

(c) No Employment Rights**.** The adoption of the Plan and the grant of Awards do not confer upon any Person any right to continued employment or Service Relationship with the Company or any Subsidiary.

(d) Trading Policy Restrictions. Option exercises and other Awards under the Plan shall be subject to the Company's insider trading policy-related restrictions, terms and conditions as may be established by the Committee, or in accordance with policies set by the Committee, from time to time.

(e) Designation of Beneficiary. Each grantee to whom an Award has been made under the Plan may designate a beneficiary or beneficiaries to exercise any Award on or after the grantee's death or receive any payment under any Award payable on or after the grantee's death. Any such designation shall be on a form provided for that purpose by the Committee and shall not be effective until received by the Committee. If no beneficiary has been designated by a deceased grantee, or if the designated beneficiaries have predeceased the grantee, the beneficiary shall be the grantee's estate.

(f) Legend. Any certificate(s) representing the Shares shall carry substantially the following legend (and with respect to uncertificated Stock, the book entries evidencing such shares shall contain the following notation):

> The transferability of this certificate and the shares of stock represented hereby are subject to the restrictions, terms and conditions (including repurchase and restrictions against transfers) contained in the C4 Therapeutics, Inc. 2015 Stock Option and Grant Plan and any agreements entered into thereunder by and between the company and the holder of this certificate (a copy of which is available at the offices of the company for examination).

(g) Information to Holders of Options. In the event the Company is relying on the exemption from the registration requirements of Section 12(g) of the Exchange Act contained in paragraph (f)(1) of Rule 12h-1 of the Exchange Act, the Company shall provide the information described in Rule 701(e)(3), (4) and (5) of the Securities Act to all holders of Options in accordance with the requirements thereunder. The foregoing notwithstanding, the Company shall not be required to provide such information unless the optionholder has agreed in writing, on a form prescribed by the Company, to keep such information confidential.

SECTION 15. EFFECTIVE DATE OF PLAN

The Plan shall become effective upon adoption by the Board and shall be approved by stockholders in accordance with applicable state law and the Company's articles of incorporation and bylaws within 12 months thereafter. If the stockholders fail to approve the Plan within 12 months after its adoption by the Board of Directors, then any Awards granted or sold under the Plan shall be rescinded and no additional grants or sales shall thereafter be made under the Plan. Subject to such approval by stockholders and to the requirement that no Shares may be issued hereunder prior to such approval, Stock Options and other Awards may be granted hereunder on and after adoption of the Plan by the Board. No grants of Stock Options and other Awards may be made hereunder after the tenth anniversary of the date the Plan is adopted by the Board or the date the Plan is approved by the Company's stockholders, whichever is earlier.

SECTION 16. GOVERNING LAW

This Plan, all Awards and any controversy arising out of or relating to this Plan and all Awards shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to conflict of law principles that would result in the application of any law other than the law of the Commonwealth of Massachusetts.

DATE ADOPTED BY THE BOARD OF DIRECTORS:	December 29, 2015
DATE APPROVED BY THE STOCKHOLDERS:	December 29, 2015

AMENDMENT NO. 1 TO THE

2015 STOCK OPTION AND GRANT PLAN

The 2015 Stock Option and Grant Plan (the "Plan") of C4 Therapeutics, Inc., a Delaware corporation (the "Company"), is hereby amended by the Board of Directors of the Company as follows:

The first sentence of Section 3(a) of the Plan is hereby amended by deleting it and replacing it with the following:

"The maximum number of Shares reserved and available for issuance under the Plan shall be 21,152,951 Shares, subject to adjustment as provided in Section 3(b)."

ADOPTED BY BOARD OF DIRECTORS: October 24, 2016

AMENDMENT NO. 2 TO THE
2015 STOCK OPTION AND GRANT PLAN

The C4 Therapeutics, Inc. 2015 Stock Option and Grant Plan (the "Plan") is hereby amended by the Board of Directors of C4 Therapeutics, Inc., a Delaware corporation, as follows:

The first sentence of Section 3(a) of the Plan is hereby amended and restated as follows:

> "The maximum number of Shares reserved and available for issuance under the Plan shall be 30,485,022 Shares, subject to adjustment as provided in Section 3(b)."

ADOPTED BY BOARD OF DIRECTORS: April 9, 2019

AMENDMENT NO. 3 TO THE

2015 STOCK OPTION AND GRANT PLAN

The C4 Therapeutics, Inc. 2015 Stock Option and Grant Plan (the "Plan") is hereby amended by the Board of Directors of C4 Therapeutics, Inc., a Delaware corporation, as follows:

The second sentence of Section 3(a) of the Plan is hereby amended and restated as follows:

> "For purposes of this limitation, the Shares underlying any Awards that are forfeited, canceled, reacquired by the Company, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) and Shares that are withheld upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding shall be added back to the Shares available for issuance under the Plan."

ADOPTED BY BOARD OF DIRECTORS: July 17, 2019

AMENDMENT NO. 4 TO THE

2015 STOCK OPTION AND GRANT PLAN

The C4 Therapeutics, Inc. 2015 Stock Option and Grant Plan (the "Plan") is hereby amended by the Board of Directors of C4 Therapeutics, Inc., a Delaware corporation, as follows:

Section 3(a) of the Plan is hereby amended and restated in its entirety as follows:

(a) Stock Issuable. The maximum number of Shares reserved and available for issuance under the Plan shall be 42,658,355 Shares, subject to adjustment as provided in Section 3(b). For purposes of this limitation, the Shares underlying any Awards that are forfeited, canceled, reacquired by the Company, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) and Shares that are withheld upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding shall be added back to the Shares available for issuance under the Plan. Subject to such overall limitations, Shares may be issued up to such maximum number pursuant to any type or types of Award, and no more than 212,973,530 Shares may be issued pursuant to Incentive Stock Options. The Shares available for issuance under the Plan may be authorized but unissued Shares or Shares reacquired by the Company.

ADOPTED BY BOARD OF DIRECTORS: May 19, 2020

ADOPTED BY STOCKHOLDERS: June 3, 2020

Exhibit 10.5

[***] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

CONFIDENTIAL
Execution Version

COLLABORATIVE RESEARCH AND LICENSE AGREEMENT

BETWEEN

BIOGEN MA INC.

AND

C4 THERAPEUTICS, INC.

Dated December 28, 2018

TABLE OF CONTENTS

Schedules:

COLLABORATIVE RESEARCH AND LICENSE AGREEMENT

This COLLABORATIVE RESEARCH AND LICENSE AGREEMENT (this "**Agreement**") is entered into as of December 28, 2018 (the "**Effective Date**") by and among Biogen MA Inc., a corporation organized and existing under the laws of Massachusetts and having a principal place of business at 225 Binney Street, Cambridge, MA 02142 ("**Biogen**") and C4 Therapeutics, Inc., a corporation organized and existing under the laws of Delaware with a principle place of business at 490 Arsenal Way, Watertown, MA 02472 ("**C4**"). Biogen and C4 are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, Biogen is engaged in, among other things, Development, Manufacturing, and Commercialization of biopharmaceutical products;

WHEREAS, C4 has certain expertise and proprietary protein degradation technology that uses Degronimid compounds to activate the ubiquitin proteasome system in target proteins;

WHEREAS, the Parties are interested in entering into a collaboration to utilize Biogen's and C4's expertise and C4 Degrader Platform to perform research services and other activities, including (a) Candidate Development Activities, with the goal of identifying Development Candidates directed to each Collaboration Target, and (b) Sandbox Activities to, among other things, inform the selection of the Additional Targets and identification of potentially useful ligands, each in accordance with the terms and conditions set forth in this Agreement;

WHEREAS, Biogen is making upfront payments to C4 as prepayment of the costs and expenses to be incurred by C4 in the performance of research services under this Agreement; and

WHEREAS, C4 desires to (a) grant to Biogen, and Biogen desires to receive from C4, an exclusive, worldwide license under the C4 Licensed Technology to exploit Development Candidates and Products in the Field in the Territory, and (b) assign to Biogen, and Biogen desires to accept such assignment from C4, all of C4's rights, title, and interests in and to the Target-Specific Technology and Product-Specific Technology.

NOW, THEREFORE, the Parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

1.1 **[***]**

1.2 "**Acquiror**" has the meaning set forth in Section 3.7 (Effect of Acquisition of C4).

1.3 "**Acquisition Party**" has the meaning set forth in Section 3.7 (Effect of Acquisition of C4).

1.4 "**Additional Cure Period**" has the meaning set forth in Section 12.2.3 (Disputes Regarding Material Breach).

1.5 "**Additional Target**" means any target that will be the subject of a Candidate Development Program, which targets will be selected in accordance with Section 3.1.1(b)(i) (Selection of Additional Targets) and any alternative splice variants, mutants, polymorphisms, and fragments thereof.

1.6 "**Additional Target Notice**" has the meaning set forth in Section 3.1.1(b)(i) (Selection of Additional Targets).

1.7 "**Additional Target Selection Period**" has the meaning set forth in Section 3.1.1(b)(i) (Selection of Additional Targets).

1.8 "**Affiliates**" of a Person means any other Person that (directly or indirectly) is controlled by, controls or is under common control with such Person. For the purposes of this definition, the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") as used with respect to a Person, will mean the possession, directly or indirectly, of the power to direct, or cause the direction of, the management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and "control" will be presumed to exist if either of the following conditions is met: (a) in the case of a corporate entity, direct or indirect ownership of voting securities entitled to cast at least 50% of the votes in the election of directors or (b) in the case of a non-corporate entity, direct or indirect ownership of at least 50% of the equity interests with the power to direct the management and policies of such entity.

1.9 "**Alliance Manager**" has the meaning set forth in Section 4.1.1 (Alliance Managers).

1.10 "**Applicable Law**" means applicable laws, statutes, rules, regulations, and other pronouncements having the effect of law of any Governmental Authority that may be in effect from time to time, including for clarity any applicable rules, regulations, guidances, and other requirements of any Regulatory Authority that may be in effect from time to time.

1.11 "**Assigned Platform Know-How**" means any Collaboration Platform Know-How that is developed or invented during the Collaboration Term by Biogen or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Person contractually required to assign or license such Know-How (or Patent Rights Covering such Know-How) to Biogen or any Affiliate of Biogen, whether solely or jointly with others, in the course of performance of Collaboration Activities undertaken pursuant to this Agreement. Notwithstanding any provision of this Agreement to the contrary, Assigned Platform Know-How expressly excludes any Product-Specific Know-How or Target-Specific Know-How.

1.12 "**Assigned Platform Patent Rights**" means any Collaboration Platform Patent Rights that Cover Assigned Platform Know-How. Notwithstanding any provision of this Agreement to the contrary, Assigned Platform Patent Rights expressly excludes any Product-Specific Patent Rights or Target-Specific Patent Rights.

1.13 "**Assigned Platform Technology**" means Assigned Platform Patent Rights and Assigned Platform Know-How.

1.14 "**Audited Party**" has the meaning set forth in Section 7.11 (Financial Audits).

1.15 "**Auditing Party**" has the meaning set forth in Section 7.11 (Financial Audits).

1.16 "**Biogen Candidate Development Activities**" has the meaning set forth in Section 3.1.2(b) (Biogen Candidate Development Activities).

1.17 "**Biogen Collaboration Know-How**" means Collaboration Know-How, other than Assigned Platform Know-How, developed or invented solely by Biogen's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Persons contractually required to assign or license such Collaboration Know-How to Biogen or any Affiliate of Biogen, in each case, in the performance of Collaboration Activities under this Agreement during the Term.

1.18 "**Biogen Collaboration Patent Rights**" means all Collaboration Patent Rights that Cover Biogen Collaboration Know-How.

1.19 "**Biogen First Right Patent Rights**" has the meaning set forth in Section 10.4.1(a) (Biogen's Rights).

1.20 "**Biogen Grantback Claim**" means any claim (a) of a Collaboration Patent Right solely owned by Biogen (including those assigned to Biogen pursuant to this Agreement) that solely and specifically Covers a discovery, improvement, modification, enhancement, or creation to (i) an E3 Ligase Binding Moiety, (ii) a Linker, or (iii) a combination of (i) and (ii), in each case ((i) – (iii)), to the extent that such E3 Ligase Binding Moiety or Linker is delivered by C4 to Biogen pursuant to a Candidate Development Plan, or (b) included in a C4 Licensed Patent Right that exists as of the Effective Date. Notwithstanding anything to the contrary set forth in this Agreement, "Biogen Grantback Claims" does not include any claim of a Product-Specific Patent Right or Target-Specific Patent Right.

1.21 "**Biogen Identified Rights**" has the meaning set forth in Section 7.6.5 (C4 Third Party Agreements).

1.22 "**Biogen Indemnified Party**" has the meaning set forth in Section 11.1 (Indemnification by C4).

1.23 "**Biogen Know-How**" means any Know-How Controlled by Biogen or any of its Affiliates, whether or not developed or acquired by Biogen or any of its Affiliates before or after the Effective Date, including all Biogen Collaboration Know-How, Product-Specific Know-How, and Target-Specific Know-How.

1.24 "**Biogen Licensed Know-How**" means any Biogen Know-How that is (a) necessary or useful for C4 to conduct any C4 Candidate Development Activities under any Candidate Development Plan or the Sandbox Activities allocated to C4 under the Sandbox Plan and (b) actually provided by Biogen to C4 for use in such C4 Candidate Development Activities or Sandbox Activities.

1.25 "**Biogen Licensed Patent Rights**" means any Patent Rights Controlled by Biogen or any of its Affiliates that Cover any Biogen Licensed Know-How, including all Biogen Collaboration Patent Rights, Product-Specific Patent Rights, and Target-Specific Patent Rights.

1.26 "**Biogen Licensed Technology**" means Biogen Licensed Know-How and Biogen Licensed Patent Rights.

1.27 "**Biogen Patent Rights**" means any Patent Rights Controlled by Biogen or any of its Affiliates that Cover Biogen Know-How.

1.28 "**Biogen-Prosecuted Patent Rights**" has the meaning set forth in Section 10.4.1(a) (Biogen's Rights).

1.29 "**Biogen Records**" has the meaning set forth in Section 7.11 (Financial Audits).

1.30 "**Biogen Technology**" means Biogen Know-How and Biogen Patent Rights.

1.31 "**Business Day**" means any day other than a Saturday, Sunday, or bank or other public holiday in Boston, Massachusetts.

1.32 "**C4 Candidate Development Activities**" has the meaning set forth in Section 3.1.2(a) (C4 Candidate Development Activities).

1.33 "**C4 Collaboration Know-How**" means Collaboration Know-How, other than Target-Specific Know-How and Product-Specific Know-How, developed or invented solely by C4's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Persons contractually required to assign or license such Collaboration Know-How to C4 or any Affiliate of C4, in each case, in the performance of Collaboration Activities under this Agreement during the Term.

1.34 "**C4 Collaboration Patent Rights**" means all Collaboration Patent Rights that Cover C4 Collaboration Know-How, but expressly excluding Target-Specific Patent Rights and Product-Specific Patent Rights.

1.35 "**C4 Degrader Platform**" means the C4 degradation platform comprised of its proprietary Degrader Components and assays relevant to the discovery or development of Degraders.

1.36 "**C4 First Right Patent Rights**" has the meaning set forth in Section 10.4.1(b) (C4's Rights).

1.37 "**C4 Hit Criteria**" means, with respect to a target that Biogen proposes to select as an Additional Target, C4's success criteria for degraders directed to such target set forth on Schedule 1.37 (C4 Hit Criteria), which success criteria are intended to identify such degraders and associated ligands as capable of binding to or having activity with respect to such target, including appropriate screening assays and parameters, binding potency, and cross-assays to confirm selectivity for such target.

1.38 "**C4 Indemnified Party**" has the meaning set forth in Section 11.2 (Indemnification by Biogen).

1.39 "**C4 Internal Program**" means, with respect to a target that Biogen proposes to select as an Additional Target, a *bona fide* Development or Commercialization program (a) with a detailed written plan and an associated budget with respect to which C4 is performing such Development and Commercialization, and (b) under which C4 or its Affiliates have synthesized at least one degrader directed to such proposed target that meets the C4 Hit Criteria for such proposed target.

1.40 "**C4 Know-How**" means any Know-How Controlled by C4 or any of its Affiliates, including all C4 Collaboration Know-How and Assigned Platform Know-How, whether or not developed or acquired by C4 or any of its Affiliates before or after the Effective Date.

1.41 "**C4 Licensed Know-How**" means any and all C4 Know-How, other than any Joint Know-How, that is necessary or useful to (a) perform any Candidate Development Activities or the Sandbox Activities, or (b) Exploit any Degrader or Product, in each case, including all Assigned Platform Know-How and C4 Collaboration Know-How.

1.42 "**C4 Licensed Patent Rights**" means any and all C4 Patent Rights, other than any Joint Patent Rights, that are necessary or useful to (a) perform any Candidate Development Activities or the Sandbox Activities, or (b) Exploit any Degrader or Product, including all Assigned Platform Patent Rights and C4 Collaboration Patent Rights. The C4 Licensed Patent Rights existing as of the Effective Date are set forth on Schedule 1.42 (C4 Licensed Patent Rights).

1.43 "**C4 Licensed Technology**" means all C4 Licensed Know-How and C4 Licensed Patent Rights and C4's interest in the Joint Technology.

1.44 "**C4 Patent Rights**" means any Patent Rights Controlled by C4 or any of its Affiliates that Cover C4 Know-How.

1.45 "**C4-Prosecuted Patent Rights**" has the meaning set forth in Section 10.4.1(b) (C4's Rights).

1.46 "**C4 Records**" has the meaning set forth in Section 7.11 (Financial Audits).

1.47 "**C4 Technology**" means C4 Know-How and C4 Patent Rights.

1.48 "**C4's Knowledge**" means the actual knowledge, after reasonable investigation (including consultation with C4's outside intellectual property counsel), of the following: **[***]**

1.49 "**Calendar Quarter**" means the respective periods of three consecutive calendar months ending on March 31st, June 30th, September 30th, or December 31st in any Calendar Year.

1.50 "**Calendar Year**" means any calendar year beginning on January 1st and ending on December 31st.

1.51 "**Candidate Development Activities**" has the meaning set forth in Section 3.1.2(b) (Biogen Candidate Development Activities).

1.52 "**Candidate Development Budget**" has the meaning set forth in Section 3.1.3 (Candidate Development Plans and Candidate Development Budgets).

1.53 "**Candidate Development Plan**" has the meaning set forth in Section 3.1.3 (Candidate Development Plans and Candidate Development Budgets).

1.54 "**Candidate Development Program**" means, on a Collaboration Target-by-Collaboration Target basis, the program of Candidate Development Activities undertaken for a Collaboration Target as set forth in Section 3.1 (Candidate Development Programs) and under the applicable Candidate Development Plan for such Collaboration Target.

1.55 "**Change of Control**" means, with respect to a Party, that: (a) any Third Party acquires directly or indirectly the beneficial ownership of any voting security of such Party, or if the percentage ownership of such Third Party in the voting securities of such Party is increased through stock redemption, cancellation, or other recapitalization, and immediately after such acquisition or increase such Third Party is, directly or indirectly, the beneficial owner of voting securities representing at least 50% of the total voting power of all of the then outstanding voting securities of such Party; (b) a merger, consolidation, recapitalization, or reorganization of such Party is consummated that would result in shareholders or equity holders of such Party immediately prior to such transaction, owning at least 50% of the outstanding voting securities of the surviving entity (or its parent entity) immediately following such transaction; or (c) there is a sale or transfer to a Third Party of all or substantially all of such Party's consolidated assets taken as a whole, through one or more related transactions.

1.56 "**Clinical Trial**" means any clinical trial in humans that is designed to generate data in support or maintenance of an IND or MAA, or other similar marketing application, including any Phase I Clinical Trial, Phase II Clinical Trial, Phase III Clinical Trial, or any post-approval clinical trial in humans.

1.57 "**CMO**" has the meaning set forth in Section 6.2 (Observation by Biogen).

1.58 "**Collaboration Activities**" means (a) the Candidate Development Activities for each Collaboration Target and (b) the Sandbox Activities.

1.59 "**Collaboration Know-How**" means any Know-How developed or invented during the Term by a Party's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any persons contractually required to assign or license such Know-How to a Party or any Affiliate of a Party, either alone or jointly with the other Party's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any persons contractually required to assign or license such Know-How to the other Party or any Affiliate of the other Party, in each case, in the performance of Collaboration Activities under this Agreement.

1.60 "**Collaboration Patent Rights**" means any Patent Rights that (a) have a priority date after the Effective Date and (b) Cover any Collaboration Know-How.

1.61 "**Collaboration Platform Know-How**" means any Collaboration Know-How that constitutes a discovery, improvement, modification, enhancement, or creation of an E3 Ligase Binding Moiety, or the combination of an E3 Ligase Binding Moiety and a Linker wherein the E3 Ligase Binding Moiety and the Linker are covalently connected. For clarity, Collaboration Platform Know-How does not include Know-How that does not specifically relate to an E3 Ligase Binding Moiety, or the combination of an E3 Ligase Binding Moiety and a Linker wherein the E3 Ligase Binding Moiety and the Linker are covalently connected.

1.62 "**Collaboration Platform Patent Rights**" means any Collaboration Patent Rights that Cover any Collaboration Platform Know-How. Notwithstanding any provision of this Agreement to the contrary, (a) any Patent Rights that Cover both Collaboration Platform Know-How and Target-Specific Know-How will be Target-Specific Patent Rights for the purposes of this Agreement, and (b) any Patent Rights that Cover both Collaboration Platform Know-How and Product-Specific Know-How will be Product-Specific Patent Rights for the purposes of this Agreement.

1.63 "**Collaboration Targets**" means the Initial Targets and the Additional Targets (including the Initial Term Targets and the Extended Term Targets).

1.64 "**Collaboration Term**" has the meaning set forth in Section 3.5.2 (Extension of Collaboration Term).

1.65 "**Combination Product**" means a Product that is (a) sold in the form of a combination that contains or comprises a Development Candidate together with one or more other therapeutically active pharmaceutical agents (whether coformulated or copackaged or otherwise sold for a single price), (b) sold for a single invoice price together with any (i) delivery device or component therefor, (ii) companion diagnostic related to any Product, process, service, or therapy, or (iii) product, process, service, or therapy other than the Product (such additional therapeutically active pharmaceutical agent and each of (i) – (iii), an "**Other Component**"); or (c) defined as a "combination product" by the FDA pursuant to 21 C.F.R. §3.2(e) or its foreign equivalent.

1.66 "**Commercialization**," "**Commercializing**," or "**Commercialize**" means any and all activities directed to the marketing, promotion, distribution, offering for sale, sale, having sold, importing, having imported, exporting, having exported or other commercialization of a pharmaceutical or biologic product, but excluding activities directed to Manufacturing, Development, or Medical Affairs. "**Commercialize**," "**Commercializing**," and "**Commercialized**" will be construed accordingly.

1.67 "**Commercially Reasonable Efforts**" means, **[***]**.

1.68 "**Competing Infringement**" has the meaning set forth in Section 10.5.2 (Infringement Actions).

1.69 "**Competitive Product**" has the meaning set forth in Section 3.6 (Exclusivity).

1.70 "**Confidential Information**" means, with respect to each Party, all Know-How or other information, including proprietary information and materials (whether or not patentable) regarding or embodying such Party's technology, products, business information or objectives, that is communicated by or on behalf of the Disclosing Party to the Receiving Party or its permitted recipients, including information disclosed prior to the Effective Date pursuant to the Confidentiality Agreement.

1.71 "**Confidentiality Agreement**" means that certain Mutual Non-Disclosure Agreement dated December 11, 2017 by and between the Parties.

1.72 "**Control**" or "**Controlled**" means the possession by a Party (whether by ownership, license, or otherwise other than pursuant to this Agreement) of, (a) with respect to any tangible Know-How, the legal authority or right to physical possession of such tangible Know-How, with the right to provide such tangible Know-How to the other Party on the terms set forth herein, or (b) with respect to Patent Rights, Regulatory Approvals, Regulatory Submissions, intangible Know-How, or other Intellectual Property, the legal authority or right to grant a license, sublicense, access, or right to use (as applicable) to the other Party under such Patent Rights, Regulatory Approvals, Regulatory Submissions, intangible Know-How, or other Intellectual Property on the terms set forth herein, in each case ((a) and (b)), without breaching or otherwise violating the terms of any arrangement or agreement with a Third Party in existence as of the time such Party or its Affiliates would first be required hereunder to grant the other Party such access, right to use, licenses, or sublicense.

1.73 "**Cover**," "**Covering**" or "**Covered**" means, with respect to a product, technology, process, method, or mode of administration that, in the absence of ownership of or a license granted under a particular Valid Claim, the manufacture, use, offer for sale, sale, or importation of such product or the practice of such technology, process, method, or mode of administration would infringe such Valid Claim or, in the case of a claim that has not yet issued, would infringe such claim if it were to issue and become a Valid Claim.

1.74 "**CPI**" means the Consumer Price Index for the US City Average (all times).

1.75 "**Debarred**" means, with respect to an individual or entity, that such individual or entity has been debarred or suspended under 21 U.S.C. §335(a) or (b), the subject of a conviction described in Section 306 of the FD&C Act, excluded from a federal or governmental health care program, debarred from federal contracting, convicted of or pled *nolo contendere* to any felony, or to any federal or state legal violation (including misdemeanors) relating to prescription drug products or fraud, the subject to OFAC sanctions or on the OFAC list of specially designated nationals, or the subject of any similar sanction of any Governmental Authority in the Territory.

1.76 "**Defaulting Party**" has the meaning set forth in Section 12.2.3 (Disputes regarding Material Breach).

1.77 "**Degrader**" means with respect to a Collaboration Target, a compound comprising (a) a Target Binding Moiety, (b) optionally, a Linker, and (c) an E3 Ligase Binding Moiety that degrades such Collaboration Target.

1.78 "**Degrader Component**" means any Target Binding Moiety, Linker, or E3 Ligase Binding Moiety.

1.79 "**Deliverables**" means any and all deliverables to be generated or provided by C4 in connection with the performance of (i) C4 Candidate Development Activities with respect to each Collaboration Target, as specified in the applicable Candidate Development Plan, or (ii) Sandbox Activities, as specified in the applicable Sandbox Workstream or under the Sandbox Plan.

1.80 "**Develop**" or "**Development**" means all internal and external research, development, and regulatory activities related to pharmaceutical or biologic products, including (a) research, non-clinical testing, toxicology, testing and studies, non-clinical and preclinical activities, and Clinical Trials, and (b) preparation, submission, review, and development of data or information for the purpose of submission to a Regulatory Authority to obtain authorization to conduct Clinical Trials and to obtain, support, or maintain Regulatory Approval of a pharmaceutical or biologic product and interacting with Regulatory Authorities following receipt of Regulatory Approval in the applicable country or region for such pharmaceutical or biologic product regarding the foregoing, but excluding activities directed to Manufacturing, Medical Affairs, or Commercialization. Development will include development and regulatory activities for additional forms, formulations, or indications for a pharmaceutical or biologic product after receipt of Regulatory Approval of such product (including label expansion), including Clinical Trials initiated following receipt of Regulatory Approval or any Clinical Trial to be conducted after receipt of Regulatory Approval that was mandated by the applicable Regulatory Authority as a condition of such Regulatory Approval with respect to an approved formulation or indication (such as post-marketing studies, observational studies, implementation and management of registries and analysis thereof, in each case, if required by any Regulatory Authority in any region in the Territory to support or maintain Regulatory Approval for a pharmaceutical or biologic product in such region). "**Develop**," "**Developing**," and "**Developed**" will be construed accordingly.

1.81 "**Development Candidate**" means on a Collaboration Target-by-Collaboration Target basis, each Degrader directed to a Collaboration Target that (a) is suitable for the commencement of IND-Enabling Studies and otherwise meets the Development Candidate Criteria set forth in the Candidate Development Plan for such Collaboration Target, or (b) with respect to which Biogen otherwise elects to commence IND-Enabling Studies (regardless of whether or not such Degrader meets the applicable Development Candidate Criteria).

1.82 "**Development Candidate Criteria**" means, with respect to a Collaboration Target, (a) the criteria for Degraders directed to such Collaboration Target set forth in the Candidate Development Plan as "Development Candidate Criteria" for such Collaboration Target, which criteria are intended to indicate that such Degraders are suitable for testing in IND-Enabling Studies, and (b) the IP Criteria for Degraders directed to such Collaboration Target (to the extent not set forth in the Candidate Development Plan).

1.83 "**Development Candidate Report**" has the meaning set forth in Section 3.1.8(a) (Delivery of Development Candidates; Development Candidate Report).

1.84 "**Development Milestone Event**" has the meaning set forth in Section 7.5.1 (Development Milestones).

1.85 "**Development Milestone Payment**" has the meaning set forth in Section 7.5.1 (Development Milestones).

1.86 "**Directed To**" means, with regard to a Degrader, that such Degrader is designed to bind to a Collaboration Target.

1.87 "**Disclosing Party**" has the meaning set forth in Section 9.1.2 (Confidential Information).

1.88 "**Dollar**" means the U.S. dollar, and "$" will be interpreted accordingly.

1.89 "**E3 Ligase Binding Moiety**" means a moiety that binds to an E3 ligase that is Controlled by C4 or its Affiliates.

1.90 "**Effective Date**" has the meaning set forth in the preamble.

1.91 "**Executive Officers**" has the meaning set forth in Section 13.8 (Dispute Resolution).

1.92 "**Exploit**" means Develop, have Developed, make, have made, use, have used, perform Medical Affairs, have performed Medical Affairs, offer for sale, have offered for sale, sell, have sold, export, have exported, import, have imported, Manufacture, have Manufactured, Commercialize, have Commercialized or otherwise exploit. "**Exploitation**" and "**Exploiting**" will be construed accordingly.

1.93 "**Extended Term Targets**" means those targets selected pursuant to Section 3.1.1(b) (Additional Targets) and Section 3.5.3 (Effect of Extension of Initial Collaboration Term) as a result of Biogen's extension of the Collaboration Term pursuant to Section 3.5.2 (Extension of Collaboration Term).

1.94 "**FD&C Act**" means the Federal Food, Drug and Cosmetic Act, as the same may be amended or supplemented from time to time.

1.95 "**FDA**" means the U.S. Food and Drug Administration, or any successor agency thereto.

1.96 "**Field**" means any and all uses.

1.97 "**First Commercial Sale**" means, with respect to any Product in any country or region, the first sale of such Product to a Third Party (other than a Sublicensee) for distribution, use, or consumption in such country or region after receipt of Regulatory Approval for such Product in such country or region. First Commercial Sale excludes any transfers of Product to Third Parties for Clinical Trial purposes, any expanded access program, any compassionate sales or use program (including named patient program or single patient program), or any indigent program.

1.98 "**FTE**" means a qualified full time person, or more than one person working the equivalent of a full-time person, where "full time" is based upon a total of **[***]**working hours per Calendar Year of scientific or technical work carried out by one or more duly qualified employees of C4. Overtime, and work on weekends, holidays, and the like will not be counted with any multiplier (*e.g.* time-and-a-half or double time) toward the number of hours that are used to calculate the FTE contribution.

1.99 "**FTE Rate**" means $**[***]** per FTE for the Calendar Years 2018 and 2019, subject to annual increases beginning on January 1, 2020 to reflect any year to year percentage increase in the CPI for 2019 and each subsequent Calendar Year.

1.100 "**GAAP**" means United States generally accepted accounting principles, which principles are currently used at the relevant time and consistently applied by the applicable Party.

1.101 "**Generic Product**" means with respect to a given Product in a given country in the Territory, a product that (a) (i) contains the same active pharmaceutical ingredient as such Product and is approved in reliance, in whole or in part, on a prior Regulatory Approval of such Product or (ii) is otherwise approved in reliance, in whole or in part, on a prior Regulatory Approval of such Product, and (b) is sold or marketed for sale in such country by a Third Party that has not obtained the rights to market or sell such product as a Sublicensee, Subcontractor, or Third Party Distributor of Biogen or any of its Affiliates, Sublicensees, or Subcontractors with respect to such Product.

1.102 "**GLP**" means all applicable good laboratory practice standards, including, as applicable, as set forth in the then-current good laboratory practice standards promulgated or endorsed by the U.S. Food and Drug Administration, as defined in 21 C.F.R. Part 58, and the equivalent Applicable Law in the region in the Territory, each as may be amended and applicable from time to time.

1.103 "**Governmental Authority**" means any court, tribunal, arbitrator, agency, commission, department, ministry, official, authority or other instrumentality of any national, state, county, city or other political subdivision.

1.104 "**Grandfathered Products**" has the meaning set forth in Section 3.7 (Effect of Acquisition of C4).

1.105 "**Hit Criteria**" means, with respect to a Collaboration Target, the success criteria for Degraders directed to such Collaboration Target set forth in the Candidate Development Plan as "Hit Criteria" for such Collaboration Target, which success criteria are intended to identify such Degraders and associated ligands as capable of binding to or having activity with respect to such Collaboration Target, including appropriate screening assays and parameters, binding potency, and cross-assays to confirm selectivity for such Collaboration Target.

1.106 "**Hit Fee**" has the meaning set forth in Section 7.2 (Hit Fee).

1.107 **[***]**

1.108 "**IND**" means an Investigational New Drug application required pursuant to 21 C.F.R. Part 312 or any comparable filings outside of the United States required to commence human clinical trials in such country or region, and all supplements or amendments that may be filed with respect to the foregoing.

1.109 "**IND-Enabling Study**" means a toxicology study (a) that is conducted using applicable GLP, (b) that is conducted in a species that satisfies applicable regulatory requirements, and (c) the data and results from which are intended to meet the standard necessary for submission thereof as part of an IND with the applicable Regulatory Authority.

1.110 "**IND-Enabling Study Commencement Fee**" has the meaning set forth in Section 7.4 (IND-Enabling Study Commencement Fee).

1.111 "**Indemnified Party**" has the meaning set forth in Section 11.3 (Procedure).

1.112 "**Indemnifying Party**" has the meaning set forth in Section 11.3 (Procedure).

1.113 "**Infringement**" has the meaning set forth in Section 10.5.2 (Infringement Actions).

1.114 "**Infringement Action**" has the meaning set forth in Section 10.5.2(a)(i) (Infringement Actions for Competing Infringements).

1.115 "**Initial Collaboration Term**" has the meaning set forth in Section 3.5.1 (Initial Term).

1.116 "**Initial Targets**" has the meaning set forth in Section 3.1.1(a) (Initial Targets).

1.117 "**Initial Term Targets**" means the Initial Targets and the **[***]** Additional Targets selected pursuant to Section 3.1.1(b)(i) (Selection of Additional Targets) (excluding, for clarity, any Extended Term Targets).

1.118 "**Initiating Party**" has the meaning set forth in Section 10.5.2(c) (Procedures).

1.119 "**Initiation**" means the fifth dosing of a human subject in a Clinical Trial.

1.120 "**Intellectual Property**" means all Patent Rights, rights to Inventions, copyrights, design rights, trademarks, trade secrets, Know-How, and all other intellectual property rights (whether registered or unregistered) and all applications and rights to apply for any of the foregoing, anywhere in the world.

1.121 "**Invention**" means any process, method, utility, formulation, composition of matter, Article of manufacture, material, creation, discovery or finding, or any improvement thereof, that is made, conceived, discovered, or otherwise generated, whether patentable or not.

1.122 "**IP Counsels**" has the meaning set forth in Section 7.6.6 (Biogen Identified Rights Dispute).

1.123 "**IP Criteria**" means, with respect to a Collaboration Target, the criteria for Degraders directed to such Collaboration Target that are agreed to by the Parties, which criteria are intended to reflect any intellectual property considerations in determining whether such Degraders are suitable for testing in IND-Enabling Studies.

1.124 "**Joint Collaboration Know-How**" means any Collaboration Know-How developed or invented jointly by a Party's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Persons contractually required to assign or license such Collaboration Know-How to such Party or any Affiliate of such Party, on the one hand, and the other Party's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Persons contractually required to assign or license such Collaboration Know-How to such Party or any Affiliate of such Party, on the other hand, in the performance of Collaboration Activities under this Agreement during the Term, but excluding any Assigned Platform Know-How, Target-Specific Know-How, or Product-Specific Know-How.

1.125 "**Joint Collaboration Patent Rights**" means those Collaboration Patent Rights that Cover Joint Collaboration Know-How.

1.126 "**Joint Know-How**" means all Joint Collaboration Know-How and Sandbox Know-How.

1.127 "**Joint Patent Rights**" means all Joint Collaboration Patent Rights and Sandbox Patent Rights.

1.128 "**Joint Technology**" means all Joint Know-How and Joint Patent Rights.

1.129 "**JSC**" has the meaning set forth in Section 4.2.1 (Joint Steering Committee).

1.130 "**Know-How**" means any (a) proprietary information or materials, including records, improvements, modifications, techniques, assays, chemical or biological materials, designs, protocols, formulas, data (including physical data, chemical data, toxicology data, animal data, raw data, clinical data, and analytical and quality control data), dosage regimens, control assays, product specifications, marketing, pricing and distribution costs, Inventions, algorithms, technology, forecasts, profiles, strategies, plans, results in any form whatsoever, know-how, and trade secrets (in each case, whether or not patentable, copyrightable, or otherwise protectable), and (b) any physical embodiments of any of the foregoing.

1.131 "**Lead Criteria**" means, with respect to a Collaboration Target, the success criteria for Degraders directed to such Collaboration Target set forth in the Candidate Development Plan as "Lead Criteria" for such Collaboration Target, which success criteria are intended to indicate that such Degraders are suitable for further optimization as a potential Development Candidate directed to such Collaboration Target.

1.132 "**Lead Fee**" has the meaning set forth in Section 7.3 (Lead Fee).

1.133 "**Liability**" has the meaning set forth in Section 11.2 (Indemnification by Biogen).

1.134 "**Linker**" means a moiety that is Controlled by C4 or its Affiliates and connects the Target Binding Moiety and the E3 Ligase Binding Moiety.

1.135 "**MAA**" means any new drug application, biologics license application, or other marketing authorization application, in each case, filed with the applicable Regulatory Authority in a country or other regulatory jurisdiction, which application is required to commercially market or sell a pharmaceutical or biologic product in such country or jurisdiction (and any amendments thereto), including all New Drug Applications submitted to the FDA in the United States in accordance with the FD&C Act with respect to a biologic or pharmaceutical product or any analogous application or submission with any Regulatory Authority outside of the United States.

1.136 "**Major European Market**" means any of France, Germany, Italy, Spain, or the United Kingdom.

1.137 "**Manufacture**" means activities directed to manufacturing, processing, packaging, labeling, filling, finishing, assembly, quality assurance, quality control, testing, and release, shipping, or storage of any pharmaceutical or biologic product (or any components or process steps involving any product or any companion diagnostic), placebo, or comparator agent, as the case may be, including process development, qualification, and validation, scale-up, pre-clinical, clinical, and commercial manufacture and analytic development, product characterization, and stability testing, but excluding activities directed to Development, Commercialization, or Medical Affairs. "**Manufacturing**" will be construed accordingly.

1.138 "**Medical Affairs**" means activities conducted by a Party's medical affairs departments (or, if a Party does not have a medical affairs department, the equivalent function thereof), including communications with key opinion leaders, medical education, symposia, advisory boards (to the extent related to medical affairs or clinical guidance), activities performed in connection with patient registries, and other medical programs and communications, including educational grants, research grants (including conducting investigator-initiated studies), and charitable donations to the extent related to medical affairs and not to other activities that do not involve the promotion, marketing, sale, or other Commercialization of the Products and are not conducted by a Party's medical affairs (or equivalent) departments.

1.139 "**Milestone Payments**" has the meaning set forth in Section 7.5.2 (Sales Milestones).

1.140 "**Net Sales**" means **[***]**.

1.141 "**Non-Defaulting Party**" has the meaning set forth in Section 12.2.3 (Disputes Regarding Material Breach).

1.142 "**Occupied Target**" has the meaning set forth in Section 3.1.1(b)(iv) (Occupied Targets).

1.143 "**One-Time R&D Prepayment**" means each of the payments to C4 described in Section 7.1.1 (Initial Collaboration Term) and Section 7.1.2 (Extended Collaboration Term).

1.144 "**Other Component(s)**" has the meaning set forth in Section 1.140 (Net Sales).

1.145 "**Patent Rights**" means any and all (a) patents, (b) patent applications, including all provisional and non-provisional applications, patent cooperation treaty (PCT) applications, substitutions, continuations, continuations-in-part, divisions and renewals, and all patent rights granted thereon, (c) all patents-of-addition, reissues, re-examinations and extensions or restorations by existing or future extension or restoration mechanisms, including supplementary protection certificates and equivalents thereof, (d) inventor's certificates, letters patent, or (e) any other substantially equivalent form of government issued right substantially similar to any of the foregoing described in subsections (a) through (e) above, anywhere in the world.

1.146 "**Patent Term Extension**" has the meaning set forth in Section 10.8 (Patent Term Extensions).

1.147 "**Per Product Annual Net Sales**" has the meaning set forth in Section 7.6 (Royalties).

1.148 "**Person**" means any individual, firm, corporation, partnership, limited liability company, trust, business trust, joint venture, Governmental Authority, association or other entity.

1.149 "**Phase I Clinical Trial**" means a clinical trial in humans that generally provides for the first introduction into humans of a pharmaceutical or biologic product with the primary purpose of determining safety, metabolism, and pharmacokinetic properties and clinical pharmacology of such product, in a manner that meets the requirements of 21 C.F.R. § 312.21(a), as amended (or its successor regulation), or, with respect to any other country or region, the equivalent of such a clinical trial in such other country or region.

1.150 "**Phase II Clinical Trial**" mean a clinical trial in humans that is intended to explore the feasibility, safety, dose ranging, or efficacy of a pharmaceutical or biologic product that is prospectively designed to generate sufficient data (if successful) to commence a Phase III Clinical Trial for such product, in a manner that meets the requirements of 21 C.F.R. § 312.21(b), as amended (or its successor regulation), or, with respect to any other country or region, the equivalent of such a clinical trial in such other country or region.

1.151 "**Phase III Clinical Trial**" means a clinical trial in humans of a pharmaceutical or biologic product that the FDA permits to be conducted under an open IND and that is performed to gain evidence with statistical significance of the efficacy of such product in a target population, and to obtain expanded evidence of safety for such product that is needed to evaluate the overall benefit-risk relationship of such product, to form the basis for approval of an MAA by a Regulatory Authority and to provide an adequate basis for physician labeling, in a manner that meets the requirements of 21 C.F.R. § 312.21(c), as amended (or its successor regulation), or, with respect to any other country or region, the equivalent of such a clinical trial in such other country or region. Notwithstanding anything to the contrary set forth in this Agreement, treatment of patients as part of an expanded access program, compassionate sales or use program (including named patient program or single patient program), or an indigent program, in each case, will not be included in determining whether or not a clinical trial is a Phase III Clinical Trial or whether a patient has been dosed thereunder.

1.152 "**Pre-Existing Restriction**" has the meaning set forth in Section 3.1.1(b)(iv) (Occupied Targets).

1.153 "**Product**" means any product incorporating a Development Candidate (or derivative thereof).

1.154 "**Product-Specific Know-How**" any (a) Collaboration Know-How that is developed or invented during the Collaboration Term by C4 or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Person contractually required to assign or license such Know-How (or Patent Rights Covering such Know-How) to C4 or any Affiliate of C4, whether solely or jointly with others, in the course of performance of Collaboration Activities undertaken pursuant to this Agreement, or (b) C4 Licensed Know-How or Sandbox Know-How, in each case, ((a) and (b)), related to (i) any Degrader or any Product incorporating or derived from any such Degrader, (ii) any use or a method of using any such Degrader or Product incorporating or derived from any such Degrader, or (iii) any method for Manufacturing any such Degrader or Product incorporating or derived from any such Degrader.

1.155 "**Product-Specific Patent Rights**" means any C4 Licensed Patent Rights or Collaboration Patent Rights that Cover any Product-Specific Know-How. Notwithstanding any provision of this Agreement to the contrary, any Patent Rights that Cover both Assigned Platform Know-How and Product-Specific Know-How will be Product-Specific Patent Rights for the purposes of this Agreement.

1.156 "**Product-Specific Technology**" means Product-Specific Know-How and Product-Specific Patent Rights.

1.157 "**Prosecuting Party**" means, with respect to any Patent Right, the Party that is responsible for the preparation, filing, prosecution, and maintenance of such Patent Right pursuant to Section 10.4.1 (Right to Prosecute) or Section 10.4.2 (Step-In Right), as applicable.

1.158 "**Receiving Party**" has the meaning set forth in Section 9.1 (Confidential Information).

1.159 "**Regulatory Approval**" means, with respect to a particular country or other regulatory jurisdiction, any approval of an MAA or other approval, product, or establishment license, registration, or authorization of any Regulatory Authority necessary for the commercial marketing or sale of a pharmaceutical or biologic product in such country or other regulatory jurisdiction, including, in each case, Reimbursement Approval in those countries and jurisdictions where required.

1.160 "**Regulatory Authority**" means any applicable Governmental Authority with jurisdiction or authority over the Development, Manufacture, Commercialization, or other Exploitation (including Regulatory Approval or Reimbursement Approval) of pharmaceutical or biologic products in a particular country or other regulatory jurisdiction, and any corresponding national or regional regulatory authorities.

1.161 "**Regulatory Submissions**" means any filing, application, or submission with any Regulatory Authority in support of the Development, Manufacture, Commercialization, or other Exploitation of a pharmaceutical or biologic product (including to obtain, support, or maintain Regulatory Approval from that Regulatory Authority), and all correspondence or communication with or from the relevant Regulatory Authority, as well as minutes of any material meetings, telephone conferences, or discussions with the relevant Regulatory Authority. Regulatory Submissions include all INDs, MAAs, and other applications for Regulatory Approval and their equivalents.

1.162 "**Reimbursement Approval**" means an approval, agreement, determination, or other decision by the applicable Governmental Authority that establishes prices charged to end-users for pharmaceutical or biologic products at which a particular pharmaceutical or biologic product will be reimbursed by the Regulatory Authorities or other applicable Governmental Authorities in the Territory.

1.163 "**Replacement Target Notice**" has the meaning set forth in Section 3.1.1(b)(ii) (Replacement Target Notice).

1.164 "**Results**" means any and all (a) results, information, data, presentations, summaries, and analyses that are generated pursuant to or prepared as a result of, or in connection with the performance of (i) the Candidate Development Activities under the Candidate Development Plan with respect to each Collaboration Target or (ii) the Sandbox Activities under any Sandbox Workstream or under the Sandbox Plan, including, in each case, information related to the composition, production, and purification of Development Candidates, and (b) Intellectual Property that claims or otherwise covers any of the foregoing.

1.165 "**Royalty Term**" has the meaning set forth in Section 7.6.2 (Royalty Term).

1.166 "**Sales Milestone Event**" has the meaning set forth in Section 7.5.2 (Sales Milestones).

1.167 "**Sales Milestone Payment**" has the meaning set forth in Section 7.5.2 (Sales Milestones).

1.168 "**Sandbox Activities**" has the meaning set forth in Section 3.2.1 (Sandbox Activities).

1.169 "**Sandbox Budget**" has the meaning set forth in Section 3.2.2 (Sandbox Plan).

1.170 "**Sandbox High Interest Target**" has the meaning set forth in Section 3.2.7 (Sandbox High Interest Targets).

1.171 "**Sandbox High Interest Target List**" has the meaning set forth in Section 3.2.7 (Sandbox High Interest Targets).

1.172 "**Sandbox Know-How**" means any Know-How developed or invented during the Term by a Party's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any persons contractually required to assign or license such Know-How to a Party or any Affiliate of a Party, either alone or jointly with the other Party's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any persons contractually required to assign or license such Know-How to the other Party or any Affiliate of the other Party, in each case, in the performance of Sandbox Activities. For clarity, Sandbox Know-How does not include Patent Rights or Know-How owned or Controlled by a Party prior to the Effective Date, or that are developed or invented by a Party outside of this Agreement.

1.173 "**Sandbox Patent Rights**" means any Patent Rights that (a) have a priority date after the Effective Date, and (b) Cover any Sandbox Know-How.

1.174 "**Sandbox Plan**" has the meaning set forth in Section 3.2.2 (Sandbox Plan).

1.175 "**Sandbox Program**" means the program of Sandbox Activities undertaken as set forth in Section 3.2 (Sandbox Program) and under the applicable Sandbox Workstream and the Sandbox Plan.

1.176 "**Sandbox Target**" means a target that is identified, discovered, or otherwise the subject of any Sandbox Activities set forth in the Sandbox Plan, including under any Sandbox Workstream.

1.177 "**Sandbox Technology**" means Sandbox Patent Rights and Sandbox Know-How.

1.178 "**Sandbox Workstream**" has the meaning set forth in Section 3.2.1 (Sandbox Activities).

1.179 "**Selling Party**" has the meaning set forth in Section 1.140 (Net Sales).

1.180 "**Subcontractor**" means a Third Party contractor engaged by a Party to perform certain obligations or exercise certain rights of such Party under this Agreement on a fee-for-service basis (including contract research organizations or contract manufacturing organizations), excluding all Sublicensees and Third Party Distributors.

1.181 "**Sublicensees**" means any Third Party to whom a Party or any of its Affiliates grants a sublicense of its rights hereunder to Exploit Products, excluding all Subcontractors and Third Party Distributors.

1.182 "**Target Binding Moiety**" means a moiety that is directed to and binds to a particular Collaboration Target that is Controlled by C4 or its Affiliates.

1.183 "**Target Selection Period**" has the meaning set forth in Section 3.1.1(b)(v) (Expiration of Pre-Existing Restrictions).

1.184 "**Target-Specific Know-How**" means any (a) Collaboration Know-How that is developed or invented during the Collaboration Term by C4 or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Person contractually required to assign or license such Know-How (or Patent Rights Covering such Know-How) to C4 or any Affiliate of C4, whether solely or jointly with others, in the course of performance of Collaboration Activities undertaken pursuant to this Agreement, or (b) C4 Licensed Know-How or Sandbox Know-How, in each case, ((a) and (b)), that constitutes a discovery, improvement, modification, enhancement, or creation to any Target Binding Moiety(ies) or Collaboration Target.

1.185 "**Target-Specific Patent Rights**" means any C4 Licensed Patent Rights or Collaboration Patent Rights that Cover Target-Specific Know-How. Notwithstanding any provision of this Agreement to the contrary, any Patent Rights that Cover both Assigned Platform Know-How and Target-Specific Know-How will be Target-Specific Patent Rights for the purposes of this Agreement.

1.186 "**Target-Specific Technology**" means Target-Specific Know-How and Target-Specific Patent Rights.

1.187 **[***]**

1.188 "**Term**" has the meaning set forth in Section 12.1 (Term).

1.189 "**Territory**" means all of the countries of the world, and their territories and possessions.

1.190 "**Third Party**" means any Person other than Biogen or C4 or their respective Affiliates.

1.191 "**Third Party Distributor**" means, with respect to a country, any Third Party that purchases its requirements for Products in such country from Biogen or its Affiliates or Sublicensees and is appointed as a distributor to distribute, market, and resell such Product in such country, even if such Third Party is granted ancillary rights to Develop, package, or obtain Regulatory Approval of such Product in order to distribute, market, or sell such Product in such country.

1.192 "**Valid Claim**" means a claim of (a) an issued, unexpired, and in-force patent, which claim has not been held invalid or unenforceable by a court or other government agency of competent jurisdiction from which no appeal can be or has been taken and has not been held or admitted to be invalid or unenforceable through re-examination, *inter partes* review, post grant review or disclaimer, opposition procedure, nullity suit, or otherwise, or (b) a pending patent application that has not been finally abandoned, finally rejected, or expired; *provided, however*, that if a claim of a pending patent application will not have issued within **[***]** after the earliest filing date from which such claim takes priority, then such claim will not constitute a Valid Claim for the purposes of this Agreement unless and until a patent issues with such claim.

ARTICLE 2 LICENSE GRANTS

2.1 **Licenses and Assignment to Biogen**.

2.1.1 **Collaboration License**. C4 hereby grants to Biogen and its Affiliates, during the Collaboration Term, a royalty-free, worldwide, exclusive (even as to C4, except to the extent necessary for C4 to perform any Collaboration Activities under any Candidate Development Plan or expressly allocated to C4 under the Sandbox Plan) license, with the right to sublicense through multiple tiers (subject to the provisions of Section 2.1.4 (Sublicensing by Biogen)), under the C4 Licensed Technology solely for the purpose of performing (or having performed) Candidate Development Activities (except to the extent required for C4 to perform the Candidate Development Activities assigned to C4 under the Candidate Development Plans) under each Candidate Development Plan and Sandbox Activities under the Sandbox Plan.

2.1.2 **Commercial License**. C4 hereby grants to Biogen and its Affiliates a worldwide, royalty-bearing, exclusive (even as to C4, except to the extent necessary for C4 to perform any Collaboration Activities under any Candidate Development Plan or expressly allocated to C4 under the Sandbox Plan) license, with the right to sublicense through multiple tiers (subject to the provisions of Section 2.1.4 (Sublicensing by Biogen)), under the C4 Licensed Technology to Exploit all Degraders and Products in the Field in the Territory.

2.1.3 **C4 Collaboration Technology License**. C4 hereby grants to Biogen and its Affiliates a worldwide, royalty-free, irrevocable, perpetual, non-exclusive license, with the right to sublicense through multiple tiers, under all C4 Collaboration Patent Rights and C4 Collaboration Know-How, to modify, improve, and enhance Degraders or Products (including any Degrader Component included therein).

2.1.4 **Sublicensing by Biogen**. Biogen and its Affiliates may grant sublicenses under Section 2.1.1 (Collaboration License) and Section 2.1.2 (Commercial License) to any Affiliate or Third Party. Any such sublicense will be consistent with the terms of this Agreement and will include confidentiality, non-disclosure, and non-use provisions at least as restrictive or protective of the Parties as those set forth in this Agreement.

2.2 **Licenses to C4**.

2.2.1 **Collaboration License**. Biogen hereby grants to C4, during the Collaboration Term, a royalty-free, non-exclusive, worldwide license, with the right to sublicense through multiple tiers (subject to the provisions of Section 2.2.3 (Sublicensing by C4)), under the Biogen Licensed Technology solely for the purpose of performing the C4 Candidate Development Activities under the applicable Candidate Development Plan, and to the extent allocated to C4 under the Sandbox Plan, the Sandbox Activities.

2.2.2 **Grantback License**. Biogen hereby grants to C4 an irrevocable, royalty-free, fully-paid, non-exclusive, perpetual, worldwide license, with the right to sublicense through multiple tiers, under any Biogen Grantback Claims to practice any method and to make, use, sell, offer for sale or import any product other than (a) Degraders or Products or (b) any compounds or products Directed To any Collaboration Target.

2.2.3 **Sublicensing by C4**. C4 may not grant any sublicense to use the Biogen Licensed Technology under Section 2.2.1 (Collaboration License), except with the prior written consent of Biogen. Any such sublicense will be consistent with the terms of this Agreement and will include confidentiality, non-disclosure, and non-use provisions at least as restrictive or protective of the Parties as those set forth in this Agreement.

2.3 **No Implied Licenses**. Except as expressly provided in this Agreement, neither Party will be deemed to have granted the other Party any license or other right with respect to any Intellectual Property of such Party.

ARTICLE 3 COLLABORATION

3.1 **Candidate Development Programs**.

3.1.1 **Collaboration Targets**.

(a) **Initial Targets**. As of the Effective Date, the initial targets that will be the subject of Candidate Development Programs are **[***]** (such targets, the "**Initial Targets**").

(b) **Additional Targets**.

(i) **Selection of Additional Targets**. During the period commencing on the Effective Date and ending on the date that is **[***]** thereafter (the "**Additional Target Selection Period**"), Biogen may select **[***]** additional targets (that are not Initial Targets) as Additional Targets

hereunder (which such Additional Targets so selected pursuant to this sentence will be Initial Term Targets hereunder). In addition, if Biogen elects to extend the Collaboration Term for an additional **[***]** pursuant to Section 3.5.2 (Extension of Collaboration Term), then (A) upon such election, Biogen may select **[***]** additional targets as Additional Targets hereunder, and (B) during the period commencing on the date of such election and ending on the date that is **[***]** thereafter, Biogen may select **[***]** additional targets as Additional Targets hereunder (all of which such Additional Targets so selected pursuant to the foregoing clauses ((A) and (B)), will be Extended Term Targets hereunder), as described further in Section 3.5.3 (Effect of Extension of Initial Collaboration Term). Biogen may select each such Additional Target by sending a written notice to C4 during the Collaboration Term, which notice will identify the applicable proposed target (each, an "**Additional Target Notice**").

(ii) **Replacement Target Notice**. On an Initial Target-by-Initial Target basis, if the JSC determines that the Candidate Development Program for an Initial Target has failed to deliver at least **[***]** in a particular series directed to such Initial Target that meet the Hit Criteria set forth in the applicable Candidate Development Plan, then, subject to Section 3.1.1(b)(iv) (Occupied Targets), Biogen may select a replacement target as a Collaboration Target by sending a written notice to C4 during the Collaboration Term, which notice will identify the applicable proposed target (each, a "**Replacement Target Notice**"). During the Collaboration Term, Biogen may send no more than **[***]** Replacement Target Notice for each Initial Target.

(iii) **Effects of Notice**. Effective immediately upon C4's receipt of an Additional Target Notice or Replacement Target Notice (as applicable), subject to Section 3.1.1(b)(iv) (Occupied Targets), the applicable target that is specified in such notice will become an Additional Target for purposes of this Agreement and, following the Parties' agreement on a Candidate Development Plan with respect to such Additional Target in accordance with Section 3.1.4 (Additional Candidate Development Plans), C4 will promptly initiate Candidate Development Activities with respect to such Additional Target in accordance with this Section 3.1 (Candidate Development Programs).

(iv) **Occupied Targets**. If, at the time of C4's receipt of an Additional Target Notice or Replacement Target Notice for a proposed target, **[***]** then Biogen may select another proposed target (and another if such other proposed target is an Occupied Target and so on) until such time that Biogen selects a target that is not an Occupied Target, at which point such proposed target will be added as an Additional Target under this Agreement.

(v) **Expiration of Pre-Existing Restrictions**. If at any time during the period in which Biogen is eligible to send C4 an Additional Target Notice under Section 3.1.1(b)(i) (Selection of Additional Targets) or Replacement Target Notice under Section 3.1.1(b)(ii) (Replacement Target Notice) (such period, the "**Target Selection Period**"), any Pre-Existing

Restriction that precluded Biogen from selecting a proposed target as an Additional Target that Biogen previously proposed to C4 under Section 3.1.1(b)(iv) (Occupied Targets) later expires, terminates, or is otherwise modified such that such proposed target would no longer be an Occupied Target, then C4 will promptly notify Biogen of such expiration, termination, or modification.

3.1.2 **Candidate Development Activities**.

(a) **C4 Candidate Development Activities**. For each Candidate Development Program with respect to a Collaboration Target, C4 will be responsible for (i) performing all activities assigned to it under the applicable Candidate Development Plan, (ii) applying its C4 Degrader Platform to the discovery and initial optimization of at least **[***]** directed to each Collaboration Target that satisfy the applicable Hit Criteria for such Collaboration Target, and (iii) preparing and delivering all Deliverables and Results related to such Collaboration Target in accordance with this Agreement and the applicable Candidate Development Plan, including the preparation of all reports in accordance with Section 3.1.9 (Reports of Candidate Development Activities) and the Development Candidate Report for each Development Candidate in accordance with Section 3.1.8(a) (Delivery of Development Candidates; Development Candidate Report) (collectively, together with any other activity expressly set forth under this Agreement to be performed by or on behalf of C4 during the Collaboration Term (other than the Sandbox Activities), the "**C4 Candidate Development Activities**"). C4 will perform, or have performed, all C4 Candidate Development Activities in accordance with the applicable Candidate Development Plan and the applicable Candidate Development Budget for such Collaboration Target and otherwise in accordance with this Agreement. C4 will not perform any activities with respect to a Collaboration Target (including the Exploitation of any Degrader directed to such Collaboration Target) that are not set forth in the applicable Candidate Development Plan for such Collaboration Target (other than the Sandbox Activities, which activities C4 will perform in accordance with Section 3.2 (Sandbox Program)).

(b) **Biogen Candidate Development Activities**. Biogen (i) will perform all activities assigned to it under the applicable Candidate Development Plan, and (ii) may elect to lead other neurosciences-related activities with respect to each Collaboration Target, including cellular testing of Degraders, development of target binding assays and primary and secondary screening assays and testing and validation of the binding of ligands, and Degraders, in each case, to such Collaboration Target using such assays, cellular mechanism of action studies, pharmacokinetic studies, efficacy and pharmacodynamic models, translational efforts, further optimizing Degraders that satisfy the applicable Hit Criteria and Lead Criteria for such Collaboration Target for potency, selectivity, brain penetrance, and ADME/PK properties to demonstrate *in vivo* proof of principle, and other pilot toxicology (together ((i) and (ii)), with any other activities to be performed by or on behalf of Biogen with respect to each Collaboration Target during the Collaboration Term, collectively, the "**Biogen Candidate Development Activities**," and, together with the C4 Candidate Development Activities, the "**Candidate Development Activities**").

3.1.3 **Candidate Development Plans and Candidate Development Budgets**. For each Collaboration Target, C4 will perform the C4 Candidate Development Activities for such Collaboration Target and Biogen will perform the Biogen Candidate Development Activities for such Collaboration Target in accordance with a written development plan that sets forth: (a) the C4 Candidate Development Activities to be performed by or on behalf of C4 during the Collaboration Term, (b) the Biogen Candidate Development Activities to be performed by or on behalf of Biogen during the Collaboration Term, (c) the Hit Criteria for Degraders directed to the applicable Collaboration Target, (d) the Lead Criteria for Degraders directed to the applicable Collaboration Target, (e) the Development Candidate Criteria for Degraders directed to the applicable Collaboration Target, (f) the timelines upon which C4 will work to deliver to Biogen Degraders that meet each of the Hit Criteria, Lead Criteria, and Development Candidate Criteria for such Collaboration Target and their respective satisfaction of the applicable criteria, (g) the Deliverables and other Results required for the JSC to determine whether Degraders directed to such Collaboration Target have satisfied the Hit Criteria, Lead Criteria, and Development Candidate Criteria for such Collaboration Target, and other Deliverables and Results to be provided by C4 to Biogen with respect to the C4 Candidate Development Activities, (h) a timeline for completion of other C4 Candidate Development Activities, and (i) the dedicated and planned resources to be provided by C4 in furtherance of performing the C4 Candidate Development Activities (each such plan, a "**Candidate Development Plan**"). In addition, for each Collaboration Target, the Candidate Development Plan will include a written budget pursuant to which C4 or its authorized Third Party designees will perform the C4 Candidate Development Activities allocated to C4 under such Candidate Development Plan, which budget will include a good-faith estimate of (i) the number of FTEs to be dedicated by C4 under such Candidate Development Plan, and (ii) any direct out-of-pocket expenses expected to be incurred (each such budget, the "**Candidate Development Budget**"). All internal personnel and resources of C4 under each Candidate Development Budget will be expressed in terms of FTEs plus any direct out-of-pocket costs to be incurred (*e.g.*, from the use of contract research organizations) in connection with the performance of Candidate Development Activities as outlined in the applicable Candidate Development Plan and such budgeted cost will be calculated using the relevant FTE Rates. The initial Candidate Development Plan agreed to by the Parties for each of the Initial Targets is attached hereto as Schedule 3.1.3(a) (Candidate Development Plan for **[***]**), Schedule 3.1.3(b) (Candidate Development Plan for **[***]**), and Schedule 3.1.3(c) (Candidate Development Plan for **[***]**), respectively.

3.1.4 **Additional Candidate Development Plans and Budgets**. No later than **[***]** after Biogen's delivery of an Additional Target Notice for an Additional Target, subject to Section 3.1.1(b)(iv) (Occupied Targets), the Parties will develop, through the JSC, a Candidate Development Plan for such Additional Target and an associated Candidate Development Budget included in such Candidate Development Plan for the costs and expenses associated with the performance of the Candidate Development Activities set forth under such Candidate Development Plan, in each case, in accordance with this Section 3.1.4 (Additional Candidate Development Plans and Budgets). The content of the Candidate Development Plan for each Additional Target will be consistent in scale and scope to that set forth in the Candidate Development Plans for the Initial Targets, including (a) Hit Criteria, Lead Criteria, and Development Candidate for Degraders directed to such Additional Target that are substantially similar to the corresponding criteria set forth under the Candidate Development Plans for such Initial Targets, and (b) C4 Candidate Development Activities that are consistent in scale and scope with the corresponding activities under the Candidate Development Plans for such Initial Targets and Biogen

Candidate Development Activities that are at least equivalent in scale and scope as the corresponding activities under the Candidate Development Plans for such Initial Targets. The Candidate Development Budget for each Additional Target will be substantially similar to the Candidate Development Budgets for the Initial Targets.

3.1.5 **Updates to Candidate Development Plans**. The Parties may update and amend each Candidate Development Plan and the corresponding Candidate Development Budget included in such Candidate Development Plan from time to time through the JSC, each of which updated plan and budget the JSC will have the right to determine whether to approve, subject to Section 4.2.4 (Decision Making Authority).

3.1.6 **Satisfaction of Hit Criteria**. On a Collaboration Target-by-Collaboration Target basis, C4 will use diligent efforts to deliver to Biogen at least **[***]** directed to each Collaboration Target that meet the Hit Criteria set forth in the applicable Candidate Development Plan in accordance with the timeframes for such delivery set forth in such Candidate Development Plan. On a Collaboration Target-by-Collaboration Target basis, C4 will provide written notice to the JSC upon the development of each Degrader directed to each Collaboration Target that satisfies the Hit Criteria for such Collaboration Target, together with all Deliverables to be provided with respect to Degraders that satisfy such Hit Criteria (as set forth in the applicable Candidate Development Plan) and applicable Deliverables and supporting Results. The JSC will review, discuss, and determine whether each such Degrader satisfies the applicable Hit Criteria for the applicable Collaboration Target. Upon the JSC's confirmation that at least **[***]** directed to a Collaboration Target satisfy the Hit Criteria for such Collaboration Target, Biogen will pay the Hit Fee with respect to such Collaboration Target in accordance with Section 7.2 (Hit Fee). Biogen will only be obligated to pay the Hit Fee one time with respect to each Collaboration Target, and after Biogen pays the Hit Fee for a Collaboration Target, without limiting C4's obligations under this Agreement, Biogen will not be obligated to pay any additional Hit Fee for any additional Degraders directed to such Collaboration Target that satisfy the Hit Criteria.

3.1.7 **Satisfaction of Lead Criteria**. On a Collaboration Target-by-Collaboration Target basis, C4 will use diligent efforts to deliver to Biogen at least **[***]** directed to each Collaboration Target that meet the Lead Criteria set forth in the applicable Candidate Development Plan in accordance with the timeframes for such delivery set forth in such Candidate Development Plan. On a Collaboration Target-by-Collaboration Target basis, C4 will provide written notice to the JSC upon the development of each Degrader directed to each Collaboration Target that satisfies the Lead Criteria for such Collaboration Target, together with all Deliverables to be provided with respect to Degraders that satisfy such Lead Criteria (as set forth in the applicable Candidate Development Plan) and applicable Deliverables and supporting Results. The JSC will review, discuss, and determine whether each such Degrader satisfies the applicable Lead Criteria for the applicable Collaboration Target. Upon the JSC's confirmation that at least **[***]** directed to a Collaboration Target satisfy the Lead Criteria for such Collaboration Target, Biogen will pay the Lead Fee with respect to such Collaboration Target in accordance with Section 7.3 (Lead Fee). Biogen will only be obligated to pay the Lead Fee one time with respect to each Collaboration Target, and after Biogen pays the Lead Fee for a Collaboration Target, without limiting C4's obligations under this Agreement, Biogen will not be obligated to pay any additional Lead Fee for any additional Degraders directed to such Collaboration Target that satisfy the Lead Criteria for such Collaboration Target.

3.1.8 **Satisfaction of Development Candidate Criteria**.

(a) **Delivery of Development Candidates; Development Candidate Report**. On a Collaboration Target-by-Collaboration Target basis, C4 will use diligent efforts to deliver to Biogen at least **[***]** directed to each Collaboration Target that meets the Development Candidate Criteria set forth in the applicable Candidate Development Plan in accordance with the timeframes for such delivery set forth in such Candidate Development Plan. In addition, no later than **[***]** after completion by C4 of all C4 Candidate Development Activities set forth under the applicable Candidate Development Plan with respect to each Degrader, C4 will deliver to Biogen a report summarizing all Results for each Degrader as a result of the performance by or on behalf of C4 of the C4 Candidate Development Activities set forth under the applicable Candidate Development Plan with respect to such Degrader (for each Degrader, a "**Development Candidate Report**"). On a Degrader-by-Degrader basis, following C4's completion of the C4 Candidate Development Activities set forth under the applicable Candidate Development Plan with respect to such Degrader, Biogen will have sole control over, will bear all costs and expenses of, and will have sole discretion and decision-making authority with respect to, the performance of further activities with respect to such Degrader and all Products that incorporate such Degrader, in each case, during the Collaboration Term.

(b) **IND-Enabling Study Commencement Fee**. On a Collaboration Target-by-Collaboration Target basis, with respect to the first Degrader directed to each Collaboration Target for which Biogen commences IND-Enabling Studies, Biogen will pay to C4 the IND-Enabling Study Commencement Fee for such Collaboration Target pursuant to Section 7.4 (IND-Enabling Study Commencement Fee). Biogen will only be obligated to pay the IND-Enabling Study Commencement Fee one time with respect to each Collaboration Target, and after Biogen pays the IND-Enabling Study Commencement Fee for the first Degrader directed to a particular Collaboration Target, Biogen may commence IND-Enabling Studies for any other Degrader directed to such Collaboration Target without paying any additional IND-Enabling Study Commencement Fee. For clarity, Biogen may, at its sole discretion, determine to conduct IND-Enabling Studies (or further Development or Commercialization thereafter) with respect to any Degrader, regardless of whether such Degrader meets the Hit Criteria, Development Candidate Criteria, or Lead Criteria set forth in the applicable Candidate Development Plan.

3.1.9 **Reports of Candidate Development Activities**. Notwithstanding anything to the contrary in this Agreement, C4 will keep Biogen reasonably informed, through the JSC, regarding the status and progress of C4's activities with respect to Collaboration Targets and Degraders, including the status of all C4 Candidate Development Activities. Biogen will keep C4 reasonably informed, through the JSC, regarding the status and progress of Biogen's activities with respect to Collaboration Targets and Degraders by providing C4 a high-level summary of the status of Biogen Candidate Development Activities at each meeting of the JSC. During the Collaboration Term on a quarterly basis, C4 will prepare written reports for each Collaboration Target for which C4 is performing (or has performed) any C4 Candidate Development Activities to update Biogen on the status of all such C4 Candidate Development Activities for such Collaboration Target performed by or on behalf of C4 during the applicable Calendar Quarter. Such reports must be sufficient in

content to allow Biogen to evaluate the progress of the C4 Candidate Development Activities against the objectives, One-Time R&D Prepayment and timelines included therefor in the applicable Candidate Development Plan. In addition, for each Calendar Quarter, C4 shall provide to Biogen a summary report in the form attached hereto as Schedule 3.1.9 (Form of Candidate Development Financial Report). In addition, C4 will include in such reports such other Deliverables, Results, or other information as may be required under any Candidate Development Plan or otherwise required for the performance of the Biogen Candidate Development Activities with respect to a particular Collaboration Target (or as may be reasonably requested by Biogen). The JSC will review the quarterly update reports for each such Collaboration Target and (i) confer regarding the progress towards developing Degraders directed to such Collaboration Target that satisfy the Hit Criteria, Lead Criteria, and Development Candidate Criteria (including determining whether or not Degraders directed to each Collaboration Target satisfy the Hit Criteria, Lead Criteria, and Development Candidate Criteria, in each case, for such Collaboration Target), (ii) review relevant Deliverables provided and Results generated in the performance of such C4 Candidate Development Activities, (iii) consider and advise on any technical issues that may arise, and (iv) discuss the Biogen Candidate Development Activities performed by or on behalf of Biogen with respect to such Collaboration Target during the same period; *provided* that Biogen will not be obligated to discuss the Biogen Candidate Development Activities with the JSC or C4 in the event of a Change of Control of C4 involving a Third Party that is, at such time, Exploiting any Competitive Product.

3.1.10 **Costs of Candidate Development Activities**. The payments to be made pursuant to Section 7.1 (One-Time R&D Prepayments) will compensate C4 for, and are being made to C4 as a prepayment of costs and expenses to be incurred by or on behalf of C4 in connection with the performance of all C4 Candidate Development Activities to be performed by or on behalf of C4 under each Candidate Development Plan. C4 will be responsible for all costs and expenses incurred by or on behalf of C4 in the performance of all C4 Candidate Development Activities and any other activities undertaken by C4 with respect to each Candidate Development Program during the Collaboration Term (including any additional resources that may be required for C4 to perform the C4 Candidate Development Activities under any Candidate Development Plan in accordance with this Agreement). Biogen will be responsible for all costs and expenses incurred by or on behalf of Biogen in the performance of all Biogen Candidate Development Activities and any other activities undertaken by Biogen with respect to each Candidate Development Program during the Collaboration Term.

3.1.11 **Performance of C4 Candidate Development Activities**. C4 will (a) provide all resources necessary for it to perform all C4 Candidate Development Activities and (b) perform all C4 Candidate Development Activities with reasonable care and skill in accordance with all Applicable Laws and the terms of this Agreement. On a Collaboration Target-by-Collaboration Target basis, as set forth under this Agreement, C4 will use diligent efforts to complete all C4 Candidate Development Activities set forth under each Candidate Development Plan in accordance with the performance timelines set forth in the applicable Candidate Development Plan, deliver to Biogen **[***]** that satisfy each of the Hit Criteria, Lead Criteria, and **[***]** that satisfies the Development Candidate Criteria set forth under the applicable Candidate Development Plan in accordance with the timeframes set forth in each such Candidate Development Plan, and provide to Biogen all Deliverables and Results set forth in the applicable Candidate Development Plan within the timeframes included therefor. During the Collaboration Term, C4 will devote the efforts of suitably qualified and trained employees and research assistants capable of carrying out the C4 Candidate Development Activities set forth under each Candidate Development Plan to a professional workmanlike standard and will provide all necessary materials and facilities therefor.

3.2 **Sandbox Program**.

3.2.1 **Sandbox Activities**. During the Collaboration Term, the Parties will undertake a series of research and activities to (a) better understand the C4 Degrader Platform and inform Biogen's selection of the Additional Targets, including understanding the chemical approaches to targeted protein degradation through the modulation of the ubiquitin- proteasome pathway for the purpose of identifying and discovering ligands and targets (other than the Initial Targets) to be added as Additional Targets hereunder, and (b) with respect to C4, prepare and deliver all Deliverables and Results related to such activities in accordance with this Agreement, including all reports to be prepared in accordance with Section 3.2.4 (Reports of Sandbox Activities) (the "**Sandbox Activities**"). For clarity, no target that is an Occupied Target shall be eligible for any Sandbox Activities. The Parties agree that the Additional Targets derived from the Sandbox Activities shall be intended to address indications in the field of neurology.

3.2.2 **Sandbox Plan and Sandbox Workstreams**.

(a) **Sandbox Plan**. Each Party will perform (or have performed) the Sandbox Activities allocated to it in accordance with a written plan that sets forth: (a) those activities to be performed in order to validate targets that may be selected as Additional Targets and to identify novel ligands, (b) a detailed timeline for the identification of such targets and ligands and the completion by C4 of all other Sandbox Activities allocated to C4 under such plan, (c) the Deliverables and Results to be provided to Biogen by C4 with respect to the Sandbox Activities to be performed by or on behalf of C4 under such plan (which Deliverables and Results will be sufficient for Biogen to determine whether or not it wishes to select any such target as an Additional Target), and (d) the FTEs to be dedicated by C4 in furtherance of performing the activities and achieving the objectives set forth in the foregoing clauses (a) – (d) (the "**Sandbox Plan**"). Either Party may propose to perform (or have performed, subject to the terms of this Agreement) under the Sandbox Plan specific Sandbox Activities with respect to a particular Sandbox Target (each, a "**Sandbox Workstream**"), each of which Sandbox Workstreams will be attached as a separate appendix to the Sandbox Plan and will set forth in writing (i) those activities to be performed in order to validate a Sandbox Target, (ii) a detailed timeline for the performance of such validation activities and the completion by C4 of all other Sandbox Activities allocated to C4 under such Sandbox Workstream, (iii) the Deliverables and Results to be provided to Biogen by C4 with respect to the Sandbox Activities to be performed by or on behalf of C4 under such Sandbox Workstream (which Deliverables and Results will be sufficient for Biogen to determine whether or not it wishes to select any Sandbox Target as an Additional Target), and (iv) the FTEs to be dedicated by C4 in furtherance of performing the activities and achieving the objectives set forth in the foregoing clauses (i) – (iii). No later than **[***]** after the Effective Date, the Parties will develop, through the JSC, the Sandbox Plan that sets forth the initial Sandbox Activities (including an individual Sandbox Workstream for each Sandbox Target that will be the subject of Sandbox Activities as of the date of such initial Sandbox Plan) and the associated detailed, written budget for the costs and expenses of the Sandbox Activities allocated to C4 under the Sandbox Plan

(including under each such initial Sandbox Workstream), which costs will be based on the number of FTEs to be dedicated by C4 under the Sandbox Plan, charged at the FTE Rate, as well as any direct out-of-pocket costs incurred by C4 in the course of conducting such Sandbox Activities (for each Sandbox Workstream, a "**Sandbox Budget**").

(b) **Additional Sandbox Workstreams**. Thereafter, at any point until the earlier of: (i) the **[***]** anniversary of the Effective Date, or (ii) the date on which the total costs and expenses incurred by or on behalf of C4 in the performance of all Sandbox Activities under the Sandbox Plan in accordance with the applicable Sandbox Budget equals **[***]**, either Party may propose a Sandbox Workstream for an additional target to the JSC with respect to which Sandbox Activities are to be conducted under the Sandbox Plan and the associated proposed Sandbox Budget for the conduct of Sandbox Activities under such Sandbox Workstream. Following the JSC's approval of each Sandbox Workstream and associated Sandbox Budget with respect to a target, such Sandbox Workstream and Sandbox Budget will be attached as an appendix to, incorporated into, and made part of the Sandbox Plan.

3.2.3 **Performance of Sandbox Activities**. C4 will dedicate the number of FTEs set forth under the Sandbox Plan (including under each Sandbox Workstream) to perform the Sandbox Activities allocated to C4 under the Sandbox Plan (or applicable Sandbox Workstream) and C4 or its authorized Third Party designees will perform such Sandbox Activities in accordance with the Sandbox Plan (including as set forth in the applicable Sandbox Workstream) and applicable Sandbox Budget, and otherwise in accordance with this Agreement. The Parties may update and amend the Sandbox Plan or any Sandbox Workstream and associated Sandbox Budget from time to time through the JSC, each of which updated plan and budget the JSC will have the right to determine whether to approve, subject to Section 4.2.4 (Decision Making Authority); *provided* that, unless otherwise agreed to by the Parties (not the JSC) in writing, the total costs and expenses to be incurred by or on behalf of C4 under the Sandbox Budgets in the performance of all Sandbox Activities under the Sandbox Plan (including all Sandbox Workstreams) may not exceed $**[***]** in the aggregate.

3.2.4 **Reports of Sandbox Activities**. Notwithstanding anything to the contrary set forth in this Agreement, each Party will keep the other Party reasonably informed, through the JSC, regarding the status and progress of the Sandbox Activities performed by or on behalf of such Party. During the Collaboration Term on a **[***]** basis, C4 will prepare written reports to update Biogen on the status of such Sandbox Activities performed by or on behalf of C4 during the applicable **[***]**. Such reports must be sufficient in content to allow the receiving Party to evaluate the progress of the Sandbox Activities being performed by or on behalf of the other Party against the objectives, Sandbox Budget and timelines included therefor in each Sandbox Plan. In addition, Biogen will prepare a high-level summary to update C4 on the status of the Sandbox Activities performed by or on behalf of Biogen during the applicable **[***]**. C4 will (a) record and account the FTE efforts and direct out-of-pocket expenses (along with reasonable documentation), in each case, incurred by or on behalf of C4 during the applicable **[***]** in the performance of the Sandbox Activities by or on behalf of C4 during the applicable **[***]** under the Sandbox Plan, and (b) provide a reasonable estimate of the FTEs and direct out-of-pocket expenses, in each case, to be incurred on a **[***]** basis by or on behalf of C4 in order to complete the Sandbox Activities as set forth under the then-current Sandbox Plan in accordance with the applicable Sandbox Budget. In addition, each Party will provide to the other Party such other information as

may be reasonably required under the Sandbox Plan or otherwise for the performance of the Sandbox Program or reasonably requested by the other Party. The JSC will review the quarterly update reports of such Sandbox Activities and (i) confer regarding the progress towards identifying and discovering ligands and targets that Biogen may select as Additional Targets, (ii) review relevant Deliverables provided and Results generated in the performance of such Sandbox Activities, and (iii) consider and advise on any technical issues that may arise.

3.2.5 **Costs of Sandbox Activities**. For each applicable Calendar Quarter, Biogen will reimburse C4 for (a) the FTE hours actually spent by C4 employees at the applicable FTE Rate in the performance of Sandbox Activities under the Sandbox Plan, and (b) the direct out-of-pocket expenses (provided with reasonable supporting documentation) incurred by or on behalf of C4 in performing such Sandbox Activities, in each case ((a) and (b)), in accordance with the Sandbox Plan and applicable Sandbox Budget. In each such Calendar Quarter, C4 will invoice Biogen, and Biogen will pay C4 all undisputed amounts due under this Section 3.2.5 (Costs of Sandbox Activities) within **[***]** following receipt of the applicable invoice. Notwithstanding anything to the contrary set forth in this Agreement, unless otherwise agreed to in writing by the Parties (not the JSC), the total amount payable by Biogen to C4 pursuant to this Section 3.2.5 (Costs of Sandbox Activities) or otherwise with respect to the performance of any Sandbox Activities will not exceed $**[***]**. In addition, Biogen will be responsible for all costs and expenses incurred by or on behalf of Biogen in the performance of the Sandbox Activities allocated to Biogen in the applicable Sandbox Plan.

3.2.6 **Performance of Sandbox Activities**. C4 will dedicate the number of FTEs set forth in the Sandbox Plan to perform the Sandbox Activities allocated to C4 thereunder and such FTEs will perform such Sandbox Activities with reasonable care and skill in accordance with all Applicable Laws and the terms of this Agreement. In addition, as set forth in this Agreement, C4 will use diligent efforts to (a) complete all Sandbox Activities allocated to C4 under the Sandbox Plan in accordance with the applicable Sandbox Budget, and (b) deliver to Biogen, through the JSC all Deliverables and Results set forth in the Sandbox Plan within the timeframes included therefor. During the Collaboration Term, the FTEs of C4 dedicated to performing the Sandbox Activities under the Sandbox Plan will be suitably qualified and trained employees and research assistants capable of carrying out such Sandbox Activities to a professional workmanlike standard and will provide all necessary materials and facilities therefor.

3.2.7 **Sandbox High Interest Targets**. Within **[***]** following the Additional Target Selection Period, Biogen will provide C4 with a prioritized list of up to **[***]** Sandbox Targets that may be potentially selected as a Replacement Target in accordance with Section 3.1.1(b)(i) (Selection of Additional Targets) or as an Extended Term Target in accordance with Section 3.1.1(b)(ii) (Replacement Target Notice) (each such Sandbox Target, a "**Sandbox High Interest Target**" and such list, the "**Sandbox High Interest Target List**"). Biogen may add or remove a Sandbox Target to or from the Sandbox High Interest Target List (as applicable) at any time during the Term upon written notice to C4, provided, however, that (a) at no time will the Sandbox High Interest Target List include more than **[***]** Sandbox High Interest Targets and (b) if Biogen designates a Sandbox High Interest Target as a Replacement Target in accordance with Section 3.1.1(b)(i) (Selection of Additional Targets) or as an Extended Term Target in accordance with Section 3.1.1(b)(ii) (Replacement Target Notice), then, in each case, such Sandbox High Interest Target will be automatically removed from the Sandbox High Interest Target List and such Sandbox

High Interest Target will no longer be deemed a Sandbox High Interest Target for the purposes of this Agreement. During the Collaboration Term, each Sandbox High Interest Target will be subject to the restrictions set forth in Section 3.6 (Exclusivity) and C4 will, and will cause its Affiliates to, comply with such restrictions with respect thereto.

3.3 **Records**. During the Collaboration Term and for **[***]** thereafter, C4 will maintain records of all Collaboration Activities in sufficient detail and in good scientific manner, appropriate for scientific, patent, and regulatory purposes, which records will be complete and properly reflect all work done and results achieved in the performance of Collaboration Activities by or on behalf of C4. In addition, C4 will calculate and maintain records of FTE effort and direct out-of-pocket expenses, in each case, incurred by it in the same manner as used for other products developed by C4.

3.4 **Copies and Inspection of Records**. **[***]**, during normal business hours and upon reasonable notice not less than **[***]**, Biogen will have the right to inspect all records of C4 or its authorized Third Party designees that relate to the performance of Collaboration Activities by or on behalf of C4. Notwithstanding anything to the contrary set forth in this Agreement, Biogen will have the right to inspect such records more than **[***]** if it in good faith believes performance of Collaboration Activities by or on behalf of C4 are not in compliance with the terms and conditions of this Agreement. Biogen will have the right to arrange for its employees or independent consultants and (sub)contractors involved in the performance of activities under this Agreement to (a) visit the offices and laboratories of C4 **[***]** during normal business hours and upon reasonable notice not less than **[***]**, and (b) discuss with C4's technical personnel and consultants the performance and progress of the Collaboration Activities and applicable Deliverables and associated Results in detail. After preparing or receiving the report for such visit or inspection, Biogen will provide C4 with a written summary of Biogen's findings of any deficiencies or other areas of remediation that Biogen identifies during any such visit or inspection. C4 will use diligent efforts to remediate any such deficiencies within **[***]** after C4's receipt of such report, at C4's cost and expense.

3.5 **Collaboration Term**.

3.5.1 **Initial Term**. The Collaboration Activities will be performed by or on behalf of the Parties during the period commencing on the Effective Date and expiring on the date that is **[***]** thereafter unless (a) extended by Biogen pursuant to Section 3.5.2 (Extension of Collaboration Term), or (b) earlier terminated as provided in Article 12 (Term and Termination) (the "**Initial Collaboration Term**").

3.5.2 **Extension of Collaboration Term**. Biogen may elect to extend the Initial Collaboration Term for an additional **[***]** (for a total period of **[***]** after the Effective Date) by delivering to C4 written notice of its desire to so extend the Initial Collaboration Term no later than the fourth anniversary of the Effective Date (the Initial Collaboration Term, together with such additional **[***]** period if Biogen so delivers such notice pursuant to this Section 3.5.2 (Extension of Collaboration Term), unless this Agreement is earlier terminated as provided in Article 12 (Term and Termination), collectively, the "**Collaboration Term**"). Notwithstanding anything to the contrary set forth in this Agreement, each Party will use commercially reasonable efforts to complete within **[***]** following the end of the Collaboration Term (whether the Initial Collaboration Term or as extended for an additional **[***]** period pursuant to this Section 3.5.2 (Extension of Collaboration Term)), all Candidate Development Activities assigned to such Party under, and in accordance with, each Candidate Development Plan that are ongoing or incomplete at the end of the Collaboration Term (unless technically or scientifically infeasible, as determined by the JSC).

3.5.3 **Effect of Extension of Initial Collaboration Term**. If Biogen elects to extend the Initial Collaboration Term pursuant to Section 3.5.2 (Extension of Collaboration Term), then: (a) Biogen will have the right to select five more Additional Targets with respect to which the Parties will perform Candidate Development Activities in accordance with this Agreement, which targets will be selected in accordance with Section 3.1.1(b)(i) (Selection of Additional Targets), and upon selection thereof, such Additional Targets will be Extended Term Targets for purposes of this Agreement and (b) Biogen will pay to C4 the payment to so extend the Initial Collaboration Term in accordance with Section 7.1.2 (Extended Collaboration Term).

3.6 **Exclusivity**. On a Candidate Development Program-by-Candidate Development Program and Sandbox Program-by-Sandbox Program Basis, other than in the performance of activities under this Agreement and subject to Section 3.7 (Exception for Acquisition of C4), C4 will not (and will not permit its Affiliates to), either alone or directly or indirectly with any Third Party, Exploit : (a) solely with respect to C4 and its Affiliates (other than any Acquiror or any Affiliate of such Acquiror prior to the consummation of the applicable Change of Control) any protein antibody, small molecule compound, or other biological molecule, chemical compound, or other molecule, and (b) with respect to any Acquiror (including any Affiliate of such Acquiror prior to the consummation of the applicable Change of Control), any protein degrader, in each case ((a) and (b)), that is Directed To (i) during the Term, any Collaboration Target, (ii) during the Additional Target Selection Period, any Sandbox Target or (iii) during the Collaboration Term, any Sandbox High Interest Target (any such protein, antibody, small molecule, compound, or other biological molecule, chemical compound, other molecule, or protein degrader, as applicable. described in the foregoing clauses (a) or (b), a "**Competitive Product**"). For the avoidance of doubt, the foregoing obligations of exclusivity shall cease immediately with respect to a Candidate Development Program upon termination of this Agreement with respect to such Candidate Development Program and will cease with respect to a Collaboration Target upon replacement of such Collaboration Target in accordance with Section 3.1.1(b)(ii) (Replacement Target Notice).

3.7 **Effect of Acquisition of C4**. C4 will not be in breach of the restrictions set forth in Section 3.6 (Exclusivity) if C4 undergoes a Change of Control with a Third Party (such Third Party, an "**Acquiror**," and, together with its pre-Change of Control Affiliates, the "**Acquisition Party**") that is (either directly or through any Third Party) Exploiting one or more Competitive Products prior to such Change of Control. Competitive Products being Exploited by the Acquisition Party prior to the Change of Control are referred to herein as "**Grandfathered Products**." The Acquisition Party may continue to Exploit such Grandfathered Products following the Change of Control; provided that (a) no C4 Licensed Technology or Biogen Technology is used by or on behalf of the Acquisition Party or its Affiliates in connection with the Exploitation of such Competitive Products, and (b) C4 and the Acquisition Party institutes commercially reasonable technical and administrative safeguards to ensure the requirements set forth in the foregoing clause (a) are met, including by creating "firewalls" between the personnel working on such Grandfathered Products and the personnel teams charged with working on any Product or having access to data from activities performed under this Agreement or Confidential Information of the Parties.

ARTICLE 4 GOVERNANCE

4.1 **Alliance Management**.

4.1.1 **Alliance Managers**. Each Party will appoint a single individual who possesses sufficient alliance management experience and is otherwise suitably qualified and that has the requisite decision-making authority, in each case, to act as its alliance manager under this Agreement to support the Collaboration Activities, the Sandbox Program, and the Candidate Development Programs (the "**Alliance Manager**"). The initial Alliance Managers will be set forth on Schedule 4.1.1 (Contact List). Each Party may change the person designated as its Alliance Manager upon written notice (including via email notification) to the other Party, *provided* that such new Alliance Manager possesses sufficient alliance management experience and otherwise meets the requirements set forth in this Section 4.1.1 (Alliance Managers).

4.1.2 **Roles and Responsibilities**. The Alliance Managers will be responsible for (a) facilitating the flow of information and otherwise promoting communication of the day-to-day work for the Sandbox Program and each Candidate Development Program, (b) coordinating the Collaboration Activities, (c) providing a single point of communication for seeking consensus both internally within the respective Party's organization and between the Parties regarding key strategy and planning issues, (d) assisting the integration of teams across functional areas, (e) preparing and disseminating agendas and presentations for the JSC meetings, (f) conducting the meetings of the JSC, and (g) performing such other functions as requested by the JSC.

4.2 **Joint Steering Committee**.

4.2.1 **Formation**. As soon as practicable, but no later than **[***]** after the Effective Date, the Parties will establish a joint steering committee (the "**JSC**") to oversee the Collaboration Activities. The JSC will be comprised of **[***]** representatives of Biogen and **[***]** representatives of C4, each of whom will have the appropriate experience and expertise to perform its responsibilities on the JSC. Each Party will provide notice to the other Party of its initial representatives to the JSC. Either Party may replace its representatives with similarly qualified individuals at any time upon prior written notice to the other Party. If agreed by the JSC on a case-by-case basis, the JSC may invite other nonmembers to participate in the discussions and meetings of the JSC, *provided* that such participants will have no voting authority at the JSC and that any such non-employee participants are bound by written obligations of non-use and confidentiality no less stringent than those set forth in Article 9 (Confidentiality). The Alliance Managers will be responsible, on behalf of the JSC, for setting the agenda for meetings of the JSC with input from the other members and for conducting the meetings of the JSC. Neither Alliance Manager will be a member of the JSC, but the Alliance Managers or suitable designees will attend all meetings of the JSC.

4.2.2 **Meetings**. The JSC will meet in person (alternating between a site designated by each of C4 and Biogen) or by teleconference at least **[***]**, or with such other frequency as the Parties may agree. Specific meeting dates will be determined by agreement of the Parties. Either Party may also call a special meeting of the JSC (by videoconference or teleconference) upon at least **[***]** prior written notice to the other Party if such Party reasonably believes that a significant matter must be addressed before the next regularly scheduled JSC meeting, and such Party will provide the JSC materials reasonably adequate to enable an informed discussion by its members no later than **[***]** before the special

meeting. Biogen will host the first meeting of the JSC at a mutually agreeable time and place no later than **[***]** after the Effective Date. Each Party will be responsible for its own expenses relating to attendance at or participation in JSC meetings. The Alliance Managers will prepare and disseminate agendas and presentations no later than **[***]** in advance of each JSC meeting unless otherwise agreed to by the Parties in writing. The Alliance Managers will jointly prepare and circulate minutes for each JSC meeting within **[***]** after each such meeting and will ensure that such minutes are reviewed and approved by their respective companies within **[***]** thereafter.

4.2.3 **Responsibilities**. The JSC will oversee and monitor the progress of the Collaboration Activities. Within such scope the JSC will, subject to Section 4.2.4 (Decision Making Authority) and Section 4.2.5 (Limits of JSC Decision Making Authority):

(a) discuss and determine whether a Replacement Target Notice is warranted, as described in Section 3.1.1(b)(ii) (Replacement Target Notice);

(b) prepare the Candidate Development Plan (and the Candidate Development Budget included in such Candidate Development Plan) for each Additional Target, as described in Section 3.1.4 (Additional Candidate Development Plans and Budgets);

(c) review and amend each Candidate Development Plan and the corresponding Candidate Development Budget included in such Candidate Development Plan, as described in Section 3.1.5 (Updates to Candidate Development Plans and Budgets);

(d) review and determine whether Degraders directed to a given Collaboration Target satisfy the Hit Criteria set forth in the applicable Candidate Development Plan for such Collaboration Target, as described in Section 3.1.6 (Satisfaction of Hit Criteria);

(e) review and determine whether Degraders directed to a given Collaboration Target satisfy the Lead Criteria set forth in the applicable Candidate Development Plan for such Collaboration Target, as described in Section 3.1.7 (Satisfaction of Lead Criteria);

(f) review C4's quarterly update reports to Biogen on the status of all C4 Candidate Development Activities and discuss the C4 Candidate Development Activities performed since the previous JSC meeting, as described in Section 3.1.9 (Reports of Candidate Development Activities);

(g) review Biogen's quarterly high-level summary to C4 on the status of Biogen Candidate Development Activities and discuss the Biogen Candidate Development Activities performed since the previous JRC meeting, as described in Section 3.1.9 (Reports of Candidate Development Activities);

(h) prepare the initial Sandbox Plan and initial Sandbox Workstreams and the associated Sandbox Budgets, and make amendments thereto, in each case, as described in Section 3.2.2(a) (Sandbox Plan);

(i) review and determine whether to approve each additional Sandbox Workstream and the associated Sandbox Budget, as described in Section 3.2.2(b) (Additional Sandbox Workstreams);

(j) review C4's quarterly update reports to Biogen on the status of all Sandbox Activities performed by or on behalf of C4 and discuss the Sandbox Activities performed since the previous JSC meeting, as described in Section 3.2.4 (Reports of Sandbox Activities);

(k) review Biogen's high-level summary to C4 on the status of all Sandbox Activities performed by or on behalf of Biogen and discuss the Sandbox Activities performed since the previous JSC meeting, as described in Section 3.2.4 (Reports of Sandbox Activities);

(l) review, discuss, and determine whether any Candidate Development Activities assigned to a Party that are ongoing or complete at the end of the Collaboration Term are technically or scientifically infeasible to complete within **[***]** following the end of the Collaboration Term, as described in Section 3.5.2 (Extension of Collaboration Term);

(m) consider and advise on any technical issues that arise under the Collaboration Activities;

(n) discuss, plan, and coordinate the transition of Manufacturing activities and transfer of Know-How from C4 to Biogen that is necessary or useful for the Manufacture of Degraders and Products, such discussion, planning and coordination to begin, on a Candidate Development Program-by- Candidate Development Program basis, prior to the satisfaction of the Lead Criteria with respect to a Candidate Development Program;

(o) discuss and coordinate the transfer of (i) all Know-How Controlled by C4 that is necessary or useful to enable the Manufacture of a Development Candidate and (ii) any materials (as well as any intermediates and impurities of such materials) used by C4 or its Affiliates or Subcontractors in the Manufacture of such Development Candidate, in each case ((i) and (ii)), in accordance with the applicable technology transfer plan with respect to such Development Candidate, as described in Section 6.3 (Manufacturing Technology Transfer);

(p) form such other committees as the JSC may deem appropriate, including individual committees to oversee Collaboration Activities related to particular Collaboration Targets;

(q) attempt to resolve any disputes on an informal basis; and

(r) perform such other functions as expressly set forth in this Agreement or allocated to the JSC by the written agreement of the Parties.

4.2.4 **Decision Making Authority**. A quorum for a meeting of the JSC will require the presence of at least **[***]** from each Party. The JSC will endeavor to reach decisions by consensus, with each Party, through its representative members of the JSC, having **[***]**, *provided* that a quorum must be present for any decision to be made by the JSC. Subject to the terms

of this Agreement, including Section 4.2.5 (Limits on JSC Decision Making Authority), **[***]** will have final decision making authority with respect to such decision, including any Candidate Development Plan or Candidate Development Budget or the Sandbox Plan (including any Sandbox Workstream) or any Sandbox Budget, or any update to any of the foregoing.

4.2.5 **Limits on JSC Decision Making Authority**. Notwithstanding anything to the contrary set forth in this Agreement, without C4's prior written consent, no decision of the JSC or **[***]** (in the exercise of its final decision-making authority on any such matters as set forth in Section 4.2.4 (Decision Making Authority)), in each case, may (a) result in a material increase in the scope of activities required to be performed by C4 under this Agreement, including under any Candidate Development Plan or require C4 to dedicate FTEs in excess of the Sandbox Budget, (b) take or decline to take any action that would be reasonably likely to result in a violation of any Applicable Law, the requirements of any Regulatory Authority, or any agreement between C4 and any Third Party or that would be reasonably likely to result in the infringement, misappropriation, or other violation of any Intellectual Property of any Third Party, (c) impose any obligation on either Party that would be in violation of such Party's written standard operating procedures, written business policies, or written compliance policies or procedures, or (d) conflict with this Agreement.

4.3 **Disbandment of the JSC**. The JSC will terminate upon the earlier of (a) the expiration (or earlier termination) of the Collaboration Term or (b) the date on which Biogen has, for each Collaboration Target, commenced IND-Enabling Studies for a Development Candidate directed to such Collaboration Target. Upon the termination of the JSC, the JSC will have a final meeting thereafter to review the results of the all Collaboration Activities and will thereafter have no further authority with respect to the activities hereunder.

ARTICLE 5 DEVELOPMENT, REGULATORY MATTERS, AND COMMERCIALIZATION

5.1 **Technology Transfer**. C4 will provide to Biogen copies of all C4 Licensed Know-How that is necessary or useful for the performance of all Biogen Candidate Development Activities no later than **[***]** after the Effective Date. Thereafter, C4 will provide to Biogen copies of all C4 Licensed Know-How that is made, conceived, discovered, or otherwise generated following such initial transfer of C4 Licensed Know-How that is (a) necessary or useful to continue to enable Biogen to perform such Biogen Candidate Development Activities and Sandbox Activities, or (b) necessary or useful to allow Biogen to continue to Exploit any Degrader and Products that incorporate such Degrader, in each case (a) and (b), as determined by the JSC. In addition to providing copies of the C4 Licensed Know-How in accordance with this Section 5.1 (Technology Transfer), C4 will make its personnel reasonably available to Biogen so as to enable Biogen to practice under the C4 Licensed Technology in connection with its performance of the Biogen Candidate Development Activities and the Sandbox Activities and the Exploitation of the Degraders and Products that include such Degraders.

5.2 **Development and Medical Affairs**. On a Development Candidate-by-Development Candidate basis, following completion of the Candidate Development Activities with respect to such Development Candidate, Biogen will have sole control over, will bear all costs and expenses of, and will have sole discretion and decision-making authority with respect to, the further Development of, and the performance of all Medical Affairs with respect to, such Development Candidate and all Products that incorporate such Development Candidate.

5.3 **Regulatory Activities**. Biogen will have sole control over the preparation and submission of all Regulatory Submissions for all Products at its own cost and expense, including all MAAs and applications for obtaining, supporting, and maintaining Reimbursement Approvals for all Products. Biogen may file all such applications in its own name (or in the name of its designee) and will own and control all such applications. Without limiting the generality of Section 5.6 (C4 Support), C4 will use commercially reasonable efforts to assist Biogen in its efforts to prepare and submit any Regulatory Submissions to obtain, support, or maintain Regulatory Approvals for all Products, including by providing to Biogen, upon Biogen's reasonable request, all data, written reports, and other documentation related to such Product Controlled by C4 or its Affiliates (which assistance and data generation must be in accordance with Applicable Law and requirements and standards by applicable Regulatory Authorities) as well as any necessary samples and materials. C4 may invoice Biogen for the internal costs (at the FTE Rate) and documented expenses incurred in connection with providing such assistance and cooperation, and Biogen will pay the undisputed invoiced amounts within **[***]** after the date of such invoice.

5.4 **Commercialization**. Biogen will have sole control over, will bear all costs and expenses of, and will have sole discretion and decision-making authority with respect to, the Commercialization of all Products.

5.5 **Diligence Obligations**.

5.5.1 **Development Diligence Obligations**. If Biogen has commenced an IND-Enabling Study for a Development Candidate directed to a Collaboration Target in the United States or one Major European Market, then Biogen, itself or through its Affiliates, Sublicensees, or Subcontractors, will use Commercially Reasonable Efforts to Develop and seek Regulatory Approval for at least **[***]** directed to such Collaboration Target in the United States or **[***]** Major European Market. Biogen will have no other diligence obligations under this Agreement with respect to the Development or Regulatory Approval of any Development Candidates or Products.

5.5.2 **Commercialization Diligence Obligations**. Following receipt by or on behalf of Biogen of Regulatory Approval for a Product in the United States or a Major European Market, Biogen will use Commercially Reasonable Efforts to Commercialize such Product in the United States or such Major European Market (as applicable). Biogen will have no other diligence obligations under this Agreement with respect to the Commercialization of any Products.

5.6 **C4 Support**. The Parties understand and agree that following completion of the Sandbox Activities and C4 Candidate Development Activities, in addition to the cooperation and assistance to be expressly provided under Section 5.1 (Technology Transfer), Section 5.3 (Regulatory Activities), and Section 6.4 (C4 Manufacturing Support), from time to time it may be necessary for Biogen to seek assistance and cooperation from C4 in connection with the performance of the Biogen Candidate Development Activities or further Exploitation of Development Candidates and Products. C4 hereby agrees to use commercially reasonable efforts to provide any such assistance and cooperation reasonably requested by Biogen within **[***]** following completion of such Sandbox Activities or C4 Candidate Development Activities (as applicable), as a consultant. C4 may invoice Biogen for the internal costs (at the FTE Rate) and documented expenses incurred in connection with providing such assistance and cooperation, and Biogen will pay the undisputed invoiced amounts within **[***]** after the date of such invoice.

ARTICLE 6 MANUFACTURING

6.1 **General Responsibilities**. On a Development Candidate-by-Development Candidate basis, following successful manufacturing technology transfer as set forth in Section 6.3 (Manufacturing Technology Transfer) for each Development Candidate and all Products that incorporate such Development Candidate, Biogen will have sole responsibility for, and sole decision-making authority with respect to, all Manufacturing activities and associated costs and expenses for the Manufacture of such Development Candidate and all such Products.

6.2 **Observation by Biogen**. Following C4's delivery to Biogen of a Development Candidate Report for a Degrader, C4 will provide Biogen with the opportunity, upon Biogen's reasonable request during normal business hours, to observe the Manufacturing processes and procedures for such Degrader (*e.g.*, review assays, batch records, and release processes and procedures) for the purpose of enabling Biogen (or a Third Party contract manufacturer ("**CMO**") designated by Biogen) to Manufacture such Degrader and Products that incorporate such Degrader pursuant to Section 6.3 (Manufacturing Technology Transfer). If C4 utilizes a CMO for the Manufacture of any Degrader, then C4 will take all reasonable actions, including entering into a three party agreement with Biogen and such CMO, to enable Biogen to exercise its rights under Section 6.1 (General Responsibilities) and this Section 6.2 (Observation by Biogen).

6.3 **Manufacturing Technology Transfer**. In addition to the initial technology transfer set forth in Section 5.1 (Technology Transfer), on a Development Candidate-by-Development Candidate basis, following selection of such Development Candidate by Biogen, beginning at the time of selection of a Development Candidate and for a period of **[***]** thereafter, C4 will work with Biogen to transfer to Biogen (a) all Know-How Controlled by C4 that is necessary or useful to enable the Manufacture of such Development Candidate, to the extent not previously transferred to Biogen under this Agreement, by providing copies or samples of relevant documentation, materials, and other embodiments of such Know-How, and by making available its qualified technical personnel on a reasonable basis to consult with Biogen with respect to such Know-How, and (b) any materials (as well as any intermediates and impurities of such materials) used by C4 or its Affiliates or Subcontractors in the Manufacture of such Development Candidate, including any materials, intermediates and impurities used prior to the performance of IND-Enabling Studies for such Development Candidate. Each such Know-How transfer will be conducted pursuant to technology transfer plan developed and agreed by the Parties at least **[***]** prior to the anticipated commencement of such transfer, the purpose of which plan will be to ensure the complete and timely transfer of such Know-How and materials in a manner that is consistent with then-current internal technology transfer corporate standards (or equivalent policy) of Biogen. The JSC will coordinate and ensure that such transfer has been completed under the applicable technology transfer plan.

6.4 **C4 Manufacturing Support**. Without limiting the generality of Section 5.6 (C4 Support), the Parties understand and agree following the technology transfer contemplated by Section 6.3 (Manufacturing Technology Transfer) it may be necessary for Biogen from time to time to seek assistance and cooperation from C4 in connection with the Manufacture of Development Candidates and Products, including with respect to scale-up activities. C4 hereby agrees to use commercially reasonable efforts to provide any such assistance and cooperation reasonably requested by Biogen within **[***]** following such technology transfer, as a consultant. C4 may invoice Biogen for the internal costs (at the FTE Rate) and documented expenses incurred in connection with providing such assistance and cooperation, and Biogen will pay the undisputed invoiced amounts within**[***]** after the date of such invoice.

ARTICLE 7 PAYMENTS AND ROYALTIES

7.1 **One-Time R&D Prepayments**.

7.1.1 **Initial Collaboration Term**. No later than **[***]** after the Effective Date Biogen will pay to C4 an upfront payment of $**[***]** as prepayment for the C4 Candidate Development Activities to be performed hereunder, payable by wire transfer of immediately available funds.

7.1.2 **Extended Collaboration Term**. If Biogen elects to extend the Collaboration Term for an additional **[***]** period pursuant to Section 3.5.2 (Extension of Collaboration Term), then Biogen will pay to C4 a payment of $**[***]**, payable by wire transfer of immediately available funds. Biogen will pay such amount to C4 no later than **[***]** after Biogen's receipt of an invoice therefor, which invoice C4 may not provide to Biogen until C4's receipt of written notice from Biogen of Biogen's desire to so extend the Initial Collaboration Term.

7.2 **Hit Fee**. On a Collaboration Target-by-Collaboration Target basis, Biogen will pay to C4 a one-time payment of $**[***]** upon receipt of at least **[***]** Degraders directed to each Collaboration Target that satisfy the Hit Criteria for such Collaboration Target (as confirmed by the JSC pursuant to Section 4.2.3(d)) (each, a "**Hit Fee**"). Biogen will pay the Hit Fee to C4 for each applicable Collaboration Target no later than **[***]** after Biogen's receipt of an invoice therefor, which invoice C4 may not provide to Biogen with respect to a Collaboration Target unless and until the JSC confirms that the applicable Degraders directed to such Collaboration Target satisfy the Hit Criteria for such Collaboration Target.

7.3 **Lead Fee**. On a Collaboration Target-by-Collaboration Target basis, Biogen will pay to C4 a one-time payment of $**[***]** in consideration of at least **[***]** Degraders directed to each Collaboration Target that satisfy the Lead Criteria for such Collaboration Target (as confirmed by the JSC pursuant to Section 4.2.3(e)) (each, a "**Lead Fee**"). Biogen will pay the Lead Fee to C4 for each applicable Collaboration Target no later than **[***]** after Biogen's receipt of an invoice therefor, which invoice C4 may not provide to Biogen with respect to a Collaboration Target unless and until the JSC confirms that the applicable Degraders directed to such Collaboration Target satisfy the Lead Criteria for such Collaboration Target.

7.4 **IND-Enabling Study Commencement Fee**. On a Collaboration Target-by-Collaboration Target basis, Biogen will pay to C4 a one-time payment of $**[***]** in consideration of the commencement by or on behalf of Biogen of the **[***]** IND-Enabling Study for a Development Candidate directed to each Collaboration Target (for each Collaboration Target, a "**IND-Enabling Study Commencement Fee**"). Biogen will notify C4 in writing of the commencement (*i.e.*, the first dosing of an animal subject) of an IND-Enabling Study with respect to the **[***]** Development Candidate directed to each Collaboration Target. Thereafter, C4 will provide Biogen with an invoice for the IND-Enabling Study Commencement Fee for the applicable Collaboration Target, and Biogen will pay to C4 such IND-Enabling Study Commencement Fee no later than **[***]** after its receipt of invoice therefor.

7.5 **Milestone Payments**.

7.5.1 **Development Milestones**. On a Collaboration Target-by-Collaboration Target basis, Biogen will make one-time milestone payments (each, a "**Development Milestone Payment**") to C4 upon the first achievement by Biogen or its Affiliates or Sublicensees of each of the development milestone events (each, a "**Development Milestone Event**") (a) set forth in TABLE 7.5.1(a) below for the first Product directed to each Initial Term Target that is Covered by a Valid Claim of a C4 Licensed Patent Right (at the time of such achievement) to achieve the applicable Development Milestone Event, and (b) set forth in TABLE 7.5.1(b) below for the first Product directed to each Extended Term Target that is Covered by a Valid Claim of a C4 Licensed Patent Right (at the time of such achievement) to achieve the applicable Development Milestone Event. For the avoidance of doubt, each Development Milestone Payment hereunder will be payable only once per Collaboration Target upon the first achievement of the applicable Development Milestone Event by a Product directed to such Collaboration Target. No additional Development Milestone Payments will be made for any subsequent achievement of such Development Milestone Event by any other Product directed to the same Collaboration Target. If one or more Development Milestone Events are skipped for a Product directed to a particular Collaboration Target, then such skipped Development Milestone Events will be payable upon the first achievement by a Product that is Covered by a Valid Claim of a C4 Licensed Patent Right (at the time of such achievement) directed to the same Collaboration Target of the subsequent Development Milestone Event, except that a Development Milestone Event in one territory will not be deemed to be skipped solely because a subsequent Development Milestone Event was achieved in a different territory (*e.g.*, **[***]**). Biogen will notify C4 in writing of the achievement of a Development Milestone Event by Biogen or its Affiliates or Sublicensees no later than **[***]** after Biogen becomes aware of the achievement thereof. Thereafter, C4 will provide Biogen with an invoice for the corresponding Development Milestone Payment, and Biogen will pay to C4 such Development Milestone Payment no later than **[***]** after its receipt of invoice for such Development Milestone Payment. If Biogen or its Affiliates or Sublicensees achieve all Development Milestone Events with respect to Products directed to a particular Collaboration Target (regardless of the number of times such events occur or the number of Products that trigger such event), then (a) the maximum amount payable by Biogen with respect to a particular Initial Term Target under this Section 7.5.1 (Development Milestones) is $**[***]**, and (b) the maximum amount payable by Biogen with respect to a particular Extended Term Target under this Section 7.5.1 (Development Milestones) is $**[***]**.

TABLE 7.5.1(a) – Development Milestones
Products Directed to Initial Term Targets

Development Milestone Event	***Development Milestone Payment***
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**

TABLE 7.5.1(b) – Development Milestones
Products Directed to Extended Term Targets

Development Milestone Event	***Development Milestone Payment***
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**

7.5.2 **Sales Milestones**. On a Collaboration Target-by-Collaboration Target basis, Biogen will make one-time sales milestone payments (each, a "**Sales Milestone Payment**" and together with the Development Milestone Payments, the "**Milestone Payments**") to C4 upon the achievement by Biogen or its Affiliates or Sublicensees of each of the sales-based milestones events (each, a "**Sales Milestone Event**") (a) set forth in TABLE 7.5.2(a) below with respect to aggregate annual Net Sales of Products directed to each Initial Term Target and Covered by a Valid Claim of a C4 Licensed Patent Right (at the time of sale in the applicable country), and (b) set forth in TABLE 7.5.2(b) below with respect to aggregate annual Net Sales of Products directed to each Extended Term Target and Covered by a Valid Claim of a C4 Licensed Patent Right (at the time of sale in the applicable country). Each of the Sales Milestone Payments set forth below will be payable only one time, for the first Calendar Year in which the corresponding Sales Milestone Event is achieved. Biogen will notify C4 in writing of the achievement of a Sales Milestone Event by Biogen or its Affiliates or Sublicensees no later than **[***]** after the end of the Calendar Year in which such Sales Milestone Payment is payable pursuant to the preceding sentence. Thereafter, C4 will provide Biogen with an invoice for the corresponding Sales Milestone Payment, and Biogen will pay to C4 such Sales Milestone Payment no later than **[***]** after its receipt of invoice for such Sales Milestone Payment. If Biogen or its Affiliates or Sublicensees achieve all Sales Milestone Events with respect to Products directed to a particular Collaboration Target (regardless of the number of times such events occur or the number of Products that trigger such event), then (i) the maximum amount payable by Biogen with respect to a particular Initial Term Target under this Section 7.5.2 (Sales Milestones) is $**[***]**, and (ii) the maximum amount payable by Biogen with respect to a particular Extended Term Target under this Section 7.5.2 (Sales Milestones) is $**[***]**.

TABLE 7.5.2(a) – Sales Milestones
Products Directed to Initial Term Targets

Sales Milestone Event	***Sales Milestone Payment***
[***]	**[***]**
[***]	**[***]**

TABLE 7.5.2(b) – Sales Milestones
Products Directed to Extended Term Targets

Sales Milestone Event	*Sales Milestone Payment*
[***]	**[***]**
[***]	**[***]**

7.6 **Royalties**.

7.6.1 **Royalty Payments**. Subject to the provisions of Section 7.6.4 (Royalty Adjustments), on a Product-by-Product and country-by-country basis, Biogen will pay to C4 royalties in the amount of the marginal royalty rates set forth in TABLE 7.6.1 below of the aggregate Net Sales resulting from the sale of Products in the Territory during each Calendar Year of the applicable Royalty Term for each Product in each country (each, the "**Per Product Annual Net Sales**").

TABLE 7.6.1 – Marginal Royalty Rates

Per Product Annual Net Sales	*Marginal Royalty Rate (% of Per Product Annual Net Sales)*
[***]	**[***]**
[***]	**[***]**

Each marginal royalty rate set forth in TABLE 7.6.1 above will apply only to that portion of the Net Sales of a given Product in the Territory during a given Calendar Year that falls within the indicated range. For example, **[***]**.

7.6.2 **Royalty Term**. On a Product-by-Product and country-by-country basis, Biogen's obligation to pay royalties will begin upon the First Commercial Sale of a Product in a country and will expire upon the expiration of the last-to-expire Valid Claim of a C4 Licensed Patent Right, Product-Specific Patent Right, or Target-Specific Patent Right, in each case, Covering the composition of matter or method of use in the approved label of such Product in such country (the "**Royalty Term**"). Upon expiration of the Royalty Term for a given Product in a given country (a) no further royalties will be payable in respect of sales of such Product in such country, and (b) the licenses granted to Biogen under Section 2.1.2 (Commercial License) with respect to the Exploitation of such Product in such country will automatically become fully paid-up, perpetual, irrevocable, and royalty free. For clarity, only a single royalty will be payable as a result of one or more Valid Claims Covering a Product during the Royalty Term.

7.6.3 **Royalty Reports; Payments**.

(a) **Royalty Reports**. No later than **[***]** after the end of each Calendar Quarter during which any royalty payments are owed, Biogen will submit to C4 a written report of Net Sales of Products sold, in the currency for which such Products were sold (and, if the currency of sale was not Dollars, also in Dollars), by or on behalf of Biogen and its Affiliates and Sublicensees during such Calendar Quarter, and the royalty payments payable on such Net Sales in sufficient detail to permit confirmation of the accuracy of royalty payments paid hereunder.

(b) **Royalty Payments**. Royalties will be payable on a Calendar Quarter basis and Biogen will make any such payments within **[***]** after the end of the Calendar Quarter during which the applicable Net Sales of Products occurred.

7.6.4 **Payment Adjustments**.

(a) **Generic Competition**. If, in a particular country, a Third Party obtains approval for and sells a Generic Product with respect to a particular Product, then the royalties payable by Biogen pursuant to Section 7.6 (Royalties) for such Product in such country will be reduced by **[***]** for the remainder of the Royalty Term for such Product in such country.

(b) **Third Party Payments**. If Biogen enters into an agreement with a Third Party to obtain rights under a Patent Right or other Intellectual Property owned or controlled by such Third Party (whether by acquisition or license) that is necessary or useful to Exploit one or more Products, then Biogen may reduce the **[***]** royalties due to C4 by **[***]** of the amounts paid to such Third Party **[***]**.

(c) **Maximum Payment Adjustments**. In no event will the **[***]** royalties payable to C4 in a given Calendar Quarter reduced by more than **[***]** of the aggregate amount that would otherwise be payable to C4 in respect such **[***]** royalties in such Calendar Quarter as a result of the reductions permitted pursuant to Section 7.6.4(a) (Generic Competition) and Section 7.6.4(b) (Third Party Payments). Biogen may carry forward any such reductions permitted under Section 7.6.4(a) (Generic Competition) and Section 7.6.4(b) (Third Party Payments) that are incurred or accrued in a Calendar Quarter but are not applied against **[***]** royalties due to C4 in such Calendar Quarter as a result of the foregoing floor and apply such amounts against **[***]** royalties due to C4 in any subsequent Calendar Quarter (subject to the minimum floor set forth in this Section 7.6.4(c) (Maximum Royalty Adjustments)) until the amount of such reduction has been fully applied against **[***]** royalties due to C4.

7.6.5 **Third Party Agreements**. C4 will be responsible for obtaining and maintaining rights to use any and all Third Party Intellectual Property (whether through acquisition or license) that would, absent such right, be infringed, misappropriated, or otherwise violated by the practice of the C4 Degrader Platform or the performance of C4's obligations under this Agreement. Upon Biogen's written notice identifying any such Third Party Intellectual Property, or promptly upon C4 otherwise becoming aware of any such Third Party Intellectual Property ("**Biogen Identified Rights**"), C4 will, subject to Section 7.6.6 (Biogen Identified Rights Dispute), use diligent efforts to promptly obtain rights to such Biogen Identified Rights. C4 will ensure that any such rights acquired under license are freely sublicenseable to Biogen to the extent of the licenses and rights granted to Biogen under this Agreement. C4 will be solely responsible for (a) all obligations (including any royalty or other obligations that relate to the C4 Licensed Technology) under any agreement between C4 and any Third Party that is in effect as of the Effective Date or that C4 enters into during the Term, including any agreements entered into pursuant to this Section 7.6.5 (Third Party Agreements) for Biogen Identified Rights, and (b) all payments to inventors (other than inventors that are representatives of Biogen) of C4 Licensed Know-How, Results, Deliverables, and Sandbox Know-How, including payments under inventorship compensation laws.

7.6.6 **Biogen Identified Rights Dispute**. If a Party disputes whether certain Biogen Identified Rights would, absent obtaining rights to use such Biogen Identified Rights, be infringed, misappropriated, or otherwise violated by the practice of the C4 Degrader Platform or the performance of C4's obligations under this Agreement, then each Party may refer the matter to the IP Counsel of Biogen and the outside intellectual property counsel of C4 or their designees (the "**IP Counsels**") to determine whether such Biogen Identified Rights would, absent obtaining rights to use such Biogen Identified Rights, be infringed, misappropriated, or otherwise violated by the practice of the C4 Degrader Platform or the performance of C4's obligations under this Agreement. The IP Counsels will meet promptly to discuss and resolve the matter within **[***]** after referral of such matter to such IP Counsels. If the IP Counsels cannot agree on a resolution to the matter within such **[***]** period, then either Party may refer such matter for resolution to an independent Third Party expert agreed upon by the Parties within **[***]** after the IP Counsels have failed to resolve such matter. Such independent Third Party expert will be an attorney who has practiced United States patent law for at least **[***]** (or who has such other similar credentials as agreed by the Parties), and unless otherwise agreed in writing by the Parties, must not be a current or former employee, contractor, agent, or consultant of either Party or its Affiliates. The Party bringing a dispute pursuant to this Section 7.6.6 (Biogen Identified Rights Dispute) will promptly engage such expert and the Parties will share the out-of-pocket costs incurred in connection with the engagement of such expert equally (50:50). Within **[***]** of the engagement of such expert by the disputing Party, such expert will deliver its written decision to the Parties (including a detailed report as to such expert's rationale for such decision), and such decision will be binding on the Parties. Notwithstanding anything to the contrary set forth in this Agreement, at any time during the Term (including during the pendency of any such dispute), Biogen will have the right to obtain rights to such Biogen Identified Rights from the applicable Third Party. If such expert determines that such Biogen Identified Rights would, absent obtaining rights to use such Biogen Identified Rights, be infringed, misappropriated, or otherwise violated by the practice of the C4 Degrader Platform or the performance of C4's obligations under this Agreement, then C4 will reimburse Biogen for **[***]** of the amounts paid to such Third Party under any agreement between Biogen and such Third Party with respect to such Biogen Identified Rights (including any upfront payments, milestone payments, royalties, and profit-sharing payments). C4 will pay the amounts set forth in any invoice for such payments within **[***]** after the date of such invoice.

7.7 **Payment Method**. All payments to be made between the Parties under this Agreement will be made in Dollars and may be paid by wire transfer in immediately available funds to a bank account designated by C4; *provided* that in no event will Biogen be obligated to make payments under this Agreement to any Affiliate of C4 that is organized in any jurisdiction outside of the U.S. without Biogen's prior written consent.

7.8 **Currency Exchange**. Biogen's then-current standard exchange rate methodology will be employed for the translation of foreign currency sales into Dollars.

7.9 **Late Payments**. If a Party does not receive payment of any undisputed sum due to it on or before the due date set forth under this Agreement, then simple interest will thereafter accrue on the sum due to such Party from the due date until the date of payment at a per-annum rate of **[***]** percentage point over the then-current prime rate reported in *The Wall Street Journal* or the maximum rate allowable under Applicable Law, whichever is lower.

7.10 **Taxes**.

7.10.1 **Responsibility**. Except as expressly set forth in Section 7.10.2 (Withholding Taxes), C4 will pay any and all taxes levied on account of all payments it receives under this agreement.

7.10.2 **Withholding Taxes**. C4 will provide such information and documentation to Biogen as are reasonably requested by Biogen to determine if any withholding taxes apply to any payments to be made by Biogen to C4 under this Agreement. Solely to the extent that Applicable Law require that taxes be withheld with respect to any such payments to be made by Biogen to C4 under this Agreement, Biogen will: (a) deduct those taxes from the remittable payment, (b) pay the taxes to the proper taxing authority, and (c) send evidence of the obligation together with proof of tax payment to C4 on a reasonable and timely basis following such tax payment. Each Party agrees to cooperate with the other Party in claiming refunds or exemptions from such deductions or withholdings under any relevant agreement or treaty that is in effect. The Parties will discuss applicable mechanisms for minimizing such taxes to the extent possible in compliance with Applicable Law. C4 will pay any and all other taxes levied on account of all payments it receives under this Agreement.

7.10.3 **Cooperation**. The Parties will cooperate in accordance with Applicable Law to minimize indirect taxes (such as value added tax, sales tax, consumption tax, and other similar taxes) in connection with payments to be made under this Agreement.

7.11 **Financial Audits**.

7.11.1 **Record Retention; Audits**. Each Party will keep (and will cause its Affiliates and Sublicensees to keep) complete and accurate records pertaining to (a) in the case of Biogen, the sale or other disposition of Products (the "**Biogen Records**") and (b) in the case of C4, all costs and expenses incurred with the performance of its Sandbox Activities (the "**C4 Records**"), in each case ((a) and (b)), in reasonable detail to permit the other Party to confirm the accuracy of all payments or costs reported, for at least the preceding **[***]**. Upon reasonable (but in any case no less than **[***]**) **[***]** advance notice by one Party (the "**Auditing Party**") to the other Party (the "**Audited Party**") and not more than once in each Calendar Year and once per audited period (in each case, except for cause), the Audited Party and its Affiliates will permit, and will cause their Sublicensees to permit, an independent certified public accounting firm of internationally recognized standing, selected by the Auditing Party and reasonably acceptable to the Audited Party, to have access during normal business hours to such of the records of the Audited Party and its Affiliates and, if applicable, their Sublicensees, as may be reasonably necessary to verify the accuracy of (i) in the case of Biogen as the Audited Party, the Biogen Records and (ii) in the case of C4 as the Audited Party, the C4 Records, for any year ending not more than **[***]** prior to the date of such request. The accounting firm will enter a confidentiality agreement reasonably acceptable to the Audited Party governing the use and disclosure of the Audited Party's information disclosed to such firm, and such firm will disclose to the Auditing Party only whether information provided by the Audited Party to the Auditing Party as described in clauses (a) and (b) above was accurate and the specific details concerning any discrepancies, which information will be Confidential Information of the Audited Party.

7.11.2 **Audit Disputes**. Any disputes with respect to the findings of such accounting firm may be referred by either Party to the dispute resolution procedure set forth in Section 13.8 (Dispute Resolution). If either Party is found to have been underpaid any amounts payable to such Party hereunder or to have overpaid to the other Party any amounts payable hereunder, then such first Party will be entitled to recover any undisputed discrepancy, plus interest as set forth in Section 7.9 (Late Payments), no later than **[***]** after delivery to the Parties of the final report of such accounting firm. The fees charged by such accounting firm will be paid by the Auditing Party; *provided* that if the audit discloses a net underpayment of amounts owed or overreporting of expenses by the Audited Party of more than **[***]** of total amounts owed or expenses reported by the Audited Party for any Calendar Year period covered by the audit, then the Audited Party will pay the reasonable fees and expenses charged by such accounting firm. The Auditing Party will treat all financial information disclosed by its accounting firm pursuant to this Section 7.11 (Financial Audits) as Confidential Information of the Audited Party for purposes of Article 9 (Confidentiality) of this Agreement, and will cause its accounting firm to do the same.

ARTICLE 8 REPRESENTATIONS, WARRANTIES, AND COVENANTS

8.1 **Mutual Representations and Warranties of the Parties**. Each Party represents and warrants to the other Party as of the Effective Date that:

8.1.1 it is duly organized, validly existing and in good standing under the Applicable Law of the jurisdiction of its incorporation and has all requisite corporate power and authority to enter into this Agreement and to perform its obligations, in each case, under this Agreement;

8.1.2 the execution of this Agreement and the performance by such Party of its obligations hereunder have been duly authorized;

8.1.3 this Agreement has been duly executed and delivered on behalf of such Party, and is valid, legally binding, and enforceable against such Party in accordance with its terms;

8.1.4 the performance of this Agreement by such Party does not create a breach or default under any other agreement to which it is a Party;

8.1.5 the execution, delivery, and performance of this Agreement by such Party does not conflict with any agreement, instrument, or understanding, oral or written, to which it is a party or by which it is bound, nor violate any Applicable Law or regulation of any Governmental Authority; and

8.1.6 it has obtained all necessary government authorizations, consents, approvals, licenses, exemptions of, or filings or registrations with Governmental Authorities, under any Applicable Law currently in effect, that are or will be necessary for the transactions contemplated by this Agreement or any other agreement or instrument executed in connection herewith, or for the performance by it of its obligations under this Agreement.

8.2 **Additional Representations and Warranties of C4**. C4 represents and warrants to Biogen as of the Effective Date that:

8.2.1 it has and will have the full right, power, and authority to grant all of the licenses and rights granted to Biogen under this Agreement;

8.2.2 (a) Schedule 1.42 (C4 Licensed Patent Rights) sets forth a complete and accurate list of all Patent Rights existing as of the Effective Date that are owned, Controlled, or held by C4 or any of its Affiliates and necessary or useful to (i) perform the Sandbox Activities or the Candidate Development Activities, or (ii) Exploit any Degrader or Product, (b) C4 owns or otherwise Controls all Patent Rights listed on Schedule 1.42 (C4 Licensed Patent Rights); and (c) except as otherwise noted on Schedule 1.42 (C4 Licensed Patent Rights), C4 exclusively owns all rights, title, and interests in and to such Patent Rights;

8.2.3 there is no pending litigation, or litigation that has been threatened in writing, that alleges, or any written communication alleging, that C4's practice of the C4 Licensed Technology or the C4 Degrader Platform prior to the Effective Date has infringed, misappropriated, or otherwise violated, or would infringe, misappropriate, or otherwise violate, any of the Intellectual Property of any Third Party;

8.2.4 there are no claims, judgments, or settlements against or pending, or amounts with respect thereto, owed by C4 or any of its Affiliates, with respect to the C4 Licensed Technology or the C4 Degrader Platform, and C4 has not received written notice threatening any such claims, judgments, or settlements;

8.2.5 to C4's Knowledge, practice by C4 or Biogen under the C4 Licensed Technology or C4 Degrader Platform or the Exploitation by C4 or Biogen (or their respective Affiliates or Sublicensees) of any Degrader or Product, in each case, as contemplated under this Agreement, does not and will not infringe any issued patent of any Third Party or, if and when issued, any claim within any published patent application of any Third Party;

8.2.6 to C4's Knowledge no Third Party has challenged the ownership, scope, duration, validity, enforceability, priority, or right to use any C4 Licensed Patent Rights or the Patent Rights Covering the C4 Degrader Platform (including, by way of example, through the institution of or written threat of institution of interference, inter partes review, reexamination, protest, opposition, nullity, or similar invalidity proceeding before the United States Patent and Trademark Office or any foreign patent authority or court);

8.2.7 to C4's Knowledge, no Third Party is infringing, misappropriating, or otherwise violating, or threatening to infringe, misappropriate, or otherwise violate the C4 Licensed Technology or the C4 Degrader Platform;

8.2.8 all fees required to be paid by C4 in any jurisdiction in order to maintain the C4 Licensed Patent Rights have been timely paid and the C4 Licensed Patent Rights and the Patent Rights Covering the C4 Degrader Platform are valid, subsisting, and to C4's Knowledge, enforceable;

8.2.9 C4 has not previously assigned, transferred, conveyed, or granted any license or other rights under the C4 Licensed Technology that would conflict with or limit the scope of any of the rights or licenses granted to Biogen hereunder;

8.2.10 C4's rights, title, and interests to all the C4 Licensed Technology are free of any lien or security interest;

8.2.11 C4 has obtained, or caused its Affiliates, as applicable, to obtain, assignments from the inventors of all inventorship rights to the C4 Licensed Patent Rights and the Patent Rights Covering the C4 Degrader Platform, and all such assignments are valid and enforceable;

8.2.12 the inventorship of the C4 Licensed Patent Rights is properly identified on each issued patent or patent application in the C4 Licensed Patent Rights;

8.2.13 there are no Third Party agreements pursuant to which C4 Controls any of the C4 Licensed Technology or C4 Degrader Platform, and no Third Party has any rights, title, or interests in or to, or any license under, any of the C4 Licensed Technology or C4 Degrader Platform that would conflict with the rights and licenses granted to Biogen hereunder.

8.2.14 No written notice of default or termination has been received or given under any agreement pursuant to which C4 Controls any C4 Licensed Technology or Patent Rights Covering or Know-How related to the C4 Degrader Platform, and there is no act or omission by C4 or its Affiliates that would provide a right to terminate any such agreement;

8.2.15 C4 and its Affiliates have taken commercially reasonable measures consistent with industry practices to protect the secrecy, confidentiality, and value of all C4 Licensed Know-How that constitutes trade secrets under Applicable Law (including requiring all employees, consultants, and independent contractors to execute binding and enforceable agreements requiring all such employees, consultants, and independent contractors to maintain the confidentiality of such C4 Licensed Know-How) and such C4 Licensed Know-How has not been used, disclosed to, or discovered by any Third Party except pursuant to such confidentiality agreements and there has not been a breach by any party to such confidentiality agreements;

8.2.16 the C4 Licensed Technology has not been created pursuant to, and are not subject to, any funding agreement with any Governmental Authority or any Third Party, and are not subject to the requirements of the Bayh-Dole Act or any similar provision of any Applicable Law;

8.2.17 to C4's Knowledge, all information disclosed to Biogen by C4 relating to the C4 Degrader Platform, the C4 Licensed Technology, and the materials and methods to be employed by C4 in the performance by or on behalf of C4 of the C4 Candidate Development Activities under the Candidate Development Plans and the Sandbox Activities under the Sandbox Plans and otherwise under this Agreement is, at the time of disclosure, accurate in all respects;

8.2.18 neither C4, nor its Affiliates, nor any of their employees, officers, Subcontractors, or consultants who have rendered services relating to the C4 Degrader Platform: (a) has ever been Debarred or is subject to debarment or convicted of a crime for which an entity or person could be Debarred; or (b) have ever been under indictment for a crime for which a person or entity could be so Debarred; and

8.2.19 C4 has not intentionally failed to furnish Biogen with any information requested by Biogen, or intentionally concealed from Biogen any information in its possession, including information relating to the C4 Licensed Technology or C4 Degrader Platform, in each case, that C4 reasonably believes would be material to Biogen's decision to enter into this Agreement and undertake the commitments and obligations set forth herein.

8.3 **Covenants of C4**. C4 covenants to Biogen that:

8.3.1 during the Term, C4 will not assign, transfer, convey, or grant any license or other rights to its rights, title, and interests in or to the C4 Licensed Technology in any way that would conflict with or limit the scope of any of the rights or licenses granted to Biogen hereunder;

8.3.2 C4 will not, and will cause its Affiliates not to (a) license, sell, assign, or otherwise transfer to any Person any Product-Specific Know-How, Product-Specific Patent Rights, Target-Specific Know-How, or Target-Specific Patent Rights (or agree to do any of the foregoing), or (b) incur or permit to exist, with respect to any Product-Specific Know-How, Product-Specific Patent Rights, Target-Specific Know-How, or Target-Specific Patent Rights, any lien, encumbrance, charge, security interest, mortgage, liability, grant of license to Third Parties, or other restriction (including in connection with any indebtedness);

8.3.3 C4 will, and will ensure that its Affiliates, Sublicensees, and Subcontractors obtain written agreements from any and all Persons involved in or performing any Collaboration Activities by or on behalf of C4 that assign such Persons' rights, title, and interests in and to any C4 Licensed Technology, Sandbox Technology, or Results to C4 prior to any such person performing such activities;

8.3.4 in the performance of activities under this Agreement, C4 will not employ or use any Person who to C4's Knowledge: (a) has ever been Debarred or is subject to debarment or convicted of a crime for which an entity or person could be Debarred; or (b) has ever been under indictment for a crime for which a person or entity could be so Debarred; and

8.3.5 during the Collaboration Term, C4 will maintain sufficient resources to perform the Collaboration Activities for which it is responsible under this Agreement in accordance herewith.

8.4 **DISCLAIMER OF WARRANTIES**. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, NEITHER PARTY MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. IN PARTICULAR, BIOGEN DOES NOT MAKE ANY REPRESENTATION OR EXTEND ANY WARRANTY THAT THE DEVELOPMENT CANDIDATES OR PRODUCTS WILL BE SUCCESSFULLY DEVELOPED OR COMMERCIALIZED HEREUNDER.

8.5 **LIMITATION OF LIABILITY**. EXCEPT FOR DAMAGES RESULTING FROM BREACHES OF SECTION 3.5 (EXCLUSIVITY), ARTICLE 9 (CONFIDENTIALITY), OR ANY REPRESENTATIONS OR WARRANTIES CONTAINED IN SECTION 8.2.2, OR INDEMNIFIABLE CLAIMS UNDER ARTICLE 11 (INDEMNIFICATION), IN NO EVENT WILL EITHER PARTY HAVE ANY CLAIMS AGAINST OR LIABILITY TO THE OTHER PARTY WITH RESPECT TO ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING ANY CLAIMS FOR LOST PROFITS OR REVENUES) ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN INFORMED OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

ARTICLE 9 CONFIDENTIALITY

9.1 **Confidential Information**. It is understood and agreed by the Parties that:

9.1.1 The terms and conditions of this Agreement will be considered Confidential Information of both Parties and kept confidential by each of the Parties in accordance with this Article 9 (Confidentiality).

9.1.2 The C4 Licensed Technology, Biogen Technology, Sandbox Technology, all royalty reports provided to C4 pursuant to Section 7.6.3(a) (Royalty Reports), all Development Candidate Reports, all reports provided to Biogen pursuant to Section 3.1.9 (Reports of Candidate Development Activities) and Section 3.2.4 (Reports of Sandbox Activities), the identities of the Collaboration Targets, the Degraders, the Products, and all Deliverables and Results will each be considered the Confidential Information of Biogen, with Biogen deemed to be the disclosing Party in respect thereof (the "**Disclosing Party**") and C4 deemed to be the receiving Party (the "**Receiving Party**") with respect thereto.

9.2 **Non-Disclosure and Non-Use Obligation**. Except as otherwise expressly set forth herein, the Receiving Party will, during the Term and for a period of **[***]** thereafter, keep the Confidential Information of the Disclosing Party confidential using at least the same degree of care with which the Receiving Party holds its own confidential information (but in no event less than a reasonable degree of care) and will not (a) disclose such Confidential Information to any Person without the prior written approval of the Disclosing Party, except, solely to the extent necessary to exercise its rights or perform its obligations under this Agreement, to its employees, Affiliates, Sublicensees, and Subcontractors, consultants, or agents who have a need to know such Confidential Information, all of whom will be similarly bound by confidentiality, non-disclosure, and non-use provisions at least as restrictive or protective of the Parties as those set forth in this Agreement and for whom the Disclosing Party will be responsible, or (b) use such Confidential Information for any purpose other than for the purposes contemplated by this Agreement. The Receiving Party will use diligent efforts to cause the foregoing Persons to comply with the restrictions on use and disclosure set forth in this Section 9.2 (Non-Disclosure and Non-Use Obligation), and will be responsible for ensuring that such Persons maintain the Disclosing Party's Confidential Information in accordance with this Article 9 (Confidentiality). Each Party will promptly notify the other Party of any misuse or unauthorized disclosure of the other Party's Confidential Information.

9.3 **Return of Confidential Information**. Upon the expiration or termination of this Agreement, the Receiving Party will return (or, as directed by the Disclosing Party, destroy) all Confidential Information of the Disclosing Party to the Disclosing Party that is in the Receiving Party's possession or control (other than any Confidential Information required to continue to exercise a Party's rights that survive termination of this Agreement), *provided*, however, copies may be retained and stored solely for the purpose of determining its obligations under this Agreement, subject to the non-disclosure and non-use obligation under this Article 9 (Confidentiality). In addition, the Receiving Party will not be required to return or destroy Confidential Information contained in any computer system back-up records made in the ordinary course of business; *provided* that such Confidential Information may not be accessed without the Disclosing Party's prior written consent or as required by Applicable Law.

9.4 **Exemptions**. Information of a Disclosing Party will not be Confidential Information of such Disclosing Party to the extent that the Receiving Party can demonstrate through competent evidence that such information: (a) is already in the possession of the Receiving Party at the time of its receipt from the Disclosing Party and not through a prior disclosure by or on behalf of the

Disclosing Party, as evidenced by contemporaneous written records, (b) is generally available to the public before its receipt from the Disclosing Party, (c) became generally available to the public or otherwise part of the public domain after its disclosure by the Disclosing Party and other than through any act or omission of the Receiving Party or any of its Affiliates or discloses in breach of this Agreement, including pursuant to Section 9.9.3 (Publication Rights), (d) is subsequently disclosed to the Receiving Party or any of its Affiliates without obligation of confidentiality by a Third Party who may rightfully do so and is not under a conflicting obligation of confidentiality to the Disclosing Party, or (e) is developed independently by employees, subcontractors, consultants or agents of the Receiving Party or any of its Affiliates without use of or reliance upon the Disclosing Party's Confidential Information, as evidenced by contemporaneous written records. No combination of features or disclosures will be deemed to fall within the foregoing exclusions merely because individual features are published or available to the general public or in the rightful possession of the Receiving Party unless the combination itself and principle of operation are published or available to the general public or in the rightful possession of the Receiving Party.

9.5 **Permitted Disclosures**. In addition to the exceptions contained in Sections 9.2 (Non-Disclosure and Non-Use Obligation) and 9.4 (Exemptions), the Receiving Party may disclose Confidential Information of the Disclosing Party to the extent (and solely to the extent) that such disclosure is reasonably necessary in the following instances:

9.5.1 (a) the prosecution and maintenance of C4 Licensed Patent Rights and Joint Patent Rights, in each case, as contemplated by this Agreement; or (b) Regulatory Submissions and other filings with Governmental Authorities (including Regulatory Authorities), as necessary for the Exploitation of a Degrader or Product;

9.5.2 disclosure of the existence and applicable terms of this Agreement and the status and results of Exploitation of one or more Degraders or Products to actual or *bona fide* potential investors, acquirors, Sublicensees, lenders, and other financial or commercial partners (including in connection with any royalty factoring transaction), and their respective attorneys, accountants, banks, investors, and advisors, solely for the purpose of evaluating or carrying out an actual or potential investment, acquisition, sublicense, debt transaction, or collaboration; *provided* that, in each such case, on the condition that such Persons are bound by obligations of confidentiality, non-disclosure, and non-use provisions at least as restrictive or protective of the Parties as those set forth in this Agreement or otherwise customary for such type and scope of disclosure any such disclosure is limited to the maximum extent practicable for the particular context in which it is being disclosed;

9.5.3 to comply with Applicable Law (whether generally or in pursuit of an application for listing of securities) including the United States Securities and Exchange Commission or equivalent foreign agency or regulatory body, or otherwise required by judicial or administrative process, *provided that* in each such event, as promptly as reasonably practicable and to the extent not prohibited by Applicable Law or judicial or administrative process, such Party will notify the other Party of such required disclosure and provide a draft of the disclosure to the other Party reasonably in advance of such filing or disclosure for the other Party's review and comment. The non-disclosing Party will provide any comments as soon as practicable, and the disclosing Party will consider in good faith any timely comments provided by the non-disclosing Party; *provided that* the disclosing Party may or may not accept such comments in its sole discretion. Confidential Information that is disclosed in order to comply with Applicable Law or by judicial or administrative process pursuant to this Section 9.5.3, in each case, will remain otherwise subject to the confidentiality and non-use provisions of this Article 9 (Confidentiality) with respect to the

Party disclosing such Confidential Information, and such Party will take all steps reasonably necessary, including seeking of confidential treatment or a protective order for a period of at least **[***]** (to the extent permitted by Applicable Law or Governmental Authority), to ensure the continued confidential treatment of such Confidential Information, and each Party will be responsible for its own legal and other external costs in connection with any such filing or disclosure pursuant to this Section 9.5.3;

9.5.4 to prosecute or defend litigation so long as there is **[***]** prior written notice given by the Receiving Party before filing, and to enforce Patent Rights in connection with the Receiving Party's rights and obligations pursuant to this Agreement; and

9.5.5 to allow the Receiving Party to exercise its rights and perform its obligations hereunder, *provided* that such disclosure is covered by terms of confidentiality and non-use at least as restrictive as those set forth herein.

9.6 **Confidential Treatment**. Notwithstanding anything to the contrary set forth in this Agreement, if a Party is required or permitted to make a disclosure of the other Party's Confidential Information pursuant to Section 9.5 (Permitted Circumstances), then it will, to the extent not prohibited by Applicable Law or judicial or administrative process, except where impracticable, give reasonable advance notice to the other Party of such proposed disclosure and use reasonable efforts to secure confidential treatment of such information and will only disclose that portion of Confidential Information that is legally required to be disclosed as advised by its legal counsel. In any event, each Party agrees to take all reasonable action to avoid disclosure of Confidential Information of the other Party hereunder.

9.7 **Use of Name and Logo**. Subject to Section 9.9.2 (Announcement), neither C4 nor Biogen will use the other Party's or its Affiliates' name or logo in any label, press release, or product advertising, or for any other promotional purpose, without first obtaining the other Party's written consent.

9.8 **Residual Knowledge**. Notwithstanding anything to the contrary set forth in this Agreement, Confidential Information will not include any knowledge, technique, experience, or Know-How that is retained in the unaided memory of any authorized representative of the Receiving Party after having access to such Confidential Information ("**Residual Knowledge**"). Any use made by the Receiving Party of any such Residual Knowledge is on an "as is, where is" basis, with all faults and all representations and warranties disclaimed and at its sole risk.

9.9 **Publications**.

9.9.1 **Coordination**. C4 and Biogen will, from time to time and at the request of the other Party, discuss the general information content relating to this Agreement that may be publicly disclosed; *provided*, *however*, that Biogen will have no obligation to consult with C4 with respect to any scientific publication or public announcement concerning Biogen's Exploitation of any Development Candidate or Product (except as otherwise expressly set forth in Section 9.9.3 (Publication Rights)).

9.9.2 **Announcements**. Except as may be expressly permitted under Section 9.5 (Permitted Disclosures), neither Party will make any public announcement regarding this Agreement without the prior written approval of the other Party. For clarity, nothing in this Agreement will prevent Biogen from making any scientific publication or public announcement concerning Biogen's Exploitation of any Product under this Agreement; *provided* that, except as permitted under Section 9.5 (Permitted Disclosures), Biogen will not disclose

any of C4's Confidential Information in any such publication or announcement without obtaining C4's prior written consent to do so. The Parties intend to release the joint press release attached hereto as Schedule 9.9.2 (Press Release) regarding the signing of this Agreement promptly after the Effective Date. After the issuance of such press release or other public disclosure by a Party, the disclosing Party may make subsequent public disclosures reiterating such information without having to obtain the other Party's prior consent and approval so long as the information in such press release or other public announcement remains true, correct, and the most current information with respect to the subject matters set forth therein.

9.9.3 **Publication Rights**. Biogen will be the exclusive owner of any publication rights with respect to the Results, the Degraders, and the Products, and will have the sole and exclusive right to publish on such Results, Degraders, and Products without the prior consent of C4, *provided* that any portion of such publication or presentation that contains Results prepared as a result of, or in connection with the performance of (a) the C4 Candidate Development Activities under a Candidate Development Plan or (b) Sandbox Activities performed by or on behalf of C4 under the Sandbox Plan will, in each case ((a) and (b)), be subject to the prior review of C4 and will be provided by Biogen to C4 at least **[***]** prior to its submission for publication or presentation. C4 will use reasonable efforts to complete such review at least **[***]** prior to Biogen's intended publication or presentation date Biogen will, as reasonably requested by C4, (i) delete from such publication any of C4's Confidential Information, or (ii) upon a determination that (A) such publication includes patentable material and (B) C4 has the right to file a patent application claiming such material in accordance with Section 10.4 (Patent Prosecution and Maintenance), delay the submission of such publication or presentation for an additional period of up to **[***]** in order to allow C4 to pursue patent protection.

ARTICLE 10 INTELLECTUAL PROPERTY

10.1 **Ownership**.

10.1.1 **Inventions**. Except as expressly set forth in this Agreement, (a) each Party will own all rights, title, and interests in and to (i) any and all Know-How made solely by or on behalf of such Party or its Affiliates in connection with the performance of such Party's activities under this Agreement and (ii) any and all Patent Rights claiming any such Know-How described in clause (a)(i) of this Section 10.1.1 (Inventions), and (b) the Parties will jointly own any and all (i) Know-How made jointly by or behalf of the Parties or their Affiliates in connection with the performance of the Parties' activities under this Agreement and (ii) Patent Rights claiming any such Know-How described in clause (b)(i) of this Section 10.1.1 (Inventions). Notwithstanding anything to the contrary set forth in this Agreement, as between the Parties, (A) Biogen will solely own all Biogen Technology, including all Target-Specific Technology and Product-Specific Technology, but excluding all Joint Technology; (B) C4 will solely own all C4 Technology, including all Assigned Platform Technology, but excluding all Joint Technology, and (C) both Parties will jointly own all Joint Technology. All determinations of inventorship under this Agreement will be made in accordance with U.S. patent law.

10.1.2 **Disclosure**. (a) Biogen will promptly disclose to C4 all Inventions within the Assigned Platform Know-How, (b) C4 will promptly disclose to Biogen all Inventions within the Target-Specific Know-How or Product-Specific Know-How, and (c) each Party will promptly disclose to the other Party all Inventions within the Joint Know-How, in each

case ((a) through (c)), that it develops or invents, whether solely or jointly with others (in any event, prior to the filing of any patent application with respect to such Inventions), including all invention disclosures or other similar documents submitted to such Party by its or its Affiliates' employees, agents, or independent contractors relating thereto. Each Party will also promptly respond to reasonable requests from the other Party for additional information relating thereto.

10.2 **Assignments**.

10.2.1 **Assignment by Biogen**.

(a) **Assignment**. Biogen will and hereby does assign to C4 (a) all of Biogen's rights, title, and interests in and to Assigned Platform Technology, and (b) a joint and undivided interest in and to (i) any Sandbox Know-How developed or invented solely by Biogen's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Persons contractually required to assign or license such Sandbox Know-How to Biogen or any Affiliate of Biogen, and (ii) any Sandbox Patent Rights Covering such Sandbox Know-How, and, in each case ((a) and (b)), C4 hereby accepts such assignment.

(b) **Covenants in Support of Assignment**. Biogen will take (and cause its Affiliates and Sublicensees, and their respective employees, agents, and contractors to take) such further actions reasonably requested by C4 to evidence such assignment and to assist C4 in obtaining Patent Rights and other Intellectual Property protection for Inventions within the Assigned Platform Know-How including executing further assignments, consents, releases, and other commercially reasonable documentation and providing good faith testimony by affidavit, declaration, in-person, or other proper means in support of any effort by C4 to establish, perfect, defend, or enforce its rights in any Assigned Platform Technology through prosecution of governmental filings, regulatory proceedings, litigation, and other means, including through the filing, prosecution, maintenance, and enforcement of the Assigned Platform Technology. Biogen will obligate its Affiliates, Sublicensees, and Subcontractors to assign all Assigned Platform Technology to Biogen (or directly to C4) so that Biogen can comply with its obligations under this Section 10.2.1 (Assignment by Biogen), and Biogen will promptly obtain such assignment. Without limitation, Biogen will cooperate with C4 if C4 applies for U.S. or foreign patent protection for Inventions within the Assigned Platform Technology and will obtain the cooperation of the individual inventors of any such Assigned Platform Technology. If Biogen is unable to assign any Assigned Platform Technology as set forth in Section 10.2.1(a) (Assignment), then Biogen hereby grants and agrees to grant to C4 a royalty-free, fully paid-up, worldwide, exclusive, perpetual, irrevocable license (with the right to grant sublicenses through multiple tiers) under such Assigned Platform Technology for any and all purposes.

10.2.2 **Assignment by C4**.

(a) **Assignment.**

(i) On a Degrader-by-Degrader basis, effective upon the earlier of (A) C4's completion of the C4 Candidate Development Activities set forth under the applicable Candidate Development Plan for the Collaboration Target that is degraded by such Degrader, or (B) the commencement of IND-Enabling Studies for a Degrader in accordance with Section 3.1.8(b) (IND-Enabling Study Commencement Fee), in each case ((A) and (B)), but in no event later than the expiration (or earlier termination) of the Collaboration Term in accordance with Section 3.5 (Collaboration Term), C4 will and hereby does assign to Biogen all of its rights, title, and interests in and to all (I) Target-Specific Technology relating to (1) the Collaboration Target that is degraded by such Degrader or (2) any Target Binding Moiety that is directed to such Collaboration Target and (II) Product-Specific Technology relating to such Degrader, and, in each case ((I) and (II)), Biogen hereby accepts such assignment.

(ii) C4 will and hereby does assign to Biogen a joint and undivided interest in and to (A) any Sandbox Know-How developed or invented solely by C4's or its Affiliates', licensees', Sublicensees', or Subcontractors' employees, agents, or independent contractors, or any Persons contractually required to assign or license such Sandbox Know-How to C4 or any Affiliate of C4, and (B) any Sandbox Patent Rights Covering such Sandbox Know-How, and Biogen hereby accepts such assignment.

(b) **Covenants in Support of Assignment**. C4 will take (and cause its Affiliates and Sublicensees, and their respective employees, agents, and contractors to take) such further actions reasonably requested by Biogen to evidence such assignment and to assist Biogen in obtaining Patent Rights and other Intellectual Property protection for Inventions within the Target-Specific Know-How and Product-Specific Know-How including executing further assignments, consents, releases, and other commercially reasonable documentation and providing good faith testimony by affidavit, declaration, in-person, or other proper means in support of any effort by Biogen to establish, perfect, defend, or enforce its rights in any Target-Specific Technology and Product-Specific Technology through prosecution of governmental filings, regulatory proceedings, litigation, and other means, including through the filing, prosecution, maintenance, and enforcement of the Target-Specific Technology and Product-Specific Technology. C4 will obligate its Affiliates, Sublicensees, and Subcontractors to assign all Target-Specific Technology and Product-Specific Technology to C4 (or directly to Biogen) so that C4 can comply with its obligations under this Section 10.2.2(a) (Assignment), and C4 will promptly obtain such assignment. Without limitation, C4 will cooperate with Biogen if Biogen applies for U.S. or foreign patent protection for Inventions within the Target-Specific Technology and Product-Specific Technology and will obtain the cooperation of the individual inventors of any such Target-Specific Technology and Product-Specific Technology. If C4 is unable to assign any Target-Specific Technology and Product-Specific Technology, then C4 hereby grants and agrees to grant to Biogen a royalty-free, fully paid-up, worldwide, exclusive (even as to C4, subject to the terms and conditions of this Agreement, including the licenses granted to C4 pursuant to Section 2.2 (Licenses to C4)), perpetual, irrevocable license (with the right to grant sublicenses through multiple tiers) under such Target-Specific Technology and Product-Specific Technology for any and all purposes.

10.3 **Joint Technology**. Subject to the terms and conditions set forth in this Agreement, including the licenses granted in Section 2.1 (Licenses and Assignment to Biogen) and Section 2.2 (Licenses to C4), the Parties will jointly own all Joint Technology, and each Party is entitled to practice the Joint Technology for all purposes on a worldwide basis and to license such Joint Technology through multiple tiers without consent of the other Party (where consent is required by Applicable Law, such consent is deemed hereby granted) and without a duty of accounting to the other Party. Each Party will grant and hereby does grant to the other Party all further permissions, consents, and waivers with respect to, and all licenses under, the Joint Technology, throughout the world, necessary to provide the other Party with full rights of use and Exploitation of the Joint Technology. Without limitation, each Party will cooperate with the other Party if the Parties determine to apply for U.S. or foreign patent protection for any Joint Technology and will obtain the cooperation of the individual inventors of any such Joint Technology.

10.4 **Patent Prosecution and Maintenance**.

10.4.1 **Right to File and Prosecute**.

(a) **Biogen's Rights**. Biogen will have (i) the sole right (but not the obligation) to prepare, file, prosecute, and maintain all Biogen Patent Rights (other than Biogen Collaboration Patent Rights), and (ii) the first right (but not the obligation) to prepare, file, prosecute, and maintain all Biogen Collaboration Patent Rights and Joint Patent Rights (the Patent Rights described in the foregoing clause (ii), the "**Biogen First Right Patent Rights**" and the Patent Rights described in the foregoing clauses (i) and (ii), collectively, the "**Biogen-Prosecuted Patent Rights**"). Biogen will be the Prosecuting Party with respect to all Biogen-Prosecuted Patent Rights. Biogen will be responsible for and pay all future costs and expenses incurred in connection with the preparation, filing, prosecution, and maintenance of the Biogen-Prosecuted Patent Rights and will keep C4 reasonably informed as to material developments with respect to the preparation, filing, prosecution, issuance, and maintenance of the Biogen First Right Patent Rights, including providing to C4 notice in advance of abandoning any such Biogen First Right Patent Rights.

(b) **C4's Rights**. C4 will have (i) the sole right (but not the obligation) to prepare, file in its name, prosecute, and maintain all Collaboration Platform Patent Rights, and (ii) the first right (but not the obligation) to prepare, file, prosecute, and maintain all other C4 Licensed Patent Rights (the Patent Rights described in the foregoing clause (ii), the "**C4 First Right Patent Rights**" and the Patent Rights described in clauses (i) and (ii), collectively, the "**C4-Prosecuted Patent Rights**"). C4 will be the Prosecuting Party with respect to all C4-Prosecuted Patent Rights. C4 will be responsible for and pay all future costs and expenses incurred in connection with the preparation, filing, prosecution, and maintenance of the C4-Prosecuted Patent Rights and will keep Biogen reasonably informed as to material developments with respect to the preparation, filing, prosecution, issuance, and maintenance of the C4 First Right Patent Rights, including providing notice in advance of abandoning any such C4 First Right Patent Rights.

(c) Coordination in Prosecution. Notwithstanding Biogen's right to prepare, file, prosecute, and maintain the Biogen-Prosecuted Patent Rights or C4's right to prepare, file, prosecute, and maintain the C4-Prosecuted Patent Rights, the Parties will, and will cause their Affiliates to, cooperate and implement reasonable patent

filing and prosecution strategies (including filing divisionals, continuations or otherwise) so that, to the extent reasonably feasible Product-Specific Patent Rights, Target-Specific Patent Rights, and Collaboration Platform Patent Rights are pursued in mutually exclusive patent applications.

10.4.2 **Step-In Right**.

(a) **C4's Rights**. If, during the Term, Biogen decides that it is no longer interested in the preparation, filing, prosecution, or maintenance of a particular Biogen First Right Patent Right, then it will promptly provide written notice to C4 of such decision. C4 may, upon written notice to Biogen, assume the preparation, filing, prosecution, and maintenance of such Patent Right at C4's sole cost and expense. In such event C4 will be responsible for **[***]** of the costs and expenses of the preparation, filing, prosecution, and maintenance of such Patent Right, and C4 will thereafter be the "Prosecuting Party" with respect thereto for all purposes under this Agreement.

(b) **Biogen's Rights**. If, during the Term, C4 decides that it is no longer interested in the preparation, filing, prosecution, or maintenance of a particular C4 First Right Patent Right, then it will promptly provide written notice to Biogen of such decision. Biogen may, upon written notice to C4, assume the preparation, filing, prosecution, and maintenance of such Patent Right at Biogen's sole cost and expense. In such event Biogen will be responsible for **[***]** of the costs and expenses of the preparation, filing, prosecution, and maintenance of such Patent Right and Biogen will thereafter be the "Prosecuting Party" with respect thereto for all purposes under this Agreement.

10.4.3 **Defense of Patent Rights**. As between the Parties, the Party controlling the preparation, filing, prosecution, and maintenance of any Patent Right under this Section 10.4 (Patent Prosecution and Maintenance) will have the right, but not the obligation, to defend against a declaratory judgment action, *inter partes* review, opposition proceeding, interference, or other action challenging any such patent, other than with respect to (a) any counter-claims or defenses in any Infringement Action brought by the other Party pursuant to Section 10.5.2 (Infringement Actions), or (b) any action by a Third Party in response to an Infringement Action brought by the other Party, which, in both cases ((a) and (b)), will be controlled by such other Party.

10.4.4 **Cooperation and Coordination**. The non-Prosecuting Party will (a) obtain and deliver to the Prosecuting Party any necessary documents for the Prosecuting Party to exercise its rights to prepare, prosecute, defend, and maintain all Patent Rights pursuant to Section 10.4.1 (Right to File and Prosecute) or Section 10.4.2 (Step-In Right), as applicable, (b) render all signatures that will be necessary in connection with all such patent filings, and (c) assist the Prosecuting Party in all other reasonable ways that are necessary for the issuance of those Patent Rights for which such Prosecuting Party is responsible, as well as for the preparation, prosecution, defense, and maintenance of such Patent Rights. Additionally, prior to the assignment of Product-Specific Technology and Target-Specific Technology to Biogen in accordance with Section 10.2.2(a) (Assignment), the Parties will consult no less than **[***]** per Calendar Year regarding the prosecution, defense, and maintenance of all Patent Rights pursuant to Section 10.4.1 (Right to File and Prosecute) or Section 10.4.2 (Step-In Right), as applicable. The purpose of such consultation will be to ensure, to the extent reasonable, that the prosecution, defense, and maintenance of the C4-Prosecuted Patent Rights does not adversely affect the prosecution, defense, and maintenance of the Biogen-Prosecuted Patent Rights, and *vice versa*.

10.5 **Patent Enforcement**.

10.5.1 **Third Party Infringement**. During the Term, the Parties will promptly inform each other in writing if either Party becomes aware of any suspected, threatened, or actual infringement by any Third Party of any Biogen Licensed Patent Rights, C4 Licensed Patent Rights, or Joint Patent Rights (an "**Infringement**"), including any Infringement that arises as a result of the making, using, offering to sell, selling, or importing of a product that would be competitive with a Product in the Territory (a "**Competing Infringement**"). Each Party will provide any available evidence of such Infringement with such notification.

10.5.2 **Infringement Actions**.

(a) **Infringement Actions for Competing Infringements**.

(i) **Biogen Rights**. During the Term, Biogen will have (A) the sole right, but not the obligation, to initiate an infringement, misappropriation, or other appropriate suit (an "**Infringement Action**") against any Competing Infringement with respect to any Biogen Patent Rights, and (B) the first right, but not the obligation, to initiate an Infringement Action against a Competing Infringement with respect to any C4 Licensed Patent Rights or Joint Patent Rights, in each case ((A) and (B)), at Biogen's sole discretion and at Biogen's sole cost and expense.

(ii) **C4 Rights**. During the Term, if Biogen fails to initiate an Infringement Action against any Competing Infringement with respect to any C4 Licensed Patent Rights, or Joint Patent Rights within **[***]** after written notice of such Competing Infringement is first provided by a Party under Section 10.5.1 (Third Party Infringement), then C4 will have the right to initiate and control an Infringement Action with respect to such Competing Infringement by counsel of its own choice, at its own discretion and at C4's cost and expense and Biogen will have the right, at its own expense, to be represented in any such action by counsel of its own choice; *provided* that if Biogen notifies C4 during such **[***]** period that it is electing in good faith not to institute any Infringement Action against such Competing Infringement for strategic reasons, then C4 will not have the right to initiate and control any Infringement Action with respect to such Competing Infringement.

(b) **Infringement Actions for Other Infringements**. During the Term, (i) Biogen will have the sole right, but not the obligation, to initiate an Infringement Action against any Infringement that is not a Competing Infringement with respect to any Biogen-Prosecuted Patent Rights, at Biogen's sole discretion and at Biogen's sole cost and expense, and (ii) C4 will have the sole right, but not the obligation, to initiate an Infringement Action against any Infringement that is not a Competing Infringement with respect to any C4-Prosecuted Patent Rights, at C4's sole discretion and at C4's sole cost and expense.

(c) **Procedures**. If the Party having the right to initiate an Infringement Action under this Section 10.5.2 (Infringement Actions) (the "**Initiating Party**") desires to initiate such Infringement Action but may not do so due to Applicable Law or regulation (even as the assignee or exclusive licensee of such infringed Patent Right), then such Initiating Party may require that the other Party join as a named party in such action or itself initiate such Infringement Action, at the Initiating Party's sole cost and expense. The Initiating Party will take the lead in the control and conduct of any such Infringement Action under this Section 10.5.2 (Infringement Actions) and will keep the other Party reasonably informed of any such Infringement Action, and the other Party will reasonably assist the Initiating Party in any such Infringement Action under this Section 10.5.2 (Infringement Actions) at the Initiating Party's expense. In no event may the Initiating Party settle any such Infringement Action in a manner that would limit the rights of the other Party or impose any obligation on the other Party, in each case, without the other Party's prior written consent, which consent will not be unreasonably withheld, delayed, or conditioned.

(d) **Recoveries**. Any amount recovered in any Infringement Action under this Section 10.5.2 (Infringement Actions), including any amount recovered in any settlement of such Infringement Action, will first be used to reimburse each Party's costs and expenses with respect to such Infringement Action (which reimbursement will be on a *pro rata* basis to the extent such costs and expenses exceed such recovered amount, *provided* that Biogen may carry forward and deduct from any future payments due to C4 under this Agreement any such costs and expenses of Biogen that are not reimbursed) and will thereafter be for (a) with respect to any Competing Infringement, the benefit of Biogen; *provided*, *however*, that to the extent any such amount is awarded as compensation for lost profits relating to sales of Products, then such amount will, on a Product-by-Product basis, be deemed to be Net Sales of such Product and C4 will receive royalties on such deemed Net Sales pursuant to Section 7.6 (Royalties), and (b) with respect to any Infringement that is not a Competing Infringement, for the benefit of the Initiating Party.

10.6 **Defense of Claims**. C4 will promptly inform Biogen in writing if C4 receives written, or otherwise becomes aware, of alleged infringement, misappropriation, or other violation of a Third Party's Intellectual Property based upon C4's performance of its obligations or exercise of its rights hereunder. Except as otherwise set forth under this Agreement (including under Article 11 (Indemnification)), C4 will be solely responsible for the defense of any such claim brought against it. C4 will each keep Biogen advised of all material developments in the conduct of any proceedings in defending any claim of alleged infringement, misappropriation, or other violation related to any Degraders or Products and will reasonably cooperate with Biogen in the conduct of such defense. In no event may C4 settle any such infringement, misappropriation, or other violation claim in a manner that would limit the rights of Biogen or impose any obligation on Biogen, in each case, without Biogen's prior written consent, which consent will not be unreasonably withheld, delayed, or conditioned.

10.7 **Patent Listing**. Biogen will have the full and exclusive right, in its sole discretion, to determine and control the listing of any C4 Licensed Patent Right, Joint Collaboration Patent Right, or Biogen Patent Right in the then-current edition of the United States Food and Drug Administration publication "Approved Drug Products with Therapeutic Equivalence Evaluations" in connection with the Regulatory Approval of any Product, or in equivalent patent listings in any other country within the Territory.

10.8 **Patent Term Extensions**. Biogen will have the full and exclusive right and discretion to determine and control all filings of requests for patent term extensions, supplementary protection certificates, or equivalents thereto in any country in the Territory, in each case where applicable to a Product (hereinafter "**Patent Term Extensions**"), including for any C4 Licensed Patent Right, Joint Collaboration Patent Right, or Biogen Patent Right. All costs and expenses relating to the Patent Term Extensions will be born solely by Biogen. Upon request of Biogen and at Biogen's cost and expense, C4 will provide support, assistance, and all necessary documents, in full executed form if needed, to Biogen for the purpose of supporting, filing, obtaining, and maintaining Patent Term Extensions.

10.9 **Summary of Activities**. Upon the request of either Party, the Prosecuting Party will provide to the other Party, no more frequently than on an annual basis, a written report summarizing all material activities undertaken by such Prosecuting Party in the preceding Calendar Year with respect to the preparation, filing, prosecution, maintenance, enforcement, and defense of the Biogen-Prosecuted Patent Rights or C4-Prosecuted Patent Rights (as applicable) in the exercise of the rights granted to such Prosecuting Party under this Article 10 (Intellectual Property). Such report will be considered the Confidential Information of the Prosecuting Party.

ARTICLE 11 INDEMNIFICATION

11.1 **Indemnification by C4**. C4 will indemnify, defend, and hold harmless Biogen, its Affiliates, Sublicensees, distributors and each of its and their respective employees, officers, directors, and agents (each, a "**Biogen Indemnified Party**") from and against any and all liabilities, losses, damages, expenses (including reasonable attorneys' fees and expenses), and costs (collectively, a "**Liability**") that the Biogen Indemnified Party may be required to pay to one or more Third Parties resulting from or arising out of:

[***]

11.2 **Indemnification by Biogen**. Biogen will indemnify, defend, and hold harmless C4, each of its Affiliates, and each of its and its Affiliates' employees, officers, directors, and agents (each, a "**C4 Indemnified Party**") from and against any and all Liabilities that the C4 Indemnified Party may be required to pay to one or more Third Parties resulting from or arising out of:

[***]

11.3 **Procedure**. Each Party will notify the other Party in writing in the event it becomes aware of a claim for which indemnification may be sought hereunder. In case any proceeding (including any governmental investigation) will be instituted involving any Party in respect of which indemnity may be sought pursuant to this Article 11 (Indemnification), such Party (the "**Indemnified Party**") will promptly notify the other Party (the "**Indemnifying Party**") in writing and the Indemnifying Party and Indemnified Party will meet to discuss how to respond to any claims that are the subject matter of such proceeding. The Indemnified Party will cooperate fully with the Indemnifying Party in defense of such matter. In any such proceeding, the Indemnified Party will have the right to retain its own counsel, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless (a) the Indemnifying Party and the Indemnified Party will have agreed to the retention of such counsel or (b) the named parties to any such proceeding (including any impleaded parties) include both the Indemnifying Party and the Indemnified Party and representation of both Parties by the same counsel would be inappropriate due to actual or potential differing interests between them. All such fees and expenses will be reimbursed as they are incurred. The Indemnifying Party will not be liable for any settlement of any proceeding effected

without its written consent, but, if settled with such consent or if there is a final judgment for the plaintiff, then the Indemnifying Party agrees to indemnify the Indemnified Party from and against any Liability by reason of such settlement or judgment. The Indemnifying Party will not, without the written consent of the Indemnified Party, effect any settlement of any pending or threatened proceeding in respect of which the Indemnified Party is, or could have been, a party and indemnity could have been sought hereunder by the Indemnified Party, unless such settlement includes an unconditional release of the Indemnified Party from all liability on claims that are the subject matter of such proceeding.

ARTICLE 12 TERM AND TERMINATION

12.1 **Term**. This Agreement will commence upon the Effective Date and, if not otherwise terminated earlier pursuant to this Article 12 (Term and Termination), will continue, on a Product-by-Product and country-by-country basis, in full force and effect until the expiration of the Royalty Term applicable to such Product and such country (the "**Term**").

12.2 **Termination for Cause**.

12.2.1 **By Biogen**. In the event of a material breach of this Agreement by C4, which material breach remains uncured for **[***]** measured from the date of written notice of such material breach by Biogen that identifies the material breach and the actions or conduct that Biogen considers would be an acceptable cure of such material breach, Biogen may terminate this Agreement in whole or with respect to one or more Development Candidates, Products, or Collaboration Targets at any time during the Term of this Agreement by written notice of termination to C4.

12.2.2 **By C4**. In the event of a material breach of this Agreement by Biogen, which material breach remains uncured for **[***]** measured from the date written of written notice of such material breach by C4 that identifies the material breach and the actions or conduct that it considers would be an acceptable cure of such material breach, C4 may terminate this Agreement solely with respect to those Development Candidates, Products, or Collaboration Targets to which such material breach relates at any time during the Term of this Agreement by written notice of termination to Biogen.

12.2.3 **Disputes Regarding Material Breach**. In case the Party alleged by the other Party to have committed a material breach under Section 12.2.1 (By Biogen) or Section 12.2.2 (By C4) (the "**Defaulting Party**") disputes occurrence of such material breach (the "**Non-Defaulting Party**"), then the issue of whether the Non-Defaulting Party may properly terminate this Agreement on expiration of the applicable cure period will be resolved in accordance with Section 13.8 (Dispute Resolution). If as a result of such dispute resolution process, it is determined that the Defaulting Party committed a material breach of this Agreement and the Defaulting Party does not cure such material breach within **[***]** after the date of such determination, (the "**Additional Cure Period**"), then such termination will be effective as of the expiration of the Additional Cure Period. If the Parties dispute whether such material breach was so cured, then such dispute will also be determined in accordance with Section 13.8 (Dispute Resolution). This Agreement will remain in full force and effect during the pendency of any such dispute resolution proceeding and the cure periods set forth in Section 12.2.1 (By Biogen) or Section 12.2.2 (By C4), as applicable, and any Additional Cure Period, in each case, will be tolled during any such dispute resolution proceeding, such proceeding will not suspend any obligations of either Party hereunder, and each Party will use reasonable efforts to mitigate any damage. If as

a result of such dispute resolution proceeding it is determined that the Defaulting Party did not commit such material breach (or such material breach was cured in accordance with this Section 12.2 (Termination for Cause)), then no termination will be effective, and this Agreement will continue in full force and effect.

12.3 **Termination for Insolvency**. To the extent permitted by Applicable Law, either Party may terminate this Agreement upon the filing or institution of bankruptcy, reorganization, liquidation, or receivership proceedings, upon the appointment of a receiver or trustee over all or substantially all property, or upon an assignment of a substantial portion of the assets for the benefit of creditors by the other Party; *provided*, *however*, that in the case of any involuntary bankruptcy proceeding such right to terminate will only become effective if the Party consents to the involuntary bankruptcy or such proceeding is not dismissed within **[***]** after the filing thereof. In the event of any termination pursuant to this Section 12.3 (Termination for Insolvency):

12.3.1 All rights and licenses now or hereafter granted by C4 to Biogen under or pursuant to this Agreement are, for all purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property" as defined in the U.S. Bankruptcy Code. Upon the filing or institution of bankruptcy, reorganization, liquidation, or receivership proceedings, upon the appointment of a receiver or trustee over all or substantially all property, or upon an assignment of a substantial portion of the assets for the benefit of creditors by C4, C4 agrees that Biogen, as licensee of such rights under this Agreement, will retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code. C4 will, during the Term, create and maintain current copies or, if not amenable to copying, detailed descriptions or other appropriate embodiments, to the extent feasible, of all intellectual property rights licensed under this Agreement. Each Party acknowledges and agrees that "embodiments" of intellectual property rights within the meaning of Section 365(n) include laboratory notebooks, cell lines, product samples, and inventory, research studies and data, all Regulatory Approvals (and all applications for Regulatory Approval) and rights of reference therein, the C4 Licensed Technology, Results, and all information related to the C4 Licensed Technology. If (A) a case under the U.S. Bankruptcy Code is commenced by or against C4, (B) this Agreement is rejected as provided in the U.S. Bankruptcy Code, and (C) Biogen elects to retain its rights hereunder as provided in Section 365(n) of the U.S. Bankruptcy Code, C4 (in any capacity, including debtor-in-possession) and its successors and assigns (including a trustee) will:

(a) provide Biogen with all such intellectual property rights (including all embodiments thereof) held by C4 and such successors and assigns, or otherwise available to them, immediately upon Biogen's written request. Whenever C4 or any of its successors or assigns provides to Biogen any of the intellectual property rights licensed hereunder (or any embodiment thereof) pursuant to this Section 12.3.1(a) (Termination for Insolvency), Biogen will have the right to perform C4's obligations hereunder with respect to such intellectual property rights, but neither such provision nor such performance by Biogen will release C4 from liability resulting from rejection of the license or the failure to perform such obligations; and

(b) not interfere with Biogen's rights under this Agreement, or any agreement supplemental hereto, to such intellectual property rights (including such embodiments), including any right to obtain such intellectual property rights (or such embodiments) from another entity, to the extent provided in Section 365(n) of the U.S. Bankruptcy Code.

12.3.2 All rights, powers, and remedies of Biogen provided in this Section 12.3 (Termination for Insolvency) are in addition to and not in substitution for any other rights, powers, and remedies now or hereafter existing at law or in equity (including the U.S. Bankruptcy Code) in the event of the commencement of a case under the U.S. Bankruptcy Code with respect to C4. The Parties intend the following rights to extend to the maximum extent permitted by Applicable Law, and to be enforceable under U.S. Bankruptcy Code Section 365(n):

(a) the right of access to any intellectual property rights (and all embodiments thereof) of C4, or any Third Party with whom C4 contracts to perform any obligation of C4 under this Agreement, and, in the case of any such Third Party, that is necessary for the Exploitation of Degraders or Products; and

(b) the right to contract directly with any Third Party to complete the contracted work.

12.4 **Termination for Convenience**. Biogen will be entitled to terminate this Agreement, in whole or with respect to one or more Development Candidates, Products, or Collaboration Targets, at its sole discretion at any time upon **[***]** prior written notice to C4 thereof.

12.5 **Effects of Termination**.

12.5.1 **Generally**. Upon termination of the Agreement in whole or with respect to one or more Development Candidates, Products, or Collaboration Targets:

(a) The Receiving Party will promptly return to the other Party or destroy all Confidential Information of the Disclosing Party that is solely related to any terminated Development Candidate, Product, or Collaboration Target in accordance with Section 9.3 (Return of Confidential Information); and

(b) Except as expressly set forth in this Agreement, all licenses granted by a Party to the other Party under this Agreement with respect to any terminated Development Candidate, Product, or Collaboration Target will immediately terminate.

12.5.2 **Knowledge Transfer**. Upon termination of the Agreement in its entirety or with respect to one or more Development Candidates, Products, or Collaboration Targets by Biogen (a) pursuant to Section 12.2.1 (By Biogen) in the event of an uncured material breach by C4 or (b) Section 12.3 (Termination for Insolvency) in the event of C4's insolvency, in each case ((a) and (b)), to the extent not provided by the effective date of termination of this Agreement pursuant to Section 5.1 (Technology Transfer) or Section 6.3 (Manufacturing Technology Transfer): C4 will promptly transfer to Biogen, on a Product-by-Product basis, all Results, Deliverables, and Sandbox Technology, the costs of which transfer will be borne by C4.

12.5.3 **C4 Right of Reversion**. Upon termination of the Agreement by C4 pursuant to Section 12.2.2 (By C4) or Section 12.4 (Termination for Convenience), in whole or with respect to one or more Development Candidates, Products, or Collaboration Targets: Biogen will assign to C4 Biogen's rights, title, and interests in and to any Product-Specific Patent Rights that (a) were assigned to Biogen pursuant to Section 10.2.2(a) (Assignment) and (b) Cover such terminated Development Candidates, Products, or Collaboration Targets.

12.6 **Alternative Remedy in Lieu of Termination**. If, during the Collaboration Term, Biogen has the right to terminate this Agreement pursuant to **[***]**, then in addition to any other remedies available to Biogen at law or in equity, in lieu of terminating this Agreement Biogen may, in its sole discretion, exercise an alternative remedy as follows:

[***]

For the avoidance of doubt, except as set forth in this Section 12.6 (Alternate Remedy in Lieu of Termination), if Biogen exercises the alternative remedy set forth above in this Section 12.6 (Alternate Remedy in Lieu of Termination), then all rights and obligations of both Parties under this Agreement will continue unaffected, unless and until this Agreement is subsequently terminated by either Party pursuant to this Article 12 (Term and Termination).

12.7 **Rights Accruing Prior to Expiration or Termination**. Expiration or termination of this Agreement will not relieve the Parties of any obligation accruing prior to such expiration or termination. Any expiration or termination of this Agreement will be without prejudice to the rights of either Party against the other accrued or accruing under this Agreement prior to expiration or termination, including any payment obligation that accrued prior to the effective date of such expiration or termination.

12.8 **Survival**. The following provisions, as well as any other provisions which by their nature are intended to survive termination or expiration, will survive termination or expiration of this Agreement: Article 1 (Definitions), Section 2.1.3 (C4 Collaboration Technology License), Section 3.3 (Records), Section 7.11 (Financial Audits), Section 8.4 (Disclaimer of Warranties), Section 8.5 (Limitation of Liability), Article 9 (Confidentiality), Section 10.1.1 (Inventions), Section 10.3 (Joint Technology), Section 10.4 (Patent Prosecution and Maintenance), Section

12.9 (Patent Enforcement), Section 10.6 (Defense of Claims), Section 10.7 (Patent Listing), Section 10.8 (Patent Term Extensions), Article 11 (Indemnification), Section 12.1 (solely in the case of expiration), Section 12.5 (Effects of Termination), this Section 12.8 (Survival), and Article 13 (Miscellaneous).

ARTICLE 13 MISCELLANEOUS

13.1 **Assignment**. Neither this Agreement nor any interest hereunder will be assignable by C4 without the prior written consent of Biogen, except as follows: (a) C4 may, subject to the terms of this Agreement, assign its rights and obligations under this Agreement in whole to its successor-in-interest in connection with the sale of all or substantially all of its assets to which this Agreement relates, whether in a merger, acquisition, or similar transaction or series of related transactions, *provided* that such sale is not primarily for the benefit of its creditors, and (b) C4 may assign its rights and obligations under this Agreement to any of its Affiliates, *provided* that C4 will remain liable for all of its rights and obligations under this Agreement. Biogen may freely assign this Agreement or any interest hereunder, in whole or in part. C4 will promptly notify Biogen of any assignment or transfer under the provisions of this Section 13.1 (Assignment). This Agreement will be binding upon the successors and permitted assigns of the Parties and the name of a Party appearing herein will be deemed to include the names of such Party's successors and permitted assigns to the extent necessary to carry out the intent of this Agreement. Any assignment not in accordance with this Section 13.1 (Assignment) will be null, void, and of no legal effect.

13.2 **Entire Agreement; Amendments**. This Agreement sets forth the entire agreement between the Parties and supersedes all previous and contemporaneous negotiations, representations, or agreements, written or oral, regarding the subject matter hereof. Any other express or implied agreements and understandings, negotiations, writings and commitments, either oral or written, with respect to the Candidate Development Programs and the licenses granted hereunder are superseded by the terms of this Agreement, including the Confidentiality Agreement, which Confidentiality Agreement is hereby terminated effective as of the Effective Date. This Agreement may be amended only by an instrument in writing duly executed on behalf of the Parties. In case of inconsistencies between this Agreement and any Schedule hereof, the terms of this Agreement will prevail unless agreed to explicitly that the Schedule should prevail.

13.3 **Force Majeure**. Neither Party will be liable or deemed in default for failure to perform any duty or obligation that such Party may have under this Agreement where such failure has been occasioned by any act of God, fires, earthquakes, strikes and labor disputes, acts of war, terrorism, civil unrest, or intervention of any Governmental Authority, and occurring without its fault or negligence; *provided* that the Party affected will promptly notify the other of the force majeure condition and will exert all reasonable efforts to eliminate, cure, or overcome any such causes and to resume performance of its obligations as soon as possible.

13.4 **Waiver**. The failure of either Party to require performance by the other Party of any of that other Party's obligations under this Agreement will in no manner affect the right of such Party to enforce the same at a later time. No waiver by any Party of any condition, or of the breach of any provision, term, representation or warranty contained in this Agreement will be deemed to be or construed as a further or continuing waiver of any such condition or breach, or of any other condition or of the breach of any other provision, term, representation, or warranty hereof. The remedies provided in this Agreement are not exclusive and the Party suffering from a breach or default of this Agreement may pursue all other remedies, both legal and equitable, alternatively, or cumulatively.

13.5 **Severability**. If any provision or portion thereof in this Agreement is for any reason held to be invalid, illegal, or unenforceable, then the same will not affect any other portion of this Agreement and its validity, as it is the intent of the Parties that this Agreement will be construed in such fashion as to maintain its existence, validity, and enforceability to the greatest extent possible. In any such event, this Agreement will be construed as if such provision or portion thereof had never been contained in this Agreement, and there will be deemed substituted therefore such provision as will most nearly carry out the intent of the Parties as expressed in this Agreement to the fullest extent permitted by Applicable Law unless doing so would have the effect of materially altering the right and obligations of the Parties in which event this Agreement may be terminated by mutual written agreement of the Parties.

13.6 **Notices**. All notices that are required or permitted hereunder will be in writing and sufficient if delivered by internationally-recognized overnight courier or sent by registered or certified mail, postage prepaid, return receipt requested, and in each case, addressed as follows (with a courtesy copy sent by email, which will not constitute notice):

If to C4:

C4 Therapeutics, Inc.
490 Arsenal Street
Watertown, MA 02474
U.S.A.
Attention: Chief Executive Officer
E-mail: aphillips@c4therapeutics.com

With a copy to:

Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210
Attention: Lawrence S. Wittenberg
E-mail: lwittenberg@goodwinprocter.com

If to Biogen:

Biogen MA Inc.
225 Binney Street
Cambridge, MA 02142
Attention: Chief Legal Officer
E-mail: legaldepartment@biogen.com

With a copy to:

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, MA 02199-3600
Attention: Mark W. Bellomy, Esq.
Email: mark.bellomy@ropesgray.com

or to such other address as the Party to whom notice is to be given may have furnished to the other Party in writing in accordance herewith. Any such notice will be deemed to have been given: (a) on the Business Day after dispatch if sent by internationally-recognized overnight courier; or (b) on the fifth Business Day after dispatch if sent by registered or certified mail, postage prepaid, return receipt requested.

13.7 **Governing Law**. This Agreement, and all claims arising under or in connection therewith, will be governed by and interpreted in accordance with the substantive laws of the State of New York, without regard to conflict of law principles thereof.

13.8 **Dispute Resolution**. Any dispute arising out of or in connection with this Agreement (except for disputes arising at the JSC, which will be resolved pursuant to Section 4.2.4 (Decision Making Authority)) will be settled, if possible, through good faith negotiations between the Parties. If the Parties are unable to settle such dispute within **[***]** after first considering such dispute, then such dispute will be referred to the Chief Executive Officer of C4 and the Executive Vice President, Research & Development of Biogen (the "**Executive Officers**"). The Executive Officers of both Parties will meet to attempt to resolve such dispute. Such resolution, if any, of a referred issue will be final and binding on the Parties. All negotiations pursuant to this Section 13.8 (Dispute Resolution) are confidential and will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. If the Executive Officers cannot resolve such dispute within **[***]** after either Party requests such a meeting in writing, then either Party will have the right to pursue any and all remedies available at law or equity, consistent with Section 13.9 (Jurisdiction; Venue).

13.9 **Jurisdiction; Venue**. Each Party irrevocably submits to the exclusive jurisdiction of (a) the Supreme Court of the State of New York, New York County, and (b) the United States District Court for the Southern District of New York, for the purposes of any suit, action, or other proceeding arising out of this Agreement or out of any transaction contemplated hereby. Each Party

agrees to commence any such action, suit, or proceeding either in the United States District Court for the Southern District of New York or if such suit, action, or other proceeding may not be brought in such court for jurisdictional reasons, in the Supreme Court of the State of New York, New York County. Each Party irrevocably and unconditionally waives any objection to the laying of venue of any action, suit, or proceeding arising out of this Agreement or the transactions contemplated hereby in (i) the Supreme Court of the State of New York, New York County or (ii) the United States District Court for the Southern District of New York, and hereby and thereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit, or proceeding brought in any such court has been brought in an inconvenient forum. Each Party irrevocable consents to service of process in the manner provided under Section 13.6 (Notices) or by first class certified mail, return receipt requested, postage prepaid. THE PARTIES EXPRESSLY, IRREVOCABLY, AND UNCONDITIONALLY WAIVE AND FOREGO ANY RIGHT TO TRIAL BY JURY.

13.10 **Relationship of the Parties**. Nothing in this Agreement is intended or will be deemed to constitute a partnership, agency, employer-employee or joint venture relationship between the Parties. No Party will incur any debts or make any commitments for the other. There are no express or implied third party beneficiaries hereunder (except for Biogen Indemnified Parties and C4 Indemnified Parties for purposes of Sections 11.1 (Indemnification by C4) or 11.2 (Indemnification by Biogen), as applicable).

13.11 **Performance by Affiliates**. Each Party recognizes that the other Party may perform some or all of its obligations under this Agreement through Affiliates to the extent permitted under this Agreement; *provided*, *however*, that such other Party will remain responsible for the performance by its Affiliates as if such obligations were performed by such other Party.

13.12 **Interpretation**. Except where the context expressly requires otherwise, (a) the use of any gender herein will be deemed to encompass references to either or both genders, and the use of the singular will be deemed to include the plural (and vice versa), (b) the words “include”, “includes” and “including” will be deemed to be followed by the phrase “without limitation,” (c) the word “will” will be construed to have the same meaning and effect as the word “shall,” (d) any definition of or reference to any agreement, instrument or other document herein will be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (e) any reference herein to any person or entity will be construed to include the person’s or entity’s successors and assigns, (f) the words “herein,” “hereof,” and “hereunder”, and words of similar import, will be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (g) all references herein to Sections or Schedules will be construed to refer to Sections or Schedules of this Agreement, and references to this Agreement include all Schedules hereto, (h) the word “notice” means notice in writing (whether or not specifically stated) and will include notices, consents, approvals and other written communications contemplated under this Agreement, (i) provisions that require that a Party, the Parties or any committee hereunder “agree,” “consent,” or “approve” or the like will require that such agreement, consent or approval be specific and in writing, whether by written agreement, letter, approved minutes or otherwise (but excluding e-mail and instant messaging), (j) references to any specific law, rule or regulation, or article, section or other division thereof, will be deemed to include the then-current amendments thereto or any replacement or successor law, rule or regulation thereof, (k) the term “or” will be interpreted in the inclusive sense commonly associated with the term “and/or,” and (l) references to any Sections include Sections and subsections that are part of the related Section (*e.g.*, a section numbered “Section 2.2” would be part of “Section 2”, and references to “Section 2.2” would also refer to material contained in the subsection described as “Section 2.2(a)”).

13.13 **Further Assurances**. Each of C4 and Biogen agrees to duly execute and deliver, or cause to be duly executed or delivered, such further instruments and do and cause to be done such further acts, including the filing of additional assignments, agreements, documents and instruments, as the other Party may at any time and from time to time reasonably request in connection with this Agreement or to carry out more effectively the provisions and purposes of, or to better assure and confirm unto such other Party its rights and remedies under, this Agreement.

13.14 **Counterparts**. This Agreement may be executed in counterparts, all of which taken together will be regarded as one and the same instrument. Counterparts may be delivered via electronic mail, including Adobe™ Portable Document Format (PDF) or any electronic signature complying with the U.S. Federal ESIGN Act of 2000, and any counterpart so delivered will be deemed to be original signatures, will be valid and binding upon the Parties, and, upon delivery, will constitute due execution of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized officers.

BIOGEN MA INC.

By: /s/ Anabella Villalobos
Name: Anabella Villalobos
Title: Senior Vice President

Date: December 28, 2018

C4 THERAPEUTICS, INC.

By: /s/ Andrew J. Phillips
Name: Andrew J. Phillips
Title: CEO & President

Date: December 28, 2018

SCHEDULE 1.42

C4 LICENSED PATENT RIGHTS

[***]

[***]

CANDIDATE DEVELOPMENT PLAN FOR [***]

[***]

SCHEDULE 3.1.3(B)

CANDIDATE DEVELOPMENT PLAN FOR [***]

[***]

[***]

CANDIDATE DEVELOPMENT PLAN FOR [***]

[***]

SCHEDULE 3.1.9

FORM OF CANDIDATE DEVELOPMENT FINANCIAL REPORT

[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

SCHEDULE 4.1.1

CONTACT LIST

Name	Role	Email	Phone Number
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]

SCHEDULE 9.9.2

PRESS RELEASE

[*To be provided*]

Exhibit 10.6

[***] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

Confidential

Amended and Restated License Agreement

This Amended and Restated License Agreement is entered into with effect as of the Restatement Date (as defined below)

by and between

F. Hoffmann-La Roche Ltd

with an office and place of business at Grenzacherstrasse 124, 4070 Basel, Switzerland **("Roche Basel")**

and

Hoffmann-La Roche Inc.

with an office and place of business at 150 Clove Road, Suite 8, Little Falls, New Jersey 07424, U.S.A. ("**Roche US**"; Roche Basel and Roche US together referred to as "**Roche**")

on the one hand

and

C4 Therapeutics, Inc.

with an office and place of business at 490 Arsenal Way, Suite 200, Watertown, MA 02472, U.S.A. **("C4T**")

on the other hand.

Table of Contents

WHEREAS, C4T owns or controls a proprietary degronimid platform that conjugates an E3 ligase binding small molecule to a target-binding small molecule via a linker to form a degronimid that can cause proteosomal degradation of the target within the cell, and possesses proprietary technology and intellectual property rights relating thereto; and

WHEREAS, Roche has expertise in the research, development, manufacture and commercialization of pharmaceutical and diagnostic products, including owning or controlling target-binding small molecules; and

WHEREAS, Roche wishes to develop for commercialization such degronimids incorporating target-binding molecules that bind to targets of interest to Roche primarily for the treatment of solid and/or liquid cancers but potentially for other indications as well, and to explore their potential applications; and

WHEREAS, C4T is willing to grant to Roche rights to use certain of its intellectual property rights to make, use, offer for sale, sell and import and export degronimids and products containing degronimids in the Territory for use in the Field (as such terms are respectively defined below), as contemplated herein; and

WHEREAS, the Parties previously entered into that certain License Agreement effective as of March 4, 2016 (the "**Effective Date**"), as amended on June 2, 2016 and March 7, 2017 (collectively, the "**Original Agreement**"); and

WHEREAS, the Parties now desire to amend and restate the Original Agreement in its entirety and replace the Original Agreement with this Agreement to, among other things, modify the governance structure, with C4T leading early research and development, until, on a Target-by-Target basis, Roche exercises its Roche Option Right; include various opt-in points for the Targets (as defined below); and to allow for C4T to co-Detail (as such terms are respectively defined below) certain Products.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, do hereby agree that the Original Agreement shall be, and hereby is, amended and restated in its entirety to read as set forth in this Amended and Restated License Agreement ("**Restated Agreement**"):

1. **Definitions**

As used in this Agreement, the following terms, whether used in the singular or plural, shall have the following meanings:

1.1 Affiliate

The term "Affiliate" shall mean any individual, corporation, association or other business entity that directly or indirectly controls, is controlled by, or is under common control with the Party in question. As used in this definition of "Affiliate," the term "control" shall mean the direct or indirect ownership of more than fifty percent (>50%) of the stock having the right to vote for directors thereof or the ability to otherwise control the management of the corporation or other business entity whether through the ownership of voting securities, by contract, resolution, regulation or otherwise. Anything to the contrary in this paragraph notwithstanding, neither Chugai Pharmaceutical Co., Ltd, a Japanese corporation ("**Chugai**") and/or its subsidiaries (if any) nor Foundation Medicine, Inc., a Delaware corporation ("**FMI**") and/or its subsidiaries (if any) shall be deemed as Affiliates of Roche unless Roche provides written notice to C4T of its desire to include Chugai, FMI and/or their respective subsidiaries (as applicable) as Affiliate(s) of Roche.

1.2 Agreement

The term "Agreement" shall mean this document including any and all appendices and amendments to it as may be added and/or amended from time to time in accordance with the provisions of this Agreement.

1.3 Agreement Term

The term "Agreement Term" shall mean the period of time commencing on the Effective Date and, unless this Agreement is terminated sooner as provided in Article 21, expiring on the date when no royalty or other payment obligations under this Agreement are or will become due.

1.4 Applicable Law

The term "Applicable Law" shall mean any law, statute, ordinance, code, rule or regulation that has been enacted by a government authority (including without limitation, any Regulatory Authority) and is in force as of the Effective Date or comes into force during the Agreement Term, in each case to the extent that the same is applicable to the performance by the Parties of their respective obligations under this Agreement.

1.5 [***]

The term **[***]** means **[***]**.

1.6 C4T Base Patent Rights

The term "C4T Base Patent Rights" shall mean the Patent Rights that C4T Controls at the Effective Date relating to or arising from the discovery, manufacture, development or commercialization of or Covering a Degronimid or a Product. A complete listing of the C4T Base Patent Rights is in Appendix 1.5.

1.7 C4T Co-Detail Option Period

The term "C4T Co-Detail Option Period" shall mean, with respect to **[***]** and Targets originating from the C4T Pipeline, the period beginning upon**[***]** and **[***].**

1.8 C4T Co-Dev Option Period

The term "C4T Co-Dev Option Period" shall mean the period commencing upon the receipt of Roche's written notice to exercise a Roche Option Right and ending **[***]**.

1.9 C4T Co-Dev Product

The term "C4T Co-Dev Product" shall mean a Roche Product directed to either (a) **[***]** or (b) a Target originating from the C4T Pipeline for which C4T has exercised the C4T Co-Dev Option Right pursuant to Section 3.1.2 to convert such Roche Product into a C4T Co-Dev Product. If C4T has exercised an Opt-Out under Section 6.3.4, then at the time of such Opt-Out the Product shall no longer be a C4T Co-Dev Product and shall become a Roche Product again.

1.10 C4T Compound IP

The term "C4T Compound IP" shall mean all (a) C4T Know-How directed to a Degronimid or a Product and (b) C4T Patent Rights Covering a Degronimid or Product .

1.11 C4T Group

The term "C4T Group" shall mean C4T, its Affiliates and Sublicensees.

1.12 C4T IP

The term "C4T IP" shall mean C4T Compound IP and C4T Platform IP. Notwithstanding anything to the contrary herein, after any Change of Control of C4T, no Know-How or Patent Rights of any C4T Affiliate that becomes a C4T Affiliate after the Change of Control of C4T shall become "C4T IP" hereunder unless such Know-How or Patent Rights are intentionally used by C4T in C4T's performance of research, development, manufacture or commercialization activities under this Agreement.

1.13 C4T Know-How

The term "C4T Know-How" shall mean the Know-How that C4T Controls at the Effective Date and during the Agreement Term pertaining to the subject matter of this Agreement.

1.14 C4T Net Sales

The term "C4T Net Sales" shall mean **[***].**

[***].

[***].

[***].

1.15 C4T Patent Rights

The term "C4T Patent Rights" shall mean the Patent Rights that C4T Controls at the Effective Date and during the Agreement Term, relating to or arising from the discovery, manufacture, development or commercialization of or Covering a Degronimid or a Product. The term C4T Patent Rights shall include C4T Base Patent Rights and C4T's interest in the Collaboration Patent Rights. An updated listing of the C4T Patent Rights as of the Restatement Date is provided in Appendix 1.15.

1.16 C4T Pipeline

The term "C4T Pipeline" shall mean those targets for which C4T has started to characterize degronimids *in vitro* but for which it has not yet reached LSI Achieved or the standard C4T criteria that result in advancement to the lead optimization phase of development. As of the Restatement Date, **[***]** is a Target that has originated from the C4T Pipeline.

1.17 C4T Platform IP

The term "C4T Platform IP" shall mean all (a) C4T Know-How that is necessary or useful for the discovery, manufacture, development or commercialization of a Degronimid or a Product, or that relates to C4T Technology and (b) C4T Patent Rights that are necessary or useful for the discovery, manufacture, development or commercialization of a Degronimid or a Product, or that relate to C4T Technology, but in all cases excluding C4T Compound IP. C4T Platform IP includes the Linker and E3 Ligase Binding Moiety and the Linker bound to an E3 Ligase Binding Moiety (without the Target Binding Moiety) and their manufacture, and including as incorporated in or used in the manufacture of the Degronimid or Product.

1.18 C4T Technology

The term "C4T Technology" shall mean Linker, E3 Ligase Binding Moiety, and the Linker bound to an E3 Ligase Binding Moiety (without the Target Binding Moiety).

1.19 Calendar Quarter

The term "Calendar Quarter" shall mean each period of three (3) consecutive calendar months, ending March 31, June 30, September 30, and December 31.

1.20 Calendar Year

The term "Calendar Year" shall mean the period of time beginning on January 1 and ending December 31, except for the first year which shall begin on the Effective Date and end on December 31.

1.21 CCS Achieved

The term "CCS Achieved" shall mean that a Degrominid for a Target meets CCS Criteria.

1.22 CCS Criteria

The term "CCS Criteria" means the clinical candidate selection criteria as set forth in Appendix 1.22.

1.23 Change of Control

The term "Change of Control" shall mean, with respect to a Party: (a) the acquisition by any Third Party of beneficial ownership of fifty percent (50%) or more of the then outstanding common shares or voting power of such Party, other than acquisitions by employee benefit plans sponsored or maintained by such Party; (b) the consummation of a business combination involving such Party, unless, following such business combination, the stockholders of such Party immediately prior to such business combination beneficially own directly or indirectly more than fifty percent (50%) of the then outstanding common shares or voting power of the entity resulting from such business combination; or (c) the sale of all or substantially all of such Party's assets or business relating to the subject matter of the Agreement. For clarity, a change in ownership as the result of financing transactions shall not qualify as a Change of Control.

1.24 Change of Control Group

The term "Change of Control Group" shall mean with respect to a Party, the person or entity, or group of persons or entities, that is the acquirer of, or a successor to, a Party in connection with a Change of Control, together with affiliates of such persons or entities that are not Affiliates of such Party immediately prior to the completion of such Change of Control of such Party.

1.25 Clinical Study

The term “Clinical Study” shall mean a Phase I Study, Phase II Study Phase III Study, or Pivotal Clinical Study as applicable.

1.26 CLS Achieved

The term “CLS Achieved” shall mean that a Degronimid for a Target meets the CLS criteria (a) as set forth in the **[***]** Research Plan attached as Appendix 1.26 or (b) set forth in any future Research Plan approved by the JRC (“**CLS Criteria**”).

1.27 Co-Detail Territory

The term “Co-Detail Territory” shall mean the US.

1.28 Collaboration Patent Rights

The term “Collaboration Patent Rights” shall mean Patent Rights Covering an Invention made under a Research Plan during the Research Term. A listing of the Collaboration Patent Rights as of the Restatement Date is attached as Appendix 1.28.

1.29 Combination Product

The term “Combination Product” shall mean

a) a single pharmaceutical formulation containing as its active ingredients both a Degronimid and one or more other therapeutically or prophylactically active ingredients,

b) a combination therapy comprised of a Degronimid and one or more other therapeutically or prophylactically active products, priced and sold in a single package containing such multiple products or packaged separately but sold together for a single price, or

c) a combination therapy comprised of a Degronimid and a Companion Diagnostic, priced and sold in a single package containing such multiple products or packaged separately but sold together for a single price,

in each case, including all dosage forms, formulations, presentations, line extensions, and package configurations. All references to Product in this Agreement shall be deemed to include Combination Product.

1.30 Commercially Reasonable Efforts

The term “Commercially Reasonable Efforts” shall mean **[***]**.

[***].

1.31 Companion Diagnostic

The term “Companion Diagnostic” shall mean any product or service that:

(a) identifies a person having a disease or condition, or a molecular genotype or phenotype that predisposes a person to such disease or condition, for which a Product could be used to treat and/or prevent such disease or condition;

(b) defines the prognosis or monitors the progress of a disease or condition in a person for which a Product could be used to treat and/or prevent such disease or condition;

(c) is used to select a therapeutic or prophylactic regimen, wherein at least **[***]** potential therapeutic or prophylactic regimen involves a Product, and where the selected regimen is determined, based on the use of such product or service, to likely be effective and/or to be safe for a person; and/or

(d) is used to confirm a Product’s biological activity and/or to optimize dosing or the scheduled administration of a Product.

1.32 Competitor Company

The term "Competitor Company" shall mean any pharmaceutical or biotechnology company having one or more programs in the field of oncology or hematology.

1.33 Completion

The term "Completion" shall mean the availability of the final study report.

1.34 Compulsory Sublicense Compensation

The term "Compulsory Sublicense Compensation" shall mean, for a given country or region in the Territory, the compensation paid to Roche by a Third Party (a "**Compulsory Sublicensee**") under a license or sublicense of any applicable Patent Rights granted to the Compulsory Sublicensee (the "**Compulsory Sublicense**") through the order, decree or grant of a governmental authority having competent jurisdiction in such country or region, authorizing such Third Party to manufacture, use, sell, offer for sale, import or export a Degronimid or a Product in such country or region.

1.35 Confidential Information

The term "Confidential Information" shall mean any and all information, data or know-how (including Know-How), whether technical or non-technical, oral or written, that is disclosed by one Party or its Affiliates ("**Disclosing Party**") to the other Party or its Affiliates ("**Receiving Party**"). Confidential Information shall not include any information, data or know-how that:

(a) was generally available to the public at the time of disclosure, or becomes available to the public after disclosure by the Disclosing Party other than through fault (whether by action or inaction) of the Receiving Party or its Affiliates,

(b) can be evidenced by written records to have been already known to the Receiving Party or its Affiliates prior to its receipt from the Disclosing Party,

(c) is obtained at any time lawfully from a Third Party under circumstances permitting its use or disclosure,

(d) is developed independently by the Receiving Party or its Affiliates as evidenced by written records other than through knowledge of Confidential Information, or

(e) is approved in writing by the Disclosing Party for release by the Receiving Party.

The terms of this Agreement shall be considered Confidential Information of the Parties.

1.36 Continuation Election Notice

The term "Continuation Election Notice" shall mean the notice C4T provides to Roche under Section 21.3.1 describing (a) C4T's *bona fide* intentions to continue ongoing development and commercialization of Reversion Product and (b) C4T's request for Roche's continuation of activities during the termination period and/or transfer of the data, material and information relating to the Reversion Products in accordance with Section 21.3.1.

1.37 Control

The term "Control" shall mean (as an adjective or as a verb including conjugations and variations such as "Controls" "Controlled" or "Controlling") (a) with respect to Patent Rights and/or Know-How, the possession by a Party of the ability to grant a license or sublicense of such Patent Rights and/or Know-How without violating the terms of any agreement or arrangement between such Party and any other party and (b) with respect to proprietary materials, the possession by a Party of the ability to supply such proprietary materials to the other Party as provided herein without violating the terms of any agreement or arrangement between such Party and any other party. For clarity, Controlled includes owned if the above requirements are satisfied.

1.38 Cover

The term “Cover” shall mean (as an adjective or as a verb including conjugations and variations such as “Covered,” “Coverage” or “Covering”) that the developing, making, using, offering for sale, promoting, selling, exporting or importing of a given compound, formulation or product would infringe a claim of a Patent Right upon issuance in the absence of a license under or ownership in the Patent Rights to which such claim pertains. The determination of whether a compound, formulation, process or product is Covered by a particular claim shall be made on a country-by-country basis.

1.39 Degronimid

The term “Degronimid” shall mean, with respect to a Target, (a) a compound comprising (i) a moiety that binds to that particular Target (“**Target Binding Moiety**”), (ii) a linker (“**Linker**”), and (iii) a moiety that binds to the E3 ligase cereblon or another E3 ligase, in possession of or Controlled by C4T or Roche (“**E3 Ligase Binding Moiety**”), generated under a Research Plan, whose primary mechanism of action is, by design, degradation of such Target, or (b) any salt, polymorph, metabolite, Prodrug, isomer or stereoisomer of the compound in clause (a). The Target Binding Moiety can be a Roche Compound, a compound identified by C4T that binds to Target, or compound identified in literature and agreed-upon by the Parties as part of the Research Plan, or any derivative thereof identified by C4T or Roche during the execution of the Research Plan. For clarity, Target Binding Moiety and Degronimid exclude a separate Linker, a separate E3 Ligase Binding Moiety and a separate Linker bound to an E3 Ligase Binding Moiety. A listing of the Roche Patent Rights on the E3 Ligase Binding Moiety as of the Restatement Date is attached as Appendix 1.39.

1.40 “Detail” “Detailing”

The term “Detail” or “Detailing” shall mean, with respect to a C4T Co-Dev Product, the communication by a Sales Representative to a Prescriber during a sales call (a) involving face-to-face contact or, if permitted by the Co-Detailing Agreement, contact by means of an e-detail or video, (b) describing in a fair and balanced manner the FDA-approved indicated uses and other relevant characteristics of such C4T Co-Dev Product, (c) using the Promotional Materials in an effort to inform Prescribers about a C4T Co-Dev Product for its FDA-approved indicated uses, and (d) made at such Prescriber’s office, at another appropriate alternate care setting, or in any other venue as described in the Co-Detailing Agreement and consistent with Applicable Law, the Co-Detailing Agreement and other industry standards. For the avoidance of doubt, discussions at conventions or other scientific meetings shall not constitute “Details” or “Detailing”.

1.41 Development Costs

The term “Development Costs” shall mean **[***]**.

1.42 Dose Range Finding Study

The term “Dose Range Finding Study” shall mean a toxicology study performed with Degronimids having CLS Achieved to identify Products for which CCS Criteria would be fulfilled.

1.43 [***]

The term “**[***]**” shall mean **[***]**.

1.44 EU

The term “EU” shall mean the European Union and all its then-current member countries.

1.45 Expert

The term “Expert” shall mean a person with no less than **[***]** of pharmaceutical industry experience and expertise having occupied at least **[***]** within a large pharmaceutical company relating to product commercialization and/or licensing but excluding any current or former employee or consultant of either Party. Such person shall be fluent in the English language.

1.46 FBMC

The term “FBMC” shall mean the sum of:

[***]

1.47 FDA

The term “FDA” shall mean the Food and Drug Administration of the United States of America.

1.48 FDCA

The term “FDCA” shall mean the Food, Drug and Cosmetics Act.

1.49 Field

The term “Field” shall mean any use.

1.50 Filing

The term “Filing” shall mean the filing of an application by the FDA as defined in the FDCA and applicable regulations, or the equivalent application to the equivalent agency in any other country or group of countries, the official approval of which is required before any lawful commercial sale or marketing of Products.

1.51 First Commercial Sale

The term “First Commercial Sale” shall mean, on a country-by-country basis, the first invoiced sale of a Product to a Third Party by the Roche Group following the receipt of any Regulatory Approval required for the sale of such Product, or if no such Regulatory Approval is required, the date of the first invoiced sale of a Product to a Third Party by the Roche Group in such country.

1.52 FTE

The term “FTE” shall mean a full-time equivalent person-year, based upon a total of no less than **[***]** working hours per year, undertaken in connection with the conduct of research in the Research Program. In no circumstance can the work of any given person exceed one (1) FTE.

1.53 GAAP

The term “GAAP” shall mean US Generally Accepted Accounting Principles.

1.54 Generic Product

The term “Generic Product” shall mean a product that is not produced, licensed or owned by the Roche Group that (a) contains a pharmaceutically active ingredient that is the same Target Binding Moiety as present in the Degronimid in the Product, (b) contains an E3 ligase binding moiety, and (c) has the same or substantially the same labelling as the applicable Product for at least one indication of such Product.

1.55 GLP Data Package

The term “GLP Data Package” shall mean a report of all data and results that are to be provided by C4T to Roche at completion of the GLP Tox Studies for a Product (containing all data and results generated under the Research Plan with respect to such Product), such compilation shall comprise a study report either generated by C4T or the contract research organization covered by guidelines for GLP Tox Studies, the CTD (Common Technical Data) table of such report as a separate word document, the SEND (Standard for Exchange of Nonclinical Data) dataset to accompany the final study report, and an independent pathology peer review.

1.56 GLP Tox Study

The term “GLP Tox Study” shall mean a toxicology study of the relationship between dose and its effects on the exposed animal, where (a) the study is to be conducted in accordance with GLP standards and (b) the study has been designed in expectation that the results may support establishment of a safe starting dose of the Product in Clinical Studies.

1.57 Handle

The term “Handle” shall mean preparing, filing, prosecuting (including interference and opposition proceedings) and maintaining (including interferences, reissue, re-examination, post-grant reviews, inter-parties reviews, derivation proceedings and opposition proceedings), including discontinuing or abandoning Patent Rights.

1.58 HSR

The term “HSR” shall mean the Hart-Scott-Rodino Antitrust Improvements Act.

1.59 ICD-10

The term “ICD-10” shall mean the Tenth Revision of the International Classifications of Diseases and Related Health Problems, as may be revised or amended from time to time, or a successor classification.

1.60 IFRS

The term “IFRS” shall mean International Financial Reporting Standards.

1.61 IND

The term “IND” shall mean an application as defined in the FDCA and applicable regulations promulgated by the FDA, or the equivalent application to the equivalent agency in any other country or group of countries, the filing of which is necessary to commence clinical testing of the Products in humans.

1.62 Indication

The term “Indication” shall mean a distinct type of disease or medical condition in humans to which a Product is directed and eventually approved. **[***]**

1.63 Initiation

The term “Initiation” shall mean the date that a (a) an animal is first dosed with the Product in a GLP Tox Study, or (b) a human is first dosed with the Product in a Clinical Study approved by the respective Regulatory Authority, as applicable.

1.64 Insolvency Event

The term “Insolvency Event” shall mean circumstances under which a Party (a) has a receiver or similar officer appointed over all or a material part of its assets or undertaking; (b) passes a resolution for winding-up (other than a winding-up for the purpose of, or in connection with, any solvent amalgamation or reconstruction) or a court makes an order to that effect or a court makes an order for administration (or any equivalent order in any jurisdiction); (c) enters into any composition or arrangement with its creditors (other than relating to a solvent restructuring); (d) ceases to carry on business; (e) is unable to pay its debts as they become due in the ordinary course of business.

1.65 Invention

The term “Invention” shall mean an invention that is conceived and reduced to practice in connection with any activity carried out pursuant to this Agreement. Under this definition, an Invention may be made by employees of C4T solely or jointly with a Third Party (a “**C4T Invention**”), by employees of the Roche Group solely or jointly with a Third Party (a “**Roche Invention**”), or jointly by employees of C4T and employees of the Roche Group with or without a Third Party (a “**Joint Invention**”).

1.66 Joint Know-How

The term “Joint Know-How” shall mean Know-How that is made jointly by the Parties or their Affiliates or their Sublicensees in connection with any activity carried out pursuant to this Agreement.

1.67 Joint Patent Rights

The term “Joint Patent Rights” shall mean all Patent Rights Covering a Joint Invention.

1.68 JOT

The term “JOT” shall mean a joint operating team established by the JRC under Section 11.7 or by the JDC under Section 11.10.

1.69 JRC

The term “JRC” shall mean the joint research committee described in Article 9.

1.70 Know-How

The term “Know-How” shall mean data, knowledge and information, including materials, samples, chemical manufacturing data, toxicological data, pharmacological data, preclinical data, assays, platforms, formulations, specifications, quality control testing data, that are necessary or useful for the discovery, manufacture, development or commercialization of Degronimids or Products.

1.71 Lead Identification

The term “Lead Identification” shall mean preclinical development activities performed with respect to each Target with the goal to identify Degronimids with LSI Achieved.

1.72 Lead Optimization

The term “Lead Optimization” shall mean the preclinical development activities performed for each Target following Lead Identification, with the goal to identify Degronimids suitable for GLP Tox Studies and satisfying CCS Criteria for such Target.

1.73 LSI Achieved

The term "LSI Achieved" means that a Degronimid for a Target meets the lead series identification criteria as set forth in the **[***]** Research Plan attached as Appendix 1.7394 or (b) set forth in any future Research Plan approved by the JRC ("**LSI Criteria").**

1.74 Major Countries

The term "Major Countries" shall mean USA, Canada, UK, Germany, France, Italy, and Spain.

1.75 NDA

The term "NDA" shall mean a new drug application, including all necessary documents, data, and other information concerning a Product, required for Regulatory Approval of the Product as a pharmaceutical product by the FDA or an equivalent application to the equivalent agency in any other country or group of countries (e.g. the marketing authorization application (MAA) in the EU).

1.76 Net Sales

The term "Net Sales" shall mean **[***].**

1.77 New Target

The term "New Target" shall mean any target not included among the **[***]** Targets selected by Roche and listed in Appendix 1.114, and shall include any protein identified by its UniProt number, including all splice variants, mutants, natural variants, etc. reasonably associated with such UniProt number; but excluding the target BRD4 that is reserved for C4T.

1.78 Original Product

The term "Original Product" shall mean with respect to a particular Target, a Product subject to the Roche Option Right but for which Roche has not yet exercised such Roche Option Right. An Original Product for which the Roche Option Right is designated by the Parties under Section 4.1.6 to be one for which Roche can exercise the Roche Option Right upon receipt of the Phase I Data Package is a "**Phase I Completed Original Product**". As of the Restatement Date, Products directed to **[***]** are deemed Phase I Completed Original Products. For clarity, an Original Product (including a Phase I Completed Original Product) for which Roche exercises the Roche Option Right ceases to be an Original Product (or, if applicable, a Phase I Completed Original Product) as of the time the Roche Option Right is exercised.

1.79 Out of Pocket Costs

The term "Out of Pocket Costs" shall mean direct expenses incurred by either Party or its Affiliates to Third Parties, including payments to contract personnel (including contractors, consultants, contract research organizations and subcontractors).

1.80 Party

The term "Party" shall mean C4T or Roche, as the case may be, and "Parties" shall mean C4T and Roche collectively.

1.81 Patent Rights

The term "Patent Rights" shall mean all rights under any patent or patent application, in any country of the Territory, including any patents issuing on such patent application, and further including any substitution, extension or supplementary protection certificate, reissue, reexamination, renewal, division, continuation or continuation-in-part of any of the foregoing.

1.82 Pharmacovigilance Agreement

The term “Pharmacovigilance Agreement” shall mean an agreement entered into by the Parties to set forth the responsibilities and obligations of the Parties with respect to the procedures and timeframes for compliance with Applicable Laws pertaining to safety of a Product and its related activities.

1.83 Phase I Data Package

The term “Phase I Data Package” shall mean a report of all data and results that are to be provided by C4T to Roche at completion of the Phase I Study (containing all data and results generated through completion of the Phase I Study for such Phase I Completed Original Product). For each Target, the report will address the categories of information (including the criteria within such categories) for a Product in accordance with the Phase I Plan with respect to such Target as set forth in Appendix 1.83. The final criteria within such categories will be determined on a Target-by-Target basis and finalized by the Parties prior to the filing of the first IND for such Target. C4T shall also provide Roche with access to the clinical study database comprising the data in a reasonably clean and organized format.

1.84 Phase I Plan

The term “Phase I Plan” means, for a Phase I Completed Original Product, a plan describing the performance of the Phase I Study for such Phase I Completed Original Product, which is prepared jointly by C4T and Roche and approved by the JDC.

1.85 Phase I Study

The term “Phase I Study” shall mean a human clinical trial in any country that would satisfy the requirements of 21 C.F.R. § 312.21(a) (FDCA), as amended from time to time, and the foreign equivalent thereof.

1.86 Phase II Study

The term “Phase II Study” shall mean a human clinical trial, for which the primary endpoints include a determination of dose ranges and/or a preliminary determination of efficacy in patients being studied as described in 21 C.F.R. § 312.21(b) (FDCA), as amended from time to time, and the foreign equivalent thereof.

1.87 Phase III Study

The term “Phase III Study” shall mean a human clinical trial that is prospectively designed to demonstrate statistically whether a product is safe and effective for use in humans in a manner sufficient to obtain regulatory approval to market such product in patients having the disease or condition being studied as described in 21 C.F.R. § 312.21(c) (FDCA), as amended from time to time, and the foreign equivalent thereof.

1.88 Pivotal Clinical Study

The term “Pivotal Clinical Study” shall mean (a) a Phase III Study, or (b) any other Clinical Study that is designed to establish that a pharmaceutical product is safe and efficacious for its intended use, and to determine warnings, precautions, and adverse reactions that are associated with such pharmaceutical product in the dosage range to be prescribed, and which Clinical Study is intended to be sufficient for filing an application for a Regulatory Approval for the Product in the U.S.

1.89 Prescriber

The term “Prescriber” shall mean physicians and other health care professionals who are permitted by Applicable Law to prescribe C4T Co-Dev Products.

1.90 Prodrug

The term “Prodrug” shall mean a compound that is initially administered to the body in an inactive (or less than fully active) form, and then becomes converted to its active form through the normal metabolic processes of the body and non-metabolic processes such as pH or hydrolysis driven cleavage processes and intrinsic cleavage based on an internal cyclization-cleavage mechanism.

1.91 Product

The term “Product” shall mean any pharmaceutical product or other product for use in the Field that contains a Degronimid. Products include Original Products, including Phase I Completed Original Products, Roche Products and C4T Co-Dev Products (Roche Products and C4T Co-Dev Products are collectively referred to as “**Licensed Products**” and a Roche Product or a C4T Co-Dev Product alternatively is referred to as a “**Licensed Product**”) .

1.92 Promotional Materials

The term “Promotional Materials” shall mean all written, printed, graphic, electronic, audio or video matter, including without limitation journal advertisements, sales visual aids, leave-behind items, formulary binders, reprints, direct mail, direct-to-consumer advertising, internet postings and sites and broadcast advertisements intended for use or used by or on behalf of either Party or their respective Affiliates in connection with any promotion of a C4T Co-Dev Product for which C4T has exercised the C4T Co-Detail Option Right pursuant to Section 3.1.3.

1.93 Regulatory Approval

The term “Regulatory Approval” shall mean any approvals (including pricing and reimbursement approvals), licenses, registrations or authorizations by Regulatory Authority, necessary for the manufacture and sale of a Product in the Field in a regulatory jurisdiction in the Territory.

1.94 Regulatory Authority

The term “Regulatory Authority” shall mean any national, supranational (e.g., the European Commission, the Council of the European Union, the European Medicines Agency), regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity including the FDA, in each country involved in the granting of Regulatory Approval for the Product.

1.95 Research Plan

The term “Research Plan” shall mean, for each Target, a detailed research plan describing preclinical research and development activities up to and including **[***]**. The Research Plans for Products directed to **[***]** is attached as Appendix 1.95. For clarity, this Agreement does not need to be amended if the JRC modifies any Research Plan.

1.96 Research Program

The term “Research Program” shall mean, for each Target, the activities undertaken by the Parties pursuant to the Research Plan for that Target to identify and test Degronimids, and such other activities as the Parties may agree in writing.

1.97 Research Term

The term “Research Term” shall mean the period of time in which the activities under the Research Plans shall be conducted, commencing on the Effective Date and continuing until **[***]** unless terminated earlier pursuant to the terms and conditions of this Agreement.

1.98 Restatement Date

The term “Restatement Date” shall mean **[***]**.

1.99 Reverted Target

The term “Reverted Target” shall mean (a) a Target for which Roche did not exercise its Roche Option Right within the applicable Roche Option Period, including any target that became a Target pursuant to Section 4.1.3, and (b) any Terminated Target.

1.100 Roche Compound

The term “Roche Compound” shall mean any compound that (i) is Covered by Roche IP, (ii) is provided by Roche to C4T for use in a Research Plan or Phase I Plan, and (iii) binds to a Target (including any Target Binding Moiety that contains or incorporates any such compound). Roche shall be free to use Roche Compounds for research, development and commercialization efforts outside this Agreement.

1.101 Roche Group

The term “Roche Group” shall mean collectively Roche, its Affiliates and its Sublicensees.

1.102 Roche IP

The term “Roche IP” shall mean Roche Know-How and Roche Patent Rights.

1.103 Roche Know-How

The term “Roche Know-How” shall mean all Know-How that Roche Controls at the Effective Date and during the Agreement Term related to Roche Compounds, Products, or activities conducted under this Agreement.

1.104 Roche Option Period

The term “Roche Option Period” shall mean, with respect to **[***]**, the period beginning upon **[***]**, and ending upon the earliest of **[***]**. Such report shall contain the information as described in Appendix 1.103.

The Roche Option Period for any Target other than **[***]** means the period beginning upon **[***]**, as applicable, and ending upon the earliest of **[***]**. The procedure for designating an Original Product as a Phase I Completed Original Product is outlined in Section 4.1.6, subject to the escalation procedure in Section 11.5.3.

1.105 Roche Option Right

The term “Roche Option Right” shall mean, with respect to a Target, Roche’s right to obtain a commercial license under Section 2.1.2.

1.106 Roche Patent Rights

The term “Roche Patent Rights” shall mean all Patent Rights that Roche Controls during the Agreement Term Covering a Roche Compound or Product that are required to conduct research in accordance with a Research Plan or to allow C4T to conduct its activities in connection with the exercise of the C4T Co-Dev Option Right or the C4T Co-Detail Option Right. The term

Roche Patent Rights shall include Roche's interest in the Collaboration Patent Rights. For purposes of clarity, the Patent Rights identified in Appendix 1.106(a) ("**Excluded Patent Rights**") are specifically excluded from the Roche Patent Rights. The Patent Rights identified in Appendix 1.106(b) are the Roche Patent Rights as of the Restatement Date.

1.107 Roche Product

The term "Roche Product" shall mean, with respect to a particular Target, (a) an Original Product or (b) Phase I Completed Original Product for which Roche has exercised the Roche Option Right and C4T has not exercised its C4T Co-Dev Option Right, if applicable, to convert this Product into a C4T Co-Dev Product, or a C4T Co-Dev Product for which C4T has exercised its Opt-Out under Section 6.3.5.

1.108 Royalty Term

The term "Royalty Term" shall mean, with respect to a Licensed Product, and for a given country, the period of time commencing on the date of First Commercial Sale of the Licensed Product in such country and ending on the later of the date that is (a) **[***]** after the date of the First Commercial Sale of the Licensed Product in such country, or (b) the expiration of the last to expire Valid Composition of Matter Claim in such country Covering the use, offering for sale, or sale of the Licensed Product,. **[***]**

1.109 Sales

The term "Sales" shall mean, for a Product in a particular period, the sum of (a) and (b):

(a) **[***].**

1.110 Sales Representatives

The term "Sales Representatives" shall mean a pharmaceutical sales representative who is trained with respect to the C4T Co-Dev Products, including its labeling and Promotional Materials, engaged or employed by either Party (as permitted hereunder) to conduct Detailing with respect to the C4T Co-Dev Products in accordance with the terms of this Agreement and the Co-Detailing Agreement.

1.111 [***]

The term "**[***]**" shall mean **[***]**.

1.112 Sublicensee

The term "Sublicensee" shall mean an entity to which C4T or Roche, as applicable has licensed rights (through one or multiple tiers), other than through a Compulsory Sublicense, pursuant to this Agreement.

1.113 Tactical Plan

The term "Tactical Plan" shall mean **[***]** or more plans detailing the activities to be performed by each Party in the Co-Detail Territory and the amount of cost to be incurred and anticipated resources to be used during a given Calendar Year period.

1.114 Target

The term "Target" shall mean each of the **[***]** targets selected by Roche a listing of which as of the Restatement Date is in Appendix 1.114, subject to the target exchange provisions of Section 4.1.3, and shall include any protein identified by its UniProt number, including all splice variants, mutants, natural variants, etc. reasonably associated with such UniProt number.

1.115 Territory

The term "Territory" shall mean **[***]**.

1.116 Third Party

The term "Third Party" shall mean a person or entity other than (i) C4T or any of its Affiliates or (ii) a member of the Roche Group.

1.117 US

The term "US" shall mean the United States of America and its territories and possessions.

1.118 US$

The term "US$" shall mean US dollars.

1.119 Valid Claim

The term "Valid Claim" shall mean **[***]**.

1.120 Valid Composition of Matter Claim

The term "Valid Composition of Matter Claim" shall mean, for a given Product in a given country of the Territory, a Valid Claim that claims the Degronimid *per se* that is included in such Product.

1.121 Additional Definitions

Each of the following definitions is set forth in the Section of this Agreement indicated below:

Definition	Section
"Accounting Period"	13.1
"Acquired Party"	21.2.3
"Alliance Director"	11.6
"Allowable Exception"	12.5
"Arbitral Tribunal"	23.7.1
"Bankruptcy Code"	22
"Breaching Party"	21.2.1
"C4T Co-Detail Option Right"	3.1.3
C4T Exclusivity Obligations	2.1.3
"C4T Invention"	1.65
"Chairperson"	11.2
"Co-Detailing Agreement"	8.2.1
"Co-Detail Opt-Out	8.2.5
"Compulsory Profit Share Percentage"	12.12.3
"Compulsory Sublicense"	1.34
"Compulsory Sublicensee"	1.34
"Decision Period"	16.5
"Deferrable Amount"	6.3.3
"degronimid"	2.1.1
"Development Plan"	6.3.2
"DFCI"	2.1.7
"Disclosing Party"	1.35
"E3 Ligase Binding Moiety"	1.39
"Excluded Patent Rights"	1.106
"Expert Committee"	12.12.2.1

Definition	Section
Exploit	2.1.2
“Funding Reduction Notice”	6.3.5
“H-W Suit Notice”	16.11
“Indemnified Party”	18.3
“Indemnifying Party”	18.3
“Initial Payment”	12.1
“Initiating Party”	16.5
“JCC”	11.12
“JDC”	11.9
“Joint Invention”	1.65
“Licensed Product”	1.91
“Licensed Products”	1.91
“Linker”	1.39
“Members”	11.2
“Net Sales Threshold”	12.11
“Non-Acquired Party”	21.2.3
“Non-Breaching Party”	21.2.1
“Research Funding”	12.2
“Roche Option Exercise Fee”	12.4
“Roche Option Exercise Period”	3.1.2
“Opt-Out”	6.3.5
“Patent Term Extensions”	16.12
“Payment Currency”	13.3
“Peremptory Notice Period”	21.2.1
“Phase I Completed Original Product	1.78
“Publishing Notice”	20.5
“Publishing Party”	20.5
“Receiving Party”	1.35
“Register”	16.6
“Relative Commercial Value”	12.12.2.1
“Reversion Products”	21.3.1
“Roche Invention”	1.65
“Sensitive Information”	21.2.3
“Settlement”	16.5
“Shared Development Cost Budget”	6.3.2
“SPCs”	16.12
“Suit Notice”	16.5
“Supply Agreement”	7.1
“Target 4”	4.1.2
“Target 5”	4.1.2
“Target 6”	4.1.2
“Target Binding Moiety”	1.39
“Technology Transfer”	7.3
“Terminated Target”	21.3.1
“Unavailable Target”	4.1.3

2. **Grant of Licenses and Exclusivity**

2.1 Licenses

2.1.1 Research Cross License

Roche hereby grants to C4T a non-exclusive license under Roche IP necessary or useful for C4T to perform its research activities under the Research Plan or Phase I Plan during the Research Term and the term of the Phase I Plan, as applicable. C4T grants to Roche a non-exclusive license under C4T IP and C4T Patent Rights to (a) perform research on degronimids (when not capitalized the term "degronimid" means a Degronimid but the target is not limited to a Target and it need not be generated under a Research Plan), (b) perform its research activities, if any, under this Agreement, (c) select and optimize Degronimids developed under a Research Plan and Phase I Plan as applicable, (d) generate Products including the Degronimids referenced in clause (c), and (e) perform any activities authorized under Section 21.3.3.

2.1.2 Commercial License

Effective upon Roche exercising its Roche Option Right under Section 3.1.2 with regard to a Target and paying the applicable Roche Option Fee, C4T hereby grants Roche for such Target an exclusive (even as to C4T but subject to C4T having the right to perform the activities described in (a) this Agreement that are associated with the exercise of the C4T Co-Dev Option Right and exercise of the C4T Co-Detail Option Right, (b) a Supply Agreement, and (c) a Co-Detailing Agreement) license, including the right to sublicense through multiple tiers, under C4T IP and C4T Patent Rights to research, have researched, develop, have developed, register, have registered, use, have used, make, have made, import, have imported, export, have exported, market, have marketed, distribute, have distributed, sell and have sold (collectively, "**Exploit**") Licensed Products relating to such Target in the Field in the Territory.

Effective upon the Restatement Date, C4T hereby grants Roche an exclusive license, including the right to sublicense through multiple tiers, under C4T IP and C4T Patent Rights to Exploit products that contain a Target Binding Moiety and are not Licensed Products in the Field in the Territory.

Subject to C4T exercising its C4T Co-Dev Option Right with respect to the applicable Target as set forth in Section 3.1.2, Roche hereby grants to C4T a non-exclusive right and license under the Roche IP to perform its activities under the Development Plan.

Subject to C4T exercising its C4T Co-Detail Option Right with respect to the applicable Target as set forth in Section 3.1.3, Roche hereby grants to C4T a non-exclusive right and license under the (i) Roche Know How and (ii) Patent Rights Controlled by Roche, in each case, that are necessary or useful for C4T to perform its activities pursuant to the Co-Detailing Agreement for C4T or its Affiliates to perform its activities pursuant to the Co-Detailing Agreement.

2.1.3 Commercial License Following Research Program Initiation

Beginning on the date the **[***]** Research Program is initiated, C4T hereby grants to Roche a non-exclusive, non-revocable, royalty-free license, including the right to sublicense through multiple tiers, under C4T IP and C4T Patent Rights generated after the Effective Date to Exploit products, directed solely to targets that are not subject to any obligation of exclusivity by C4T with respect to any Third Party license in existence as of the Restatement Date or entered into

in the field of **[***]** within **[***]** after the Restatement Date ("**C4T Exclusivity Obligations"**), that contain degronimids that are not Licensed Products in the Field in the Territory. Roche shall confer with a Third Party designated by C4T to hold the information on targets subject to the C4T Exclusivity Obligations before exploiting any such C4T IP or C4T Patent Rights in research directed to a particular target to ensure that such target is not subject to the C4T Exclusivity Obligations. The Third Party designated by C4T shall not communicate to C4T the identity of the targets discussed.

2.1.4 Freedom of Operation

C4T hereby grants to the Roche Group and its collaborators freedom to operate under all unpatented C4T Know-How and hereby covenants not to bring legal action of any type or nature against any member of the Roche Group or its collaborators with respect to the use of unpatented C4T Know-How.

2.1.5 Right to Subcontract

Either Party shall have the right to subcontract the work performed under this Agreement; provided that such Party will remain responsible to the other Party for the performance of such work.

2.1.6 Conditions to Sublicense

Either Party's right to sublicense through multiple tiers shall be conditioned on its Sublicensees, through each tier, agreeing to be bound by the applicable provisions of this Agreement. In addition, the sublicensing Party shall forward to other Party a copy of any and all fully executed sublicenses with Third Parties that are not Affiliates or Chugai (in the case of Roche). Such copy may be redacted with regard to financial terms and confidential information of such Sublicensee and shall be postmarked within **[***]** after the execution of the sublicense.

2.1.7 Reserved Rights

Except as explicitly set forth in this Agreement, neither Party grants to the other Party any license, express or implied, under its intellectual property rights. The license granted or to be granted by C4T under the C4T IP existing as of the Effective Date is subject to the following reserved rights:

1. Rights of the United States of America, as set forth in Public Laws 96-517 and 98-620, the regulations promulgated thereunder, and the policy of any funding agencies. Any rights granted hereunder, which are greater than permitted by Public Laws 96-517 and 98-620, are subject to modification as required to conform to the provisions of those statutes.
2. The right of the Dana Farber Cancer Institute ("**DFCI**") to use the C4T IP existing as of the Effective Date for internal, non-clinical, teaching, education and basic research purposes; provided, however, that in no event shall they be used for any drug discovery activities or commercial activities of any kind, or for use in the treatment, diagnosis or prevention of any human diseases or conditions.
3. DFCI's right to grant non-exclusive, non-transferable licenses to use the C4T IP existing as of the Effective Date to other academic, governmental or not-for-profit organizations for non-commercial, internal, basic research purposes (but in no case when sponsored by any for-profit entity) and not for use in human subjects, clinical trials or for diagnostic purposes involving human subjects.

2.2 Exclusivity

With respect to a given Target, C4T shall work exclusively with Roche from the Effective Date until **[***]**. If the maximum number of Target replacements have occurred as provided for in Section 4.1.3, then the exclusivity provisions regarding the **[***]** Target set forth in this Section 2.2 shall be waived.

3. **Option of Roche**

3.1 Option Right

3.1.1 Grant of Roche Option Right

C4T hereby grants to Roche an exclusive Roche Option Right for each Target to obtain an exclusive (even as to C4T subject to C4T's rights in the event C4T exercises its Co-Dev Option Right and/or Co-Detail Option Right)) license, including the right to sublicense through multiple tiers, under C4T IP and C4T Patent Rights to Exploit Products relating to such Target in the Field in the Territory.

3.1.2 Grant of C4T Co-Dev Option Right

Roche hereby grants to C4T an option to co-develop Roche Products relating to **[***]** or any Target from the C4T Pipeline as set forth in Section 4.1.3 ("**C4T Co-Dev Option Right**"). On a Target-by-Target basis, C4T shall have the right to exercise the C4T Co-Dev Option Right by giving a written notice prior to the end of the C4T Co-Dev Option Period for such Target to Roche. The C4T Co-Dev Option Right to convert a Roche Product into a C4T Co-Dev Product is applicable to a Roche Product that was originally a Phase I Completed Original Product or to an Original Product for which the start of the Roche Option Period is the receipt of the GLP Data Package. For clarity, as of the Restatement Date, Products directed to **[***]** are considered C4T Co-Dev Products and no exercise of the C4T Co-Dev Option Right is required.

3.1.3 Grant of C4T Co-Detail Option Right

Roche hereby grants to C4T an option to co-detail C4T Co-Dev Products relating to a Target originating from the C4T Pipeline using C4T Sales Representatives fully dedicated (for **[***]** from the First Commercial Sale) to the C4T Co-Dev Product in the Co-Detail Territory ("**C4T Co-Detail Option Right**"). On a Target-by-Target basis, C4T shall have the right to exercise the C4T Co-Detail Option Right by giving a written notice during the C4T Co-Detail Option Period for such Target to Roche. C4T must establish a sales infrastructure and hire Sales Representatives at least **[***]** prior to the anticipated First Commercial Sale of the first Co-Dev Product directed to the Target for which the C4T Co-Detail Option Right relates, or such other time period as may be agreed upon by the JCC.

3.1.4 Exercise of Roche Option Right

Roche shall have the right to exercise the Roche Option Right for each Target for which a Research Plan has been initiated during the Roche Option Period for such Target by giving a written notice prior to the end of the Roche Option Period for such Target to C4T and paying the corresponding Roche Option Exercise Fee within **[***]** after exercise of the Roche Option Right and receipt by Roche of an invoice from C4T.

3.1.5 Rights if Roche does not exercise a Roche Option

For any Target to which Roche does not timely exercise its Roche Option Right, effective as of the expiration of the Roche Option Period for such Target, (a) all research and development activities under this Agreement with respect to such Target shall terminate, (b) such Target shall become a Reverted Target, (c) C4T shall retain all rights, title and interest in and to all Original Products for such Target, (d) all rights and obligations (including the licenses to Roche) under this Agreement with respect to such Target shall terminate, and (e) the following rights and licenses shall apply:

3.1.5.1 Roche Know-How/Target License

If and to the extent that any Roche Know-How is necessary for C4T to conduct its internal research activities related to the Reverted Target, Roche hereby grants to C4T a fully-paid up, non-exclusive, worldwide license under such Roche Know-How solely for such purpose (which license C4T may sublicense to Affiliates, collaborators and service providers solely for such purpose, including for any collaboration). To the extent a broader license is desirable by C4T, Roche and C4T will discuss in good faith the terms and conditions for C4T to obtain either a non-exclusive or exclusive, worldwide license (with the right to sublicense through multiple tiers) under such Roche Know-How, to research, develop, manufacture, commercialize and otherwise exploit such Reverted Target.

3.1.5.2 Collaboration Patent Rights License

Roche hereby grants to C4T a fully-paid up, non-exclusive, worldwide license under Roche's interest in Collaboration Patent Rights related to the Reverted Target for any and all purposes, which license may be sublicensed through multiple tiers to C4T's Affiliates, collaborators and service providers.]

3.2 Data Reporting, Due Diligence and License Right

3.2.1 Data reporting

C4T shall keep Roche apprised of the status of all activities under each Research Plan using the templates agreed upon under the Original Agreement and Development Plan, and provide Roche with access to any data generated under each Research Plan or Development Plans requested by the JRC or JDC, as applicable. Throughout the Research Term for a given Target, C4T shall provide a list of all Degronimids made under such respective Research Plan and their chemical structures.

3.2.2 Due Diligence

Roche shall have the right to perform due diligence within **[***]** after receipt of the report on the Dose Range Finding Studies (in case of Products directed to **[***]**), the GLP Data Package or Phase I Data Package (in case of Products directed to **[***]**), as applicable. During such **[***]**, representatives of Roche shall have the opportunity to ask questions of and receive answers from representatives of C4T related to the Degronimids, and the Research Program or Phase I Plan and data generated therein. C4T shall respond to Roche's inquiries in a timely fashion and without delay and shall not withhold any material information from Roche in response to Roche's inquiries. Roche shall also have the right to perform *in vitro* and or *in vivo* preclinical testing of Degronimids having CLS Achieved or meeting CCS Criteria during Dose Range Finding Studies or GLP Tox Studies for the purpose of verifying Degronimid properties for the purpose of exercising the Roche Option Right.

3.2.3 License Rights

If Roche exercises its Roche Option Right in accordance with Section 3.1.2, then the commercial license as set forth in Section 2.1.2 shall immediately come into effect.

4. **Research Collaboration**

4.1 Conduct of the Research Program

4.1.1 Scope

C4T shall conduct mutually agreed activities pursuant to a Research Plan for each Target. The activities conducted in connection with each Research Program will be overseen by the JRC. The purpose of each Research Plan is to set forth activities designed to discover, generate, engineer and characterize Degronimids. A Research Plan starts with Lead Identification activities.

4.1.2 Target Selection and Research Plan Initiation

As of the Restatement Date, Roche has selected **[***]** Targets, namely **[***]**. Research Plans for these **[***]** Targets have been approved by the JRC and research is being conducted. As of the Restatement Date, **[***]** is the most advanced program and has passed LSI Achieved. Roche (via the JRC) will select additional Targets for which to initiate Research Plans (up to a total of **[***]** Research Plans). Roche may select such additional Targets in any order and shall thereafter together with C4T (via the JRC) establish Research Plans for approval by the JRC and initiate Research Plans as follows:

[***]

4.1.3 Target Exchange

A Target may be exchanged as long as a Research Plan has not been initiated or, if a Research Plan has been initiated, prior to completion of such Research Program (i.e., either prior to (a) in the case of **[***]** the completion of Dose Range Finding Studies or (b) in case of any other Target completion of the GLP-Tox Study). Roche may exchange such Target with (i) another Target from the pool of **[***]** Targets listed in Appendix 1.114, (ii) any target outside the C4T Pipeline, or (iii) a target within the C4T Pipeline in addition to the Target **[***]**, in case of (ii) and (iii) provided such target is not an Unavailable Target.

A Target may be exchanged more than once. However, the total number of Target exchanges is capped at **[***]**, provided, however that from and after initiation of the Research Plan for Target **[***]**, Roche shall not be permitted to exchange Target **[***]** more than **[***]** (or **[***]** if Roche has already used the **[***]** Target exchanges). Roche may at its discretion choose **[***]** from the C4T Pipeline (not counting **[***]**), and any additional target selection from the C4T Pipeline requires the Parties mutual consent. Such Target exchange and updated Target list shall be documented by written minutes of a JRC meeting and shall replace the list in Appendix 1.114 as per the Restatement Date. Once a Target pursued under a Research Program is exchanged, it shall become a Terminated Target. If a Target not pursued under a Research Program is exchanged, it does not become a Terminated Target, and shall cease to be a Target.

A Target is considered not available at the time of Roche's request if (a) it is a target from the C4T Pipeline that has reached LSI Achieved, (b) C4T has at least begun the process of licensing such target to a Third Party as evidenced by having has generated a mutually agreed term sheet with such Third Party in relation to the target and is in active negotiations toward a definitive license agreement, or (c) it is a target subject to C4T's partnership with a Third Party and is exclusively licensed ("**Unavailable Target**"). If a target is not available at the time of Roche's request, then C4T shall promptly inform Roche if such target becomes available, including the target BRD4.

4.1.4 Research Plan

Unless decided otherwise by the JRC, the Research Plan for each Target will be updated annually and approved by the JRC. The Research Plan will set forth (a) the activities and the resources that will be dedicated, (b) specific objectives for each year, which objectives as proposed to the JRC by the JOT will be approved, if appropriate, by the JRC as research progresses, and (c) budgets for such activities, including the Shared Development Cost Budget for Dose Range Finding Studies and GLP Tox Studies which are Development Costs under the Research Program. The JRC shall review the Research Plan and Phase I Plan on an ongoing basis and may amend the Research Plan to reflect the updated or amended objectives and the progress made, subject to JRC approval. Any such changes shall be reflected in written amendments to the Research Plan for each Target. Unless otherwise set forth in a Research Plan, C4T shall be responsible for conducting the activities in Lead Identification and Lead Optimization and Dose Range Finding Studies for all Targets as well as GLP Tox Studies for any Target except for **[***]**.

4.1.5 Lead Identification

C4T shall be solely responsible for Lead Identification following the JRC's approval of the applicable Research Plan, advancing Degronimids with LSI Achieved properties using C4T Technology, *in vitro* biology assays, *in vivo* pharmacology animal studies addressing PK/PD relationships and efficacy in relevant animal disease models, and *in vitro* ADME and safety methods.

4.1.6 Lead Optimization

C4T shall be solely responsible for Lead Optimization following the JRC's determination that LSI Achieved has been reached for a given Target. C4T shall use Commercially Reasonable Efforts to advance Collaboration Compounds to CLS Achieved using C4T Technology, and *in vivo* pharmacology animal studies addressing PK/PD relationships and efficacy in relevant animal disease models as well as minitox studies, and *in vitro* ADME and safety methods. Finally C4T shall undertake Dose Range Finding Studies and other studies and *in vitro* investigations as required to identify Degronimids meeting the CCS Criteria.

4.1.7 Designation of Phase I Completed Original Product

For all Targets other than **[***]**, upon CLS Achieved for such Target, the Parties through the JRC shall mutually agree on whether the start of the Roche Option Period for such Target is upon receipt of the GLP Data Package, deeming the corresponding Product an Original Product, or upon receipt of the Phase I Data Package, deeming the corresponding Product a Phase I Completed Original Product. (For clarity, Products directed to **[***]** are considered a Phase I Completed Original Product as of the Restatement Date, and Products directed to **[***]** are considered Original Products as of the Restatement Date and are not subject to the designation procedure in this section).

4.1.8 GLP Tox Study

Except for Products directed to **[***]**, C4T shall be solely responsible for the conduct of GLP Tox Studies in a rodent and non-rodent species using a CRO approved by the Parties and listed on Appendix 4.1.8) following the JRC's determination that CCS Achieved has been reached for a Degronimid for a given Target. A GLP Tox Study shall be started for a Product containing a Degronimid for which the JRD has determined that CCS Achieved has been reached. The study protocols for such GLP Tox Studies shall be mutually agreed by the Parties, and the Parties shall discuss and align via the JRC on drug substance and drug product specifications of Products used for such GLP Tox Studies.

4.2 Records; Reports

4.2.1 Inspection

Upon the written request of Roche and not more than **[***]** in each Calendar Year, C4T shall permit Roche, at Roche's expense, to have access during normal business hours to those records of C4T that may be necessary to verify the data that were generated under the Research Plans and the basis for any payments hereunder.

4.2.2 Records

Each Party will maintain scientific records, in sufficient detail and in sound scientific manner appropriate for Patent and regulatory purposes and in compliance with cGCP with respect to activities intended to be submitted in regulatory filings (including INDs and BLAs), which will fully and accurately reflect all work done and results achieved in the performance of the Development activities, Clinical Studies with respect to Original Products, Roche Products, C4T Co-Dev Products by such Party.

5. **Diligence**

Roche and C4T shall use Commercially Reasonable Efforts to perform their respective activities contemplated by this Agreement or as may be agreed upon in any subsequent written agreements with respect to the subject matter hereof. Specifically, C4T agrees to use Commercially Reasonable Efforts to advance the Research Plans and the Phase I Plans, as applicable, to the defined stage of the Roche Option Right, and Roche agrees to use Commercially Reasonable Efforts to pursue further development and commercialization of Licensed Products in the Field in the Territory. Roche shall be deemed to use Commercially Reasonable Efforts if it develops and commercializes for at least **[***]**. C4T shall ensure that personnel providing work under each Research Plan shall have skills and expertise no les than personnel working on C4T internal projects. Prior to using personnel on a Research Plan, while ensuring continuity of current team leads and team members for **[***]** as of the Restatement Date, C4T shall provide to Roche the background and expertise of such personnel and reasonably consider Roche's input regarding the appropriateness of such personnel. The exact number of FTEs and their roles shall be discussed and agreed upon by the JRC and specified in each Research Plan.

6. **Development.**

6.1 Roche Products

After the exercise of its Roche Option for a Target, and so long as a Roche Product does not become a C4T Co-Dev Product, Roche shall be solely responsible, at Roche's sole expense, for the manufacture, development, and commercialization of such Roche Products. **[***]** per Calendar Year, Roche shall inform C4T of the status of its clinical development activities for Roche Products in the Field in the Territory.

6.2 Phase I Completed Original Products

6.2.1 Scope

C4T shall conduct mutually agreed activities pursuant to a Phase I Plan for each Phase I Completed Original Product, subject to the sharing of Development Costs as set forth in Section 12.5. Such activities will be overseen by the JDC. The purpose of each Phase I Plan is to set forth activities designed to generate results that enable the achievement of the Phase I Data Package.

6.2.2 Phase I Plan

Unless decided otherwise by the JDC, the Phase I Plan for each Phase I Completed Original Product will be updated annually and approved by the JDC. The Phase I Plan will set forth (a) the activities and the resources that will be dedicated, (b) specific objectives for each year, which objectives as proposed to the JDC by the JOT will be approved, if appropriate, by the JDC as development progresses, and (c) related Development Costs for such activities as part of the Shared Development Cost Budget. The Shared Development Cost Budget shall include the anticipated Development Costs expected to be incurred pursuant to the Phase I Plan for the remainder of the then current Calendar Year and each of the next up to **[***]**. Thereafter, annually, the Development Plan and the Shared Development Cost Budget shall be updated by the JDC such that the Shared Development Cost Budget shall always reflect the planned activities under the Phase I Plan for **[***]**. The JDC shall review the Phase I Plan on an ongoing basis and may amend the Phase I Plan to reflect the updated or amended objectives and the progress made, subject to JDC approval. Any such changes shall be reflected in written amendments to the Phase I Plan for each Phase I Completed Original Product. Drafting of the Phase I Plan shall be initiated prior to completion of a GLP Tox Study for such Phase I Completed Original Product. Roche together with C4T shall establish Phase I Plans for approval by the JDC, satisfying the Phase I Data Package.

6.2.3 Updates

C4T shall periodically provide to the JDC an update regarding development activities conducted by or on behalf of C4T with respect to Phase I Completed Original Products.

6.3 C4T Co-Dev Products

6.3.1 C4T-Co Dev Products

Subject to the terms of this Section 6.3 and Section 12.4, C4T and Roche shall be responsible for the development of C4T Co-Dev Products in the Territory in accordance with this Section 6.3, and subject to the sharing of Development Costs as set forth in Section 12.5.

6.3.2 Development Plan

Within **[***]** after exercising the C4T Co-Dev Option for a Target for which Roche has exercised the Roche Option, Roche shall provide C4T with an initial development plan ("**Development Plan**") and a budget for C4T Co-Dev Products for such Target outlining the planned activities and related Development Costs ("**Shared Development Cost Budget**") for such Development Plan to be approved by the JDC. The Shared Development Cost Budget shall include the anticipated Development Costs pursuant to the Development Plan for the remainder of the then current Calendar Year and each of the next **[***]** expected to be incurred. Thereafter, annually, the Development Plan and the Shared Development Cost Budget shall be updated by the JDC such that the Shared Development Cost Budget shall always reflect the planned activities under the Development Plan for **[***]**.

6.3.3 Deferrable Amounts.

If the annual update to the Development Plan for such a C4T Co-Dev Product results in the Shared Development Cost Budget for the next Calendar Year of the Shared Development Cost Budget increasing by more than **[***]** from the then current Shared Development Cost Budget for the then-current Calendar Year, after taking into consideration any Allowable Exceptions, then C4T shall have the right to elect to defer payment of its share of actually incurred Development Costs for such Target for such Calendar Year exceeding such percentage of the previous Shared Development Cost Budget for such Target for such Calendar Year (such amount a "**Deferrable Amount**"). If C4T elects to make such deferral, C4T shall pay to Roche any such Deferrable Amount within **[***]** following the Calendar Year in which such overrun occurred; provided that, at any time Roche may elect to deduct such Deferrable Amount from the next Development Event milestone payment payable from Roche to C4T if such event occurs prior to repayment by C4T. Notwithstanding the foregoing, all payments that C4T has deferred pursuant to this Section 6.3.3 shall become payable at the earlier of (a) the end of the **[***]** period described above and (b) the effective date of termination.

6.3.4 Updates

Roche will periodically provide to the JDC an update regarding development activities conducted by or on behalf of Roche with respect to C4T Co-Dev Products.

6.3.5 C4T's Opt-Out

On a C4T Co-Dev Product-by-C4T Co-Dev Product basis, C4T may elect to cease participation in funding and conducting development of such C4T Co-Dev Product (each a "**Opt-Out**") by providing Roche with at least **[***]** prior written notice before anticipated initiation of the next Clinical Study as described in the Development Plan, and the effective date of such Opt-Out shall be the date of initiation of such next Clinical Study, and (a) C4T shall continue to be responsible for reimbursement of its share of Development Costs incurred by the Parties under the Development Plan for any Clinical Studies ongoing as of the effective date of such Opt-Out through Completion of such Clinical Studies; (b) C4T shall have no further responsibility with respect to Clinical Studies initiated as of or after the effective date of such Opt-Out; (c) the license granted by Roche to C4T with respect to the development of such C4T Co-Dev Product shall terminate; (d) such C4T Co-Dev Product shall thereafter be considered a "Roche Product" hereunder and C4T shall be entitled to royalties for Net Sales of such Roche Product in accordance with Section 12.12; and (e) Roche shall have sole discretion over the continued conduct of the development and commercialization with respect to such Product, subject to Section 6.1.

Additionally, on a C4T Co-Dev Product-by-C4T Co-Dev Product basis, if the Shared Development Costs Budget for the currently ongoing Clinical Trial(s) increases by greater than **[***]** from the Shared Development Costs Budget last agreed prior to entry of such Clinical Trial(s) for such Collaboration Product, then C4T shall have the right, exercisable by C4T delivering written notice to Roche, to no longer fund all or any portion of such amounts in excess of such **[***]** increase for such ongoing Clinical Trial(s) ("**Funding Reduction Notice**"), and specifying the portion in excess of such **[***]** increase it will no longer fund for such ongoing Clinical Trial(s). If C4T delivers a Funding Reduction Notice pursuant to this Section 6.3.5, then C4T shall not be required to fund such portion of the amounts in excess of such **[***]** increase with respect to the applicable C4T Co-Dev Product, subject to a reduction of the royalty increase in Section 12.12.2 (Royalty Rates).

7. **Manufacturing**

7.1 General

Prior to Roche's exercise of the Roche Option Right for a Target, C4T has responsibility for the manufacture of Degronimids, Original Products and Phase I Completed Original Products, subject to the oversight of the JRC or JDC, in accordance with the applicable Research Plan and Phase I Plan for such Target. Such manufacturing shall occur at CMOs approved by Roche set forth on Appendix 7.1. Roche shall assist C4T in receiving access to such CMOs in the Roche network. Notwithstanding the above,

(a) for Products directed to **[***]**, Roche shall have the right, but not the obligation, at its own cost, to take over manufacturing of such Products prior to exercise of the Roche Option for use in GLP Tox Studies or Clinical Studies; and

(b) for Products directed to Targets other than **[***]**, Roche shall have the right, but not the obligation, to take over manufacturing of such Products prior to exercise of the Roche Option for use in GLP Tox Studies or Clinical Studies and subject to the sharing of Development Costs.

If requested by a Party, the other terms under which a Party will manufacture Degronimids, Original Products and Phase I Completed Original Products will be set forth in one or more manufacturing and supply agreements to be entered into between the Parties (each a "**Supply Agreement**"). Such Supply Agreement will contain customary terms and conditions, including quality and supply failure remedies, and otherwise be consistent with this Agreement and Roche quality standards.

7.2 Roche Option; C4T Co-Dev Products

After Roche's exercise of the Roche Option for a Target, and C4T's subsequent exercise of its C4T Co-Dev Option Right, Roche shall have the right, but not the obligation, to take over manufacturing of all C4T Co-Dev Products for such Target. After Roche's exercise of the Roche Option for a Target (for which C4T does subsequently not exercise the C4T Co-Dev Option Right, or if a Product ceases to be a C4T Co-Dev Product as a consequence of C4T exercising its Opt-Out right), Roche shall be responsible for manufacturing all such Roche Product for such Target.

7.3 Technology Transfer

Roche shall have the right, but not obligation, to request a technology transfer at any time however no later than **[***]** after exercising the Roche Option for a given Target. Within **[***]** upon such request of Roche, C4T shall complete the transfer of all its C4T Know-How relating to the manufacturing of the Degronimids, Roche Products and C4T Co-Dev Products for such Target to Roche and/or one or more CMOs designated by and contracting directly with Roche with the goal of enabling Roche and/or its designated CMO to manufacture such Degronimids, Roche Products and C4T Co-Dev Products ("**Technology Transfer**"). The Parties will agree in good faith on a Technology Transfer protocol defining the scope and conditions of transfer. Roche shall reimburse C4T for any reasonably incurred Out of Pocket Costs incurred in the conduct of such Technology Transfer.

8. **Commercialization**

8.1 General

Roche, at its own expense, shall have sole responsibility and decision making authority for the marketing, promotion, sale and distribution of Roche Products. For C4T Co-Dev Products, subject to C4T's Co-Detailing Option as set forth in Section 3.1.3, Roche shall be responsible for the marketing, promotion, sale and distribution of the C4T Co-Dev Products in the Territory, and all costs associated therewith. Throughout the Territory, Roche shall book all sales of Roche Products and C4T Co-Dev Products.

8.2 Co-Detailing

8.2.1 Tactical Plan and Agreement

Within **[***]** after C4T's exercise of a C4T Co-Detail Option Right, the JCC shall meet and discuss (a) a plan for co-Detailing the C4T Co-Dev Product prepared by Roche (the "**Tactical Plan"**), (b) C4T's obligations under the Tactical Plan, and (c) expected amount of compensation, on an FTE basis, to be paid for C4T for its co-Detailing efforts. Within **[***]** after C4T's exercise of such C4T Co-Detail Option Right, the Parties shall negotiate in good faith and execute a co-Detailing agreement, which shall specify the terms and conditions of the co-Detailing arrangement between the Parties in the US in the event C4T exercises a C4T Co-Detail Option with respect to the applicable C4 Co-Dev Product, and shall be consistent with the terms and conditions set forth in Appendix 8.2.1 (the "**Co-Detailing Agreement**").

8.2.2 Commercialization Efforts

In the Co-Detail Territory, C4T shall use Commercially Reasonable Efforts to Detail each C4T Co-Dev Product for which it has exercised its C4T Co-Detail Option Right for such Target, and perform activities assigned to C4T in the Tactical Plan.

8.2.3 Tactical Plan and Budget

A Tactical Plan and associated budget for each C4T Co-Dev Product in the Co-Detail Territory shall be prepared by Roche and approved by the JCC. Either Party may propose amendments to the Tactical Plan, which must be approved by the JCC.

8.2.4 Recall

Roche shall provide prompt written notice to C4T in the event of a recall of any C4T Co-Dev Products in the Co-Detail Territory, and shall be solely responsible for handling such recall. For clarity, Roche shall be solely responsible for the expenses of a recall of C4T Co-Dev Product in the Co-Detail Territory, including without limitation the expenses related to maintaining a call center and responding to consumer and physician inquiries. C4T shall cooperate with Roche in the event of any such recall, including by providing Sales Representative support during such recall.

8.2.5 Co-Detail Opt-Out

On a C4T Co-Dev Product-by-C4T Co-Dev Product basis, C4T may elect to cease participation in the co-Detailing such C4T Co-Dev Product (each a "**Co-Detail Opt-Out**") by providing Roche with **[***]** prior written notice. If C4T elects to exercise its Opt-Out with respect to any C4T Co-Dev Product, then upon the effective date of such Opt-Out, (a) C4T shall continue to be responsible for its obligations under the Tactical Plan and Co-Detailing Agreement prior to the expiration of the **[***]** notice period for such Opt-Out; (b) C4T shall have no further responsibility with respect to the Detailing of such C4T Co-Dev Product, except as set forth in the foregoing clause (a); (c) the license granted by Roche to C4T with respect to co-Detailing such C4T Co-Dev Product shall terminate; (d) such C4T Co-Dev Product shall thereafter remain a C4T Co-Dev Product, for which C4T has not exercised its C4T Co-Detail Option Right and (e) Roche shall have sole discretion over the continued conduct of the commercialization with respect to such C4T Co-Dev Product in accordance with Section 8.1.

9. **Regulatory**

9.1 Phase I Completed Original Products

C4T shall have the right and responsibility for all regulatory affairs related to Phase I Completed Original Products, including filing the IND in the US for each such Phase I Completed Original Product. All proposed communications with Regulatory Authorities shall be provided by C4T to Roche for Roche's review and comments, which shall be reasonably considered by C4T, and Roche shall have the right to attend all meetings with Regulatory Authorities as an observer. After exercise of the Roche Option with regard to a Phase I Completed Original Product, C4T shall transfer the IND to Roche.

9.2 Licensed Products

After Roche's exercise of its Roche Option for a Target, Roche shall be solely responsible at its own expense for all regulatory affairs related to Licensed Products in the Field in the Territory. Roche shall be responsible for pursuing, compiling and submitting all regulatory filing documentation, and for interacting with regulatory agencies, for all Licensed Products in the Field in all countries in the Territory. Roche or its Affiliates shall own and file in their discretion all regulatory filings and Regulatory Approvals for all Licensed Products in the Field in all countries of the Territory.

10. **Adverse Events**

Each Party shall inform the other Party about all serious adverse events of which it becomes aware occurring or having occurred in connection with the use of a Product.

C4T, at its sole cost, shall report to appropriate Regulatory Authorities in accordance with local requirements all adverse events related to use of the Phase I Completed Original Products, as well as any Reversion Product. Roche, at its sole cost, shall report to appropriate Regulatory Authorities in accordance with local requirements all adverse events related to use of Licensed Products.

C4T will maintain a safety database for Phase I Completed Original Products, and Roche will maintain a safety database for all other Products, to manage safety data collected and fulfill their regulatory requirements. After transfer of historical clinical safety data, Roche shall maintain the global safety database for the Product, which will be searched to provide answers to safety queries, for the preparation of Analysis of Similar Events (ASIMEs) and for safety reports. All reasonable assistance in responding to safety inquiries will be provided to each Party upon request.

The Parties mutually agree to execute one or more separate Pharmacovigilance Agreement(s) as deemed applicable by the Parties specifying the procedures and timeframes for compliance with Applicable Law pertaining to safety reporting of each Licensed Product and their related activities.

11. **Governance**

11.1 Committees

The Parties shall establish committees to oversee activities under this Agreement, a JRC to oversee the Research Plan activities under this Agreement, a JDC to oversee all activities of any Phase I Plans for a Phase I Completed Original Products and clinical development of any C4T Co-Dev Products, and a JCC to oversee co-Detailing activities for C4T Co-Dev Products for which C4T has exercised its C4T Co-Detail Option.

11.2 Members

The JRC, JDC or JCC, as applicable, shall be composed of **[***]** persons ("**Members**"). Roche and C4T each shall be entitled to appoint **[***]** Members with appropriate seniority and functional expertise to empower the JRC, JDC, or JCC, as applicable, to rapidly make decisions. Andy Phillips shall be one of the **[***]** Members appointed by C4T to serve on the JRC, or if Andy Phillips is no longer employed by C4T, then C4T's Chief Scientific Officer shall be one of the **[***]** Members appointed by C4T to serve on the JRC. If C4T's Chief Scientific Officer is already a member, then the next most senior scientific leader of C4T will also be one of the **[***]** Members appointed by C4T to serve on the JRC. Each Party may replace any of its Members and appoint a person to fill the vacancy arising from each such replacement. A Party that replaces a Member shall notify the other Party at least **[***]** prior to the next scheduled meeting of the JRC, JDC or JCC, as applicable. Both Parties shall use reasonable efforts to keep an appropriate level of continuity in representation. Both Parties may invite a reasonable number of additional experts, including the Alliance Director, and/or advisors to attend part or the whole committee meeting with prior notification to the committee, provided that such experts and/or advisors are bound by obligations of confidentiality and non-use consistent with those mandated for the Parties under this Agreement. Members may be represented at any meeting by another person designated by the absent Member. The JRC, JDC and JCC shall be chaired by a Member of the Party that has final say with respect to decision making ("**Chairperson**").

11.3 Meetings

The Chairperson or his/her delegate will be responsible for sending invitations and agendas for all JRC, JDC or JCC meetings to all Members at least **[***]** before the next scheduled meeting of the JRC, JDC or JCC, as applicable. The venue for the meetings shall be agreed by the JRC JDC, or JCC as applicable. Each committee shall hold meetings at least **[***]** per Calendar Year, either in person or by tele-/video-conference, and in any case as frequently as the Members of such committee may agree shall be necessary, but not more than **[***]** a year, unless the relevant committee agrees unanimously to additional meetings. The Alliance Director (as defined in Section 11.15) of each Party may attend the committee meetings as a permanent participant.

11.4 Minutes

The Chairperson will be responsible for designating a Member to record in reasonable detail and circulate draft minutes of committee meetings to all members of the committee for comment and review within **[***]** after the relevant meeting. The Members of the committee shall have **[***]** to provide comments. The Party preparing the minutes shall incorporate timely received comments and distribute finalized minutes to all Members of the committee within **[***]** of the relevant meeting. The Chairperson approves the final version of the minutes before its distribution.

11.5 Decisions

11.5.1 Decision Making Authority

Each committee shall decide matters within its responsibilities set forth in Section 11.6 for the JRC, Section 11.8 for the JDC, or Section 11.13 for the JCC.

11.5.2 Consensus; Good Faith

The Members of the JRC, JDC and JCC shall act in good faith to cooperate with one another and seek agreement with respect to issues to be decided by the JRC. The Parties shall endeavor to make decisions by consensus.

11.5.3 Escalation

If the JRC, JDC or JCC, as applicable, is unable to decide a matter by consensus within **[***]** after the date such matter is referred to such committee, then such matter shall be referred to the CEO of C4T and the Head of Partnering for Roche, or their designees, who together shall use reasonable and good faith efforts to reach a decision by consensus within **[***]** after the date such matter is referred to them. If the Parties still fail to reach a decision within such **[***]**, then the final decision shall be **[***]**. The Party exercising such final decision shall do so in good faith. Any such decision shall constitute a decision of the JRC, JDC, or JCC, as applicable.

Notwithstanding the above:

[***]

11.6 Joint Research Committee

The Parties have established a Joint Research Committee to oversee the Research Plan activities under this Agreement. The JRC shall remain in effect for so long as there is Research Plan under this Agreement.

11.7 Responsibilities of the JRC

The JRC shall have the responsibility and authority, subject to the other provisions of this Agreement, including Sections 11.5 and 11.16, to:

(a) approve each Research Plan and its objectives;

(b) update Roche on the C4T Pipeline and the targets in the C4T Pipeline on an ongoing basis, and at least **[***]** in advance of lead optimization;

(c) approve any revisions to the Research Plans;

(d) maintain an updated list of Targets and a tally of the number of Target exchanges;

(e) review and oversee the execution of the Research Plan and updates to the Shared Development Cost Budget, including providing a rolling **[***]** estimate at each JRC meeting for the **[***]** period following such JRC meeting;

(f) monitor the Shared Development Costs and manage reimbursement to C4T as set forth in Section 11.7;

(g) establish and set expectations and mandates for its JOT;

(h) create or disband its JOT as deemed appropriate;

(i) oversee its JOTs, if applicable;

(j) maintain a list of Degronimids actually reduced to practice under the Research Plans;

(k) determine when and where to perform any pre-formulation activities, salt screening and polymorph screening in accordance with CLS Criteria and CCS Criteria;

(l) verify whether Roche manufactures Degronimids for GLP Tox Studies (e.g. manufacturing process optimization, GLP Tox formulation, GLP analytics), as set forth in Section 7.1.;

(m) align on the drug substance and drug product specifications for the batches used for the GLP Tox Studies as set forth in Section 4.1.6;

(n) align on the drug substance and drug product strategy, including stability program, and its execution for the drug product used for the GLP Tox Studies;

(o) review the GLP Tox Study protocol, e.g. with respect to study design, dose selection or GLP exposure measurements as set forth in Section 4.1.6;

(p) oversee manufacture and release of drug substance and drug product batches to be used in GLP Tox Studies;

(q) establish timelines for research decision points;

(r) determine whether success criteria have been met (LSI Achieved, CLS Criteria and CCS Criteria);

(s) review the efforts of the Parties and allocate those resources for the Research Plan (including the budget);

(t) monitor and implement the transfer of the C4T Technology to Roche as set forth in Section 7.3;

(u) monitor and implement the transfer of the Degronimids and Product to Roche; and

(v) attempt to resolve any disputes on an informal basis.

The JRC shall have no responsibility and authority other than that expressly set forth in this Section 11.7.

11.8 Lifetime of the JRC

The JRC shall remain in effect during the Research Term and shall be dissolved at the end of the last Research Plan.

11.9 Joint Development Committee

The Parties shall form a Joint Development Committee ("**JDC**") within **[***]** after the Initiation of the GLP Tox Study in the first species for a given Target to oversee all activities of a Phase I Plan of a Phase I Completed Original Product as well as clinical development of any C4T Co-Dev Products. For the Phase I Plan, the JDC shall seek to make decisions by consensus. In the event of deadlock, there will be an escalation procedure to senior scientific management as set forth in Section 11.5.3.

11.10 Responsibilities of the JDC

The JDC shall have the responsibility and authority with respect to Phase I Plans for Phase I Completed Original Products and the clinical development of C4T Co-Dev Products to:

(a) Approve each Phase I Plan (if for a Phase I Completed Original Product) and Development Plan (if for a C4T Co-Dev Product);

(b) Approve any revisions to the Phase I Plan and Development Plan under (a);

(c) Review and oversee the execution of the Phase I Plan and Development Plan under (a) and oversee the progress of activities under such plans;

(d) Oversee the Phase I Study of Phase I Completed Original Products;

(e) Oversee the Clinical Studies of C4T Co-Dev Products;

(f) Establish timelines and criteria for development decision points;

(g) Review and discuss filing of the IND for each Phase I Completed Original Product;

(h) Determine whether development success criteria have been met (Phase I Data Package);

(i) Review the efforts of the Parties and allocate those resources for the Phase I Plan and Clinical Studies;

(j) review regular updates to the Shared Development Cost Budget for Development Costs as set forth in Sections 6.2.2 and 6.3.2;

(k) identify appropriate resources necessary to conduct the Development Plan;

(l) establish and set expectations and mandates for its JOT;

(m) create or disband its JOT as deemed appropriate;

(n) oversee its JOT, if applicable;

(o) align on the drug substance and drug product strategy, including stability program, and its execution for the drug product used for the Phase I Studies of Phase I Completed Original Products; (p) oversee manufacture and release of drug substance and drug product batches to be used for Phase I Studies of Phase I Completed Original Products;

(p) depending on the Clinical Studies following Phase I Studies of C4T Co-Dev Products, approve the appropriate CMC strategy for drug substance and drug product to be used in either Phase II Studies or Phase III Studies and oversee its execution;

(q) define the drug substance and drug product specifications for the batches used for Phase I Studies of Phase I Completed Original Products and any batches made prior to Roche exercising the Roche Option Right of Phase I Completed Original Products for the subsequent Phase II Studies and/or Phase III Studies after exercise of the Roche Option Right; and

(r) Attempt to solve any disputes on an informal basis.

The JDC shall have no responsibility and authority other than that expressly set forth in this Section 11.10.

11.11 Lifetime of JDC

The JDC shall remain in effect for so long as there is a Phase I Plan under this Agreement, or a C4T Co-Dev Product is undergoing clinical development under a Development Plan.

11.12 Joint Commercialization Committee

If C4T exercises it's a C4T Co-Detail Option Right, the Parties shall establish a Joint Commercialization Committee ("**JCC**") to coordinate the co-Detailing activities of the Parties.

11.13 Responsibility of the JCC

The JCC shall have the responsibility and authority with respect to C4T Co-Dev Products for which C4T has exercised the C4T Co-Detail Option to:

(a) approve each Tactical Plan for each C4T Co-Dev Product for which C4T has exercised its C4T Co-Detail Option Right;

(b) revise and approve any revisions to each Tactical Plan;

(c) review and oversee the execution of each Tactical Plan and oversee the progress of activities under such plan;

(d) coordinate activities designed to create, provide training for, deploy, and manage a sales force for each C4T Co-Dev Product for which C4T has exercised its C4T Co-Detail Option;

(e) coordinate sales force responsibilities, and communicate adjustments in sizing of such sales force for each C4T Co-Dev Product for which C4T has exercised its C4T Co-Detail Option as appropriate;

(f) establish timelines and criteria for decision points;

(g) determine whether success criteria have been met;

(h) identify appropriate resources necessary to conduct each Tactical Plan; and

(i) attempt to resolve any disputes on an informal basis.

The JCC shall have no responsibility and authority other than that expressly set forth in this Section 11.13, unless mutually agreed by the Parties.

11.14 Lifetime of the JCC

The JCC shall remain in effect for so long as the Parties are co-detailing a C4T Co-Dev Product and shall end upon the conclusion of activities under the last Tactical Plan.

11.15 Alliance Director

Each Party shall appoint one person to be its point of contact with responsibility for facilitating communication and collaboration between the Parties (each, an "**Alliance Director**"). The Alliance Directors shall be permanent participants of the JRC meetings (but not members of the JRC). The Alliance Directors shall facilitate resolution of potential and pending issues and potential disputes to enable the JRC to reach consensus and avert escalation of such issues or potential disputes.

11.16 Limitations of Authority

No committee shall have authority to amend or waive any terms of this Agreement, nor shall any committee have the authority to determine whether a Party is in breach of this Agreement.

11.17 Expenses

Each Party shall be responsible for its own expenses including travel and accommodation costs incurred in connection with the committees established under this Agreement.

11.18 Lifetime

The JRC shall remain in effect during the Research Term and shall be dissolved at the end of the last Research Plan.

12. **Payments**

12.1 Initial Payment

Within **[***]** after the Restatement Date and receipt of an invoice from C4T, Roche shall pay to C4T a non-refundable initial payment ("**Initial Payment**") of **[***]**.

12.2 Cost under the Research Plan

In partial consideration for C4T's activities under the Research Plans, Roche will pay C4T **[***]** annually for each active Research Plan. The payments shall be made in quarterly installments of **[***]** payable at the end of the Calendar Quarter and within **[***]** after receipt of an invoice from C4T for each Research Plan until the earliest of (**[***]** (the "**Research Funding**"). Notwithstanding the foregoing, for **[***]** the annual payment of **[***]** shall be made in quarterly installments payable on at the end of the Calendar Quarter and within **[***]** after receipt by Roche of an invoice from C4T, provided **[***]** has not been terminated beforehand. For clarity, after **[***]** there shall be no further Research Funding payable by Roche for **[***]**.

12.3 Development Costs for Dose Range Finding Studies and GLP Tox Studies

The Parties will share equally the Development Costs for (a) Dose Range Finding Studies for all Targets including **[***]**, and (b) GLP Tox Studies for all Targets excluding **[***]** (for which Roche shall perform such studies after exercising its Option Right). Except as set forth in this Section 12.3, each Party shall be responsible for its own costs in the conduct of each Research Plan.

12.4 Costs for Phase I Completed Original Products.

The Parties will share equally the Development Costs of the Phase I Studies (i.e. fifty percent (50%) will be paid by C4T and fifty percent (50%) will be paid by Roche) for Phase I Completed Original Products.

12.5 Development Costs for C4T Co-Dev Products.

Following C4T's exercise of its option to convert a Roche Product into a C4T Co-Dev Product, C4T and Roche shall share the Development Costs for such C4T Co-Dev Product incurred subsequent to such option exercise as follows: **[***]** of the Development Costs will be paid by Roche and **[***]** of the Development Costs will be paid by C4T until such C4T Co-Dev Product has received Regulatory Approval, as well as any post-approval Clinical Studies supporting the first approved Indication as well as any Clinical Studies necessary to receive Regulatory Approval for additional Indications and any post-approval Clinical Studies supporting such additional Indication.

12.6 Shared Development Costs

This Section 12.6 applies to Development Costs for Dose Range Finding Studies and GLP Tox Studies for Original Products, to Development Costs for Phase I Completed Original Products and to Development Costs for C4T Co-Dev Products.

12.6.1 Budgetary Overuns

If a Party's actually incurred Development Costs for the current Calendar Year exceeds **[***]** of the then current Shared Development Cost Budget, such excess portion of Development Costs shall be entirely borne by the Party that exceeded the Shared Development Cost Budget provided that the JDC shall have the right during a Calendar Year to update the Shared Development Cost Budget in the event of (a) faster than planned Clinical Study enrollment or faster than planned progress in the Development Plan, (b) written guidance or requirements from a Regulatory Authority that would result in amendments to the Development Plan or (c) mutual agreement by the Parties to amend the Phase I Plan or the Development Plan, each of (a), (b) and (c) an "**Allowable Exception**". Additional Development Costs incurred in a Calendar Year resulting from an Allowable Exception shall be subject to sharing of Development Costs pursuant to this Section 12.5.

12.6.2 Reconciliation of Development Costs.

Commencing with the first Calendar Quarter immediately following a Party incurring Development Costs under this Agreement for Original Products, Phase I Completed Original Products, and C4T Co-Dev Products that are shared in accordance with this Section 12.6.2, within **[***]** after the end of each Calendar Quarter during which either Party incurs such Development Costs, each Party shall submit to a finance designee of the other Party a report setting forth a good faith estimate of the Development Costs it incurred in such Calendar Quarter for such Products as detailed in the Research Plan, Phase I Plan, or Development Plan respectively, as approved by the JRC or JDC, as applicable. Within **[***]** following the end of such Calendar Quarter, each Party shall update such report to reflect the final amount of Development Costs incurred by such Party; provided that if there are any Development Costs incurred in such Calendar Quarter that a Party is unable to timely include in such financial report, then such amount shall be included and reconciled in the financial report in a future Calendar Quarter. Each such report shall specify in reasonable detail costs incurred and shall include reasonably detailed supporting information. Within **[***]** after receipt of such reports, the finance designees from both Parties shall confer and agree in writing on the amount of such reconciliation payment, so that the Parties share Development Costs in accordance with this Section 12.6.2. The Party required to pay such reconciliation payment shall make such payment to the other Party within **[***]** after the end of each Calendar Quarter and receipt of an invoice from the other Party; provided, however, that in the event of any disagreement with respect to the calculation of such reconciliation payment, any undisputed portion of such reconciliation payment shall be paid in accordance with the foregoing timetable and the remaining, disputed portion shall be paid within **[***]** after the date on which the Parties, using good faith efforts, resolve the dispute and the Party owing the disputed portion receives an invoice from the other Party.

12.7 Fee upon LSI Achieved.

For each Target, except **[***]**, within **[***]** after (a) LSI Achieved for such Target and (b) receipt by Roche of an invoice from C4T, Roche shall pay C4T **[***]** per Target.

12.8 Fee Upon Initiation of GLP Tox Studies,

For each Target except **[***]**, within **[***]** after both (a) Initiation of GLP Tox Studies for the first Product directed to such Target and (b) receipt by Roche of an invoice from C4T, Roche shall pay C4T **[***]**.

12.9 Option Exercise Fees

If Roche exercises its Roche Option Right for a Target, then Roche shall pay a Roche Option Right exercise fee ("**Roche Option Exercise Fee**") as set forth below within **[***]** after exercise of the Roche Option Right and receipt by Roche of an invoice from C4T:

(a) **[***]** for **[***]**;

(b) **[***]** for **[***]**;

(c) **[***]** for any Target other than **[***]** for which the corresponding Product has been designated as a Phase I Completed Original Product; and

(d) **[***]** for any Target other than a Target mentioned in (a), (b), or (c) above for which corresponding Product is not a Phase I Completed Original Product.

12.10 Development Event Payments

Roche shall make payments in relation to the achievement of events with respect to Products directed towards a given Target. The development event payments under this Section 12.10 shall be paid as follows:

For **[***]**, Roche shall pay C4T up to a total of **[***]** the following set of one-time milestone event payments for the first achievement of each of the corresponding milestone events by the first Licensed Product covered by Valid Composition of Matter Claim (since Phase I Study Initiation, Phase II Study Initiation and Phase III Study Initiation are not specific to a given country or region, the presence or absence of a Valid Composition of Matter Claim is to be based on the US Patent Rights):

Development Event	First Licensed Product, first Indication (US$ million)	First Licensed Product, second Indication (US$ million)	First Licensed Product, third Indication (US$ million)
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
Total	[***]	[***]	[***]

[***]

For **[***]** as well as any other Target for which the corresponding Roche Product has been designated a Phase I Completed Original Product, Roche shall pay C4T up to a total of **[***]** in relation to the following one-time milestone event payments for the first achievement of each of the corresponding milestone events by the first Licensed Product covered by a Valid Composition of Matter Claim:

Development Event	First Licensed Product, first Indication (US$ million)	First Licensed Product, second Indication (US$ million)	First Licensed Product, third Indication (US$ million)
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
Total	[***]	[***]	[***]

[***]

For any other Target for which the corresponding Roche Product had not been designated a Phase I Completed Original Product (and thus the start of the Roche Option Period was upon receipt of the GLP Data Package), Roche shall pay C4T up to a total of **[***]** in relation to the following one-time milestone event payments for the first achievement of each of the corresponding milestone events by the first Licensed Product covered by a Valid Composition of Matter Claim:

Development Event	First Licensed Product, first Indication (US$ million)	First Licensed Product, second Indication (US$ million)	First Licensed Product, third Indication (US$ million)
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
Total	[***]	[***]	[***]

[***]

The milestone payments in this Section 12.10 shall be paid in full for Licensed Products that are Covered by a Valid Composition of Matter Claim in the relevant country or region. For Licensed Products not Covered by a Valid Composition of Matter Claim in the relevant country or region, the above milestone payments beginning with and including Phase III Study Initiation onwards shall be reduced by **[***]** in the relevant country or region. For clarity, there shall not be any payment for any of the above milestone events prior to Phase III Study Initiation where the Licensed Product is not covered by a Valid Composition of Matter Claim.

If development of the first Licensed Product for a given Target is terminated, then the next Licensed Product shall become the first Licensed Product for that same Target with regard to development event payments that have yet to be achieved, and so on.

For example, **[***]**.

[***].

Upon reaching each development event, Roche shall timely notify C4T and each Development Event Payment shall be paid by Roche to C4T within **[***]** after both (a) the occurrence of the applicable event and (b) receipt by Roche of an invoice from C4T.

12.11 Sales Based Events

For each Target, Roche shall pay C4T the following one-time sales-based event payments for the first Licensed Product to achieve the following levels of Net Sales in a Calendar Year ("**Net Sales Threshold**") for any Licensed Product covered by a Valid Composition of Matter Claim:

Net Sales Threshold	Payment
[***]	[***]
[***]	[***]
[***]	[***]

For each Target, each of the Sales Based Event payments shall be paid no more than once during the Royalty Term at the first occurrence of the event for a Licensed Product in the Territory first reaching the respective Net Sales Threshold, irrespective of whether or not the previous Sales Based Event payment was triggered by the same or by a different Licensed Product for such Target, and shall be paid within **[***]** after the end of the Calendar Year in which the event first occurs.

The milestone payments in the table above shall be paid in full for Licensed Products that are covered by a Valid Composition of Matter Claim. For Products not covered by a Valid Composition of Matter Claim, the above milestone payments shall be reduced by **[***]**. For Products where there are some countries in which there is a Valid Composition of Matter Claim and other countries in which there is no Valid Composition of Matter Claim, then if Net Sales in the countries in which there is a Valid Composition of Matter Claim reach the applicable Net Sales Threshold, then payment will be made at the amounts stated in the table above. However if Net Sales in the countries in which there is a Valid Composition of Matter Claim do not reach the applicable Net Sales Threshold but Net Sales in all countries of the Territory reach the applicable Net Sales Threshold, then payment will be at **[***]** of the amounts stated in the table above.

For clarity the total eligible one-time sales based payments to C4T under the Agreement per Target are **[***]** and for all **[***]** Targets collectively **[***]**.

12.12 Royalty Payments

12.12.1 Royalty Term

Royalties shall be payable by Roche on Net Sales of Licensed Products during the Royalty Term. Thereafter, the licenses granted to Roche shall be fully paid up, irrevocable and royalty-free worldwide.

12.12.2 Royalty Rates

For Licensed Products directed to **[***]**, Roche shall, on a Licensed Product-by-Licensed Product basis, pay C4T royalties on Calendar Year Net Sales of a given Licensed Product in the Territory as follows:

Portion of Calendar Year Net Sales of a Licensed Product:	Rate:
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

For **[***]** as well as any other Target for which the corresponding Licensed Product has been designated a Phase I Completed Original Product, Roche shall, on a Licensed Product-by-Licensed Product basis, pay C4T royalties on Calendar Year Net Sales of a given Licensed Product in the Territory as follows:

Portion of Calendar Year Net Sales of a Licensed Product:	Rate:
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

For any other Target for which the corresponding Roche Product had not been designated a Phase I Completed Original Product (and thus the start of the Roche Option Period was the receipt of the GLP Data Package), Roche shall, on a Licensed Product-by-Licensed Product basis, pay C4T royalties on Calendar Year Net Sales of a given Licensed Product in the Territory as follows:

Portion of Calendar Year Net Sales of a Roche Product:	Rate:
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

For each Licensed Product that is a C4T Co-Dev Product, the above royalty rates shall be increased by **[***]** percentage points for each tier. For example, **[***]**.

If C4T delivers a Funding Reduction Notice pursuant to Section 6.3.5, then the **[***]** percentage points shall be adjusted proportionately to reflect C4T's actual share of the Shared Development Costs. For example, **[***]**.

For the purpose of calculating royalties of a Product, Calendar Year Net Sales and the royalty rates shall be subject to the following adjustments, as applicable:

12.12.2.1 Combination Product

If Roche or its Affiliates intend to sell a Combination Product, then the Parties shall meet approximately **[***]** prior to the anticipated First Commercial Sale of such Combination Product in the Territory to negotiate in good faith and agree to an appropriate adjustment to Net Sales to reflect the relative commercial value contributed by the components of the Combination Product (the "**Relative Commercial Value**"). If, after such good faith negotiations not to exceed **[***]**, the Parties cannot agree to an appropriate adjustment, the dispute shall be initially referred to the executive officers of the Parties in accordance with Section 23.6. If the Parties are unable to agree on the Relative Commercial Value , then Roche will select **[***]** who would qualify as an Expert, C4T will select **[***]** who would qualify as an Expert, and those **[***]** shall select **[***]** who would qualify as an Expert and who shall be chairman of a committee of the three Experts (the "Expert Committee"), each with a single deciding vote. The Expert Committee will promptly hold a meeting to review the issue under review, at which it will consider memoranda submitted by each Party at least **[***]** before the meeting, as well as reasonable presentations that each Party may present at the meeting. The determination of the Expert Committee as to the issue under review will be binding on both Parties. The Parties will share equally in the costs of the Expert Committee. Unless otherwise agreed to by the Parties, the Expert Committee may not decide on issues outside the scope mandated under terms of this Agreement.

12.12.2.2 No Valid Composition of Matter Claim or Generic Competition

If no Valid Composition of Matter Claim Covers the use, offer for sale or sale of a Licensed Product in a given country, then the royalties in such country for such Licensed Product shall be reduced by **[***]**.

Upon the first entry in a given country of a Generic Product, the royalties in such country for such Licensed Product shall be further reduced as follows:

a) If after entry of a Generic Product there has been a decline of the quarterly Net Sales of the applicable Licensed Product in such country in any Calendar Quarter greater than **[***]** of the average level of the quarterly sales of such Licensed Product achieved in the **[***]** consecutive calendar quarters immediately prior to such entry, then the royalty payments payable by Roche to C4T for such Licensed Product in such country **[***]**.

b) If after entry of a Generic Product there has been a decline of the quarterly Net Sales of the applicable Licensed Product in such country greater than **[***]** of the average level of the quarterly sales of such Licensed Product achieved in the **[***]** consecutive Calendar Quarters immediately prior to such entry, then the royalty payments payable by Roche to C4T for such Roche Product in such country **[***]**.

12.12.2.3 Third Party Payments

If Roche is obligated to remit payments to a Third Party in relation to Third Party intellectual property that would be infringed by the making, using or selling of a Licensed Product, then Roche shall have the right to deduct **[***]** of such consideration actually paid to a Third Party from payments otherwise due and payable by Roche to C4T under this Agreement; provided that such offsets shall not reduce amounts payable to C4T by more than **[***]** of the amount otherwise payable after reductions under Sections 12.12.2.1 and 12.12.2.2; and further provided that Roche shall have the right to carry forward any amounts unable to be offset because of this reduction limit and apply such amounts as an offset against future payments. Any such deduction shall be permitted on a Licensed Product-by- Licensed Product and country-by-country basis.

12.12.3 Apportionment of Compulsory Sublicensee Consideration

Compulsory Sublicense Compensation, if any, paid by a Compulsory Sublicensee of the Product shall be shared between the Parties based on a profit share percentage (the "**Compulsory Profit Share Percentage**"). The Compulsory Profit Share Percentage shall be calculated for the respective Calendar Year to which the Compulsory Sublicense Compensation relates, as follows:

[***]

The amount owed to C4T shall be the Compulsory Profit Share Percentage multiplied by the amount of the Compulsory Sublicense Compensation received by Roche from the Compulsory Sublicensee.

For clarity, any Compulsory Sublicense Compensation by Compulsory Sublicensees under a Compulsory Sublicense shall not be considered as Net Sales for the purposes of giving rise to any royalty payment under Section 12.12.2 of this Agreement and sales by such Compulsory Sublicensees shall not be included in Net Sales.

12.13 Disclosure of Payments

C4T acknowledges that Roche may be obligated to disclose this financial arrangement, including all fees, payments and transfers of value, as may be advisable or required under Applicable Law, including the US Sunshine Act.

12.14 Late Issuing Valid Claims

If there is no Valid Composition of Matter Claim at the time a Development Event Payment under Section 12.10 is payable but subsequently a Valid Composition of Matter Claim is issued, then Roche shall pay to C4T retroactively the difference between the payment previously made by Roche to C4T under Section 12.10 and the payment that would have been payable by Roche to C4T had a Valid Composition of Matter Claim existed at the time the payment was originally due. Such payment shall be payable within **[***]** after C4T provides notice to Roche of such Valid Composition of Matter Claim issuing and an invoice in the amount now payable.

13. **Accounting and reporting**

13.1 Timing of Payments

Roche shall calculate royalties on Net Sales quarterly as of March 31, June 30, September 30 and December 31 (each being the last day of an "**Accounting Period**") and shall pay royalties on Net Sales within **[***]** after the end of each Accounting Period in which such Net Sales occur.

13.2 Late Payment

Any payment under this Agreement that is not paid on or before the date such payment is due shall bear interest, to the extent permitted by Applicable Law, at **[***]** percentage points above the average one-month Euro Interbank Offered Rate (EURIBOR), as reported by Reuters from time to time, calculated on the number of days such payment is overdue.

13.3 Method of Payment

Royalties on Net Sales and all other amounts payable by Roche hereunder shall be paid by Roche in US dollars (the "**Payment Currency**") to account(s) designated by C4T.

13.4 Currency Conversion

When calculating the Sales of any Product that occur in currencies other than the Payment Currency, Roche shall convert the amount of such sales into Swiss Francs and then into the Payment Currency using Roche's then-current internal foreign currency translation method actually used on a consistent basis in preparing its audited financial statements (at the Restatement Date, YTD average rate as reported by Reuters).

13.5 Reporting

With each payment Roche shall provide C4T in writing for the relevant Calendar Quarter on a Product-by-Product basis the following information:

[***]

14. **Taxes**

C4T shall pay all sales, turnover, income, revenue, value added, and other taxes levied on account of any payments accruing or made to C4T under this Agreement.

If provision is made in law or regulation of any country for withholding of taxes of any type, levies or other charges with respect to any royalty or other amounts payable under this Agreement to C4T, then Roche shall promptly pay such tax, levy or charge for and on behalf of C4T to the proper governmental authority, and shall promptly furnish C4T with receipt of payment. Roche shall be entitled to deduct any such tax, levy or charge actually paid from royalty or other payment due C4T or be promptly reimbursed by C4T if no further payments are due to C4T. Each Party agrees to reasonably assist the other Party in claiming exemption from such deductions or withholdings under double taxation or similar agreement or treaty from time to time in force and in minimizing the amount required to be so withheld or deducted.

15. **Auditing**

15.1 C4T Right to Audit

Roche shall keep, and shall require its Affiliates and Sublicensees to keep, full, true and accurate books of account containing all particulars that may be necessary for the purpose of calculating all royalties payable under this Agreement. Such books of accounts shall be kept at their principal place of business. At the expense of C4T, C4T shall have the right to engage an internationally recognized independent public accountant reasonably acceptable to Roche to perform, on behalf of C4T, an audit of such books and records of Roche and its Affiliates that are deemed necessary by the independent public accountant to report on Net Sales of Product for the period or periods requested by C4T and the correctness of any financial report or payments made under this Agreement.

Upon timely request and at least **[***]** prior written notice from C4T, such audit shall be conducted in the countries specifically requested by the independent public accountant, during regular business hours in such a manner as to not unnecessarily interfere with Roche's normal business activities. Such audit shall be limited to results in the **[***]** prior to audit notification.

Accordingly, if C4T does not request an audit of a given Calendar Year for a given country on or before the **[***]** of the end of such Calendar Year, then C4T will be deemed to have accepted the royalty payments and reports for such country in such Calendar Year.

Such audit shall not be performed more frequently than **[***]** per Calendar Year nor more frequently than **[***]** with respect to records covering any specific period of time.

All information, data documents and abstracts herein referred to shall be used only for the purpose of verifying royalty statements, shall be treated as Roche's Confidential Information subject to the obligations of this Agreement and need neither be retained more than **[***]**r after completion of an audit hereof, if an audit has been requested; nor more than **[***]** from the end of the Calendar Year to which each shall pertain; nor more than **[***]** after the date of termination of this Agreement.

15.2 Audit Reports

The auditors shall only state factual findings in the audit reports and shall not interpret the agreement. The auditors shall share all draft audit reports with the Parties before the final document is issued and either Party shall have the right to provide comments to the auditors. The final audit report shall be shared with Roche at the same time it is shared with C4T.

15.3 Over-or Underpayment

If the audit reveals an overpayment, C4T shall reimburse Roche for the amount of the overpayment within **[***]**. If the audit reveals an underpayment, Roche shall make up such underpayment with the next royalty payment or, if no further royalty payments are owed by Roche, Roche shall reimburse C4T for the amount of the underpayment within **[***]**. Roche shall pay for the audit costs if the underpayment of Roche exceeds **[***]** of the aggregate amount of royalty payments owed with regard to the royalty statements subject to the audit. Section 13.2 shall apply to this Section 15.3.

16. **Intellectual Property**

16.1 Ownership of Inventions

Unless provided for otherwise in this Agreement C4T shall own all C4T Inventions and shall Handle and pay at its discretion for the Patent Rights covering such C4T Inventions, Roche shall own all Roche Inventions and shall Handle and pay at its discretion for the Patent Rights covering such Roche Inventions, and C4T and Roche shall jointly own all Joint Inventions subject to the following:

(a) Collaboration Patent Rights solely covering a Target Binding Moiety that is not part of a Degronimid or Product shall be solely owned by Roche and deemed Roche Patent Rights regardless of inventorship. Subject to Section 16.1(e), effective **[***]** after the first filing of said Collaboration Patent Rights, C4T hereby assigns its rights to said Patent Rights to Roche, such assignment to survive termination of this Agreement (prior to the **[***]** assignment date, the Parties share equally the costs of Handling, thereafter Roche Handles and pays);

(b) (i) Collaboration Patent Rights solely covering a Linker, E3 Ligase Binding Moiety and/or a Linker bound to an E3 Ligase Binding Moiety that are not part of a Degronimid or Product shall be solely owned by C4T and deemed C4T Patent Rights regardless of inventorship. Effective **[***]** after the first filing of said Collaboration Patent Rights, Roche hereby assigns its rights to said Patent Rights to C4T, such assignment to survive termination of this Agreement (prior to the **[***]** assignment date, the Parties share equally the costs of Handling, thereafter C4T Handles and pays);

ii) Any E3 Ligase Binding Moiety that is not generated under a Research Plan or Phase I Plan, but rather is provided by Roche to C4T for use in a Research Plan, and is not part of a Degronimid or Product, and any intellectual property covering such E3 Ligase Binding Moiety shall be solely owned by C4T and deemed C4T Patent Rights regardless of inventorship and C4T shall Handle and pay at its discretion for the Patent Rights covering such intellectual property. Upon the Effective Date, Roche hereby assigns its rights to said E3 Ligase Binding Moiety to C4T, such assignment to survive termination of this Agreement. C4T hereby grants to Roche a non-exclusive, worldwide, royalty-free, irrevocable, sublicensable (including the right to sublicense through multiple tiers), license to such E3 Ligase Binding Moiety, such license to survive termination of this Agreement (prior to the assignment date, Roche pays the costs of Handling, thereafter C4T Handles and pays);

(iii) C4T will provide Roche with written notice if it desires to abandon anyof the foregoing assigned Patent Rights, and if Roche desires to Handle and pay for any of such Patent Rights, Roche shall let C4T know within **[***]** after receipt of the C4T notice. C4T will assign such Patent Rights to Roche and Roche shall bear the costs for this transfer of rights, such assignment to survive termination of this Agreement. If C4T provides Roche with written notice of its desire to abandon such assigned Patent Rights and Roche does not desire to Handle and pay for any of such Patent Rights, the parties shall agree to abandon such assigned Patent Rights not earlier than **[***]** after receipt of such notice.

(c) Prior to Roche's exercise of its Roche Option Right with respect to a Target, Roche shall Handle all Collaboration Patent Rights that claim in a single application both (1) C4T Technology and (2) a Product, Degronimid or Target Binding Moiety and the Parties shall share equally any external expenses associated therewith; provided that, if C4T does not choose to pay for its share of any such Collaboration Patent Right on a country-by-country, Patent Right-by-Patent Right basis, and Roche desires to pay for such Collaboration Patent Right, then C4T hereby assigns its rights in such Collaboration Patent Right to Roche, at the latest effective **[***]** after the notification by C4T, such assignment to survive termination of this Agreement. Prior to Roche's exercise of its Roche Option Right with respect to a Target, Roche shall Handle and pay for Collaboration Patent Rights that cover a Degronimid or a Product and that do not claim C4T Technology in the same application.

Upon and after Roche's exercise of its Roche Option Right with respect to a Target, all Collaboration Patent Rights covering a Degronimid or Product shall be Handled by Roche. At the latest effective **[***]** after such exercise of the Roche Option Right, C4T hereby assigns its rights to Roche and Roche shall solely own such Collaboration` Patent Rights covering a Degronimid or Product that binds such Target. Roche shall pay for such assigned Collaboration Patent Rights and Roche shall bear the costs for this transfer of rights, such assignment to survive termination of this Agreement. Roche shall provide C4T with written notice if it desires to abandon any such assigned Collaboration Patent Rights, and if C4T desires to Handle and pay for any of such Patent Rights, C4T shall let Roche know within **[***]** after receipt of the Roche notice. Roche will assign such Patent Rights to C4T and C4T shall bear the costs for this transfer of rights and Handle and pay for such assigned Patent rights, such assignment to survive termination of this Agreement. If Roche provides C4T with written notice of its desire to abandon such assigned Collaboration Patent Rights and C4T does not desire to Handle and pay for any of such Patent Rights, the parties shall agree to abandon such assigned Collaboration Patent Rights not earlier than **[***]** after receipt of such notice.

(d) For all Collaboration Patent Rights that cover a Joint Invention and do not cover a Degronimid or Product, other than those set forth in 16.1(a, (b) or (c) above, subject to the licenses granted under this Agreement, C4T and Roche will each have an equal undivided share in such Collaboration Patent Rights, without obligation to account to the other for exploitation thereof, or to seek consent of the other Party for the grant of any license thereunder.

(e) Notwithstanding anything in this Agreement to the contrary, if Collaboration Patent Rights Handled by Roche covering a Degronimid or Product to be assigned to Roche under this Section 16.1 cannot be reasonably separated from Patent Rights owned or co-owned by C4T without a negative effect, (e.g. loss of patent rights, inability to file a terminal disclaimer in the case of double patenting, etc.), then such Collaboration Patent Rights covering a Degronimid or Product shall not be assigned to Roche and Roche shall maintain its commercial license set forth in Section 2.1.2 with respect to Targets for which Roche has exercised its Roche Option Right or that are still under an Roche Option Period. Both Parties will continue to share equally any external expenses associated therewith. Such a decision shall be made on a country-by-country and Patent Right-by-Patent Right basis. C4T and Roche shall make all reasonable efforts to obtain separate Collaboration Patent Rights covering Products and/or Degronimids, Target Binding Moieties not part of a Degronimid or Product, as well as covering Linker, E3 Ligase Binding Moiety and/or a Linker bound to an E3 Ligase Binding Moiety that each are not part of a Degronimid or Product. If the parties are unable to agree upon whether such Collaboration Patent Rights cannot be reasonably separated without a negative effect, the parties will choose an independent, mutually agreed upon Third Party patent attorney to make the determination. Costs of such determination will be shared equally.

C4T and Roche each shall require all of its employees to assign all inventions related to Products made by them to Roche and C4T, as the case may be.

The determination of inventorship for Inventions shall be in accordance with US inventorship laws as if such Inventions were made in the US.

If Roche does not exercise a Roche Option Right in a timely manner with respect to a Target, then C4T shall cease using the Roche Compound or portion thereof (such as found in a Degronimid) and C4T shall discontinue prosecution/maintenance of any claim Covering such Roche Compound or portion thereof, if possible by cancellation or disclaimer of the claim when requested to do so by Roche in writing, or by written agreement that C4T will not enforce such claim against Roche and its Affiliates. With respect to any remaining Patent Rights to which Roche does not exercise a Roche Option Right, C4T can Handle such Patent Rights at its discretion.

Except as specifically set forth herein, this Agreement shall not be construed as (i) giving any of the Parties any license, right, title, interest in or ownership to the Confidential Information; (ii) granting any license or right under any intellectual property rights; or (iii) representing any commitment by either Party to enter into any additional agreement, by implication or otherwise.

Notwithstanding anything in this Agreement to the contrary, regardless of whether C4T assigns its rights in Collaboration Patent Rights to Roche, Roche hereby grants to C4T an exclusive (even as to Roche except to the extent set forth in Section 2.1.3), worldwide, royalty-free, irrevocable, sublicensable (including the right to sublicense through multiple tiers), license under Roche's interest in the Collaboration Patent Rights to (a) practice the C4T Technology outside the scope of this Agreement (but subject to the terms and conditions of this Agreement) and (b) Exploit degronimids and products containing degronimids for use with targets that are not Targets, and excluding Degronimids or Products for which Roche has exercised the Roche Option Right or that are still subject to a Roche Option Right.

Notwithstanding anything in this Agreement to the contrary, regardless of whether Roche assigns its rights in Collaboration Patent Rights to C4T, C4T hereby grants to Roche an exclusive, worldwide, royalty-free, irrevocable, sublicensable (including the right to sublicense through multiple tiers), license under C4T's interest in the Collaboration Patent Rights to Exploit Target Binding Moieties.

16.2 German Statute on Employee's Inventions

In accordance with the German Statute on Employees' Inventions, each Party agrees to claim the unlimited use of any Invention conceived, reduced to practice, developed, made or created in the performance of, or as a result of, any Research Program, Phase I Plan or Development Plan by employees of any German Affiliates or any other persons acting on behalf of such German Affiliates. For the avoidance of doubt, each Party is responsible for fulfilling the obligations towards their employees under the German Statute of Employee's Inventions.

16.3 Trademarks and Labeling

Roche shall own all trademarks used on or in connection with Licensed Products and shall, at its sole cost, be responsible for procurement, maintenance, enforcement and defense of all trademarks used on or in connection with Licensed Products. Neither Party shall use any trademark of the other Party outside the scope of this Agreement, or knowingly take any action that would materially adversely affect the value of any such trademark. Each Party shall retain the right to monitor the quality of the goods on or with which its trademark is used to the extent necessary to maintain its trademark rights.

Roche shall have the right to obtain the International Non-proprietary Name (INN) from the World Health Organization and the US Adopted Name (USAN) from the US adopted Names Council (USANC) as the generic name(s) for the Products.

16.4 Prosecution of Patent Rights

Each Party shall (i) consult with the other Party as to the Handling of Collaboration Patent Rights and, with respect to C4T, any other C4T Patent Rights that cover a Product or a Degronimid; and (ii) furnish to the other Party copies of all documents relevant to any such Handling in sufficient time before any action is due to allow the other Party to provide comments thereon, which comments shall be considered. The Party not Handling the Patent Rights shall cooperate, in all reasonable ways with the Handling of the Patent Rights.

16.5 Patent Coordination Team

Where the Parties need to consult with each other on the Handling of C4T Patent Rights, the Parties shall establish a patent coordination team and shall adopt procedures for interacting on patent matters.

16.6 Unified Patent Court (Europe)

At any time prior to the end of the "transitional period" as such term is used in Article 83 of the Agreement on a Unified Patent Court between the participating Member States of the European Union, for a given relevant EU Patent Right, Roche may request in writing thatC4T either (i) opt out from the exclusive competence of the Unified Patent Court or (ii) if applicable, withdraw a previously-registered opt-out, and C4T shall notify the Registry, pay any such registry fee and take such other action as may be necessary to effect the opt-out or opt-out withdrawal ("**Register**"). Roche will bear the expenses directly in context with the opt-out or withdrawal of a previously-registered opt-out (like official fees and attorney fees for initiating the opt-out or withdrawal). All other patent fees related to prosecution will be born as described in Para 16.1. C4T shall use reasonable efforts to Register within **[***]** of receipt of Roche's written request, or such other time parameters reasonably specified by Roche.

16.7 CREATE Act

It is the intention of the Parties that this Agreement is a "joint research agreement" as that phrase is defined in 35 USC §103(c)(3).

16.8 Infringement

Each Party shall promptly provide written notice to the other Party during the Agreement Term of any (i) known infringement or suspected infringement by a Third Party of any Patent Rights, it is Handling hereunder to the extent that such Patent Rights cover a Degronimid or Product, or (ii) known or suspected unauthorized use or misappropriation by a Third Party of any C4T Know-How, Roche Know-How or Joint Know-How pertaining to a Degronimid or Product, and shall provide the other Party with all evidence in its possession supporting such infringement or unauthorized use or misappropriation.

Within **[***]** after Roche provides or receives such written notice ("**Decision Period**"), Roche, in its sole discretion, shall decide whether or not to initiate a suit or action in the Territory regarding such infringement or unauthorized use or misappropriation and shall notify C4T in writing of its decision in writing ("**Suit Notice**").

If Roche decides to bring a suit or take action, once Roche provides Suit Notice, Roche may immediately commence such suit or take such action.

Roche shall keep C4T informed of the status of any such suit or action and shall provide C4T with copies, to the extent Roche is lawfully permitted to do so, of all substantive documents or communications filed in such suit or action. Roche shall have the sole and exclusive right to select counsel for any such suit or action.

Roche shall, except as provided below, pay all expenses of the suit or action, including Roche's attorneys' fees and court costs. Any damages, settlement fees or other consideration received as a result of such suit or action shall be allocated as follows:

(a) First, to reimburse Roche for its costs and, if any remains, to C4T for any advisory counsel fees and costs; and

(b) Second, the balance, if any, shall be allocated **[***]** to Roche, and **[***]** to C4T.

If Roche believes it is reasonably necessary or desirable to obtain an effective remedy, upon written request C4T agrees to be joined as a party to the suit or action but shall be under no obligation to participate except to the extent that such participation is required as the result of its being a named party to the suit or action. At Roche's written request, C4T shall offer reasonable assistance to Roche in connection therewith at no charge to Roche except for reimbursement of reasonable out-of-pocket expenses incurred by C4T in rendering such assistance. C4T shall have the right to participate and be represented in any such suit or action by its own counsel at its own expense.

Roche may settle, consent judgment or otherwise voluntarily dispose of the suit or action ("**Settlement**") without the written consent of C4T but only if such Settlement can be achieved without adversely affecting C4T (including any of its Patent Rights and including by resulting in a reduction in royalties or milestones payable hereunder). If a Settlement could adversely affectC4T, then the written consent of C4T would be required, which consent shall not be unreasonably withheld.

In the event that Roche (i) does not in writing advise C4T within the Decision Period that Roche will commence suit or take action, or (ii) fails to commence suit or take action within a reasonable time after providing Suit Notice, Roche shall assign such Patent Right to C4T and C4T shall thereafter have the right to commence suit or take action in the Territory with respect to such infringement or suspected infringement. In such situation and, notwithstanding anything in this Agreement to the contrary, C4T shall have full discretion as to how it wishes to handle such suit and may reach settlement and retain all damages, settlement fees or other consideration under any terms and conditions it desires. If C4T believes it is reasonably necessary or desirable to obtain an effective remedy, upon written request, Roche agrees to be joined as a party to the suit or action but shall be under no obligation to participate except to the extent that such participation is required as the result of its being a named party to the suit or action.

For any Roche Patent Right that Covers a Roche Compound, Roche, in its sole discretion, shall decide whether or not to initiate such suit or action in the Territory. Roche shall have full discretion as to how it wishes to handle such suit and may reach Settlement and retain all damages, settlement fees or other consideration under any terms and conditions it desires. However, if a Settlement could adversely affect C4T by resulting in a reduction in royalties or milestones payable hereunder or adversely affect a C4T Patent Right or Collaboration Patent Right, then the written consent of C4T shall be required, for such settlement.

16.9 Defense

If an action for infringement is commenced against either Party, its licensees or its Sublicensees related to C4T's conduct of the Research Program within the scope of the Research Plan, the Phase I Plan, the Development Plan, or the discovery, development, manufacture, use or sale of a Product, then Roche shall have the right (but not the obligation) to defend such action at its own expense, and C4T shall assist and cooperate with Roche, at Roche's expense, to the extent necessary in the defense of such suit. Roche shall have the right to settle the suit or consent to an adverse judgment thereto, in its sole discretion, so long as such settlement or adverse judgment does not adversely affect the rights of C4T and its Affiliates (including any patent rights Controlled by any of them and including by resulting in a reduction in royalties or milestones payable hereunder). Roche shall assume full responsibility for the payment of any award for damages, or any amount due pursuant to any settlement entered into by it with such Third Party.

If the manufacture, use, importation, offer for sale or sale of any Product pursuant to this Agreement results in any claim, suit or proceeding alleging patent infringement or trade secret misappropriation against C4T or a member of the Roche Group, then such Party shall promptly notify the other Party hereto. The Parties shall cooperate with each other in connection with any such claim, suit or proceeding and shall keep each other reasonably informed of all material developments in connection with any such claim, suit or proceeding.

If a Third Party asserts that Patent Rights owned by or licensed to it are infringed by the development, manufacture, use, importation, offer for sale or sale of Products by a member of the Roche Group, or that its trade secrets were misappropriated in connection with such activity, then Roche shall have the exclusive right and responsibility to resolve any such claim, whether by obtaining a license from such Third Party, by defending against such Third Party's claims or otherwise, and shall be solely responsible for the defense of any such action, any and all costs incurred in connection with such action (including, without limitation, attorneys' and expert fees) and all liabilities incurred in connection therewith, with the understanding that Roche may not defend or settle such dispute in a manner that adversely affects C4T Patent Rights or Collaboration Patent Rights without the written consent of C4T, which may not be unreasonably withheld.

16.10 Common Interest Disclosures

With regard to any information or opinions disclosed pursuant to this Agreement by one Party to each other regarding intellectual property and/or technology owned by Third Parties, the Parties agree that they have a common legal interest in determining whether, and to what extent, Third Party intellectual property rights may affect the conduct of the Research Program, Phase I Plan, Development Plan and/or Degronimids and/or Products, and have a further common legal interest in defending against any actual or prospective Third Party claims based on allegations of misuse or infringement of intellectual property rights relating to the conduct of the Research Program, Phase I Plan, Development Plan and/or Degronimids and/or Products. Accordingly, the Parties agree that all such information and materials obtained by C4T and Roche from each other will be used solely for purposes of the Parties' common legal interests with respect to the conduct of the Agreement. All information and materials will be treated as protected by the attorney-client privilege, the work product privilege, and any other privilege or immunity that may otherwise be applicable. By sharing any such information and materials, neither Party intends to waive or limit any privilege or immunity that may apply to the shared information and materials. Neither Party shall have the authority to waive any privilege or immunity on behalf of the other Party without such other Party's prior written consent, nor shall the waiver of privilege or immunity resulting from the conduct of one Party be deemed to apply against any other Party.

16.11 Hatch-Waxman

Notwithstanding anything herein to the contrary, should a Party receive a certification for a Product pursuant to the Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417, known as the Hatch-Waxman Act), as amended, or its equivalent in a country other than the US, then such Party shall immediately provide the other Party with a copy of such certification. Roche shall have **[***]** from date on which it receives or provides a copy of such certification to provide written notice to C4T ("**H-W Suit Notice**") whether Roche will bring suit, at its expense, within a **[***]** period from the date of such certification. Should such **[***]** period expire without Roche bringing suit or providing such H-W Suit Notice, then C4T shall be free to immediately bring suit in its name.

16.12 Patent Term Extensions

The Parties shall use Commercially Reasonable Efforts to obtain all available patent term extensions, adjustments or restorations, or supplementary protection certificates ("**SPCs**", and together with patent term extensions, adjustments and restorations, "**Patent Term Extensions**") Covering a Product. C4T shall execute such authorizations and other documents and take such other actions as may be reasonably requested by Roche to obtain such Patent Term Extensions, including designating Roche as its agent for such purpose as provided in 35 USC § 156. All filings for such Patent Term Extensions shall be made by Roche; provided, that in the event that Roche elects not to file for a Patent Term Extension, Roche shall (a) promptly inform C4T of its intention not to file and (b) grant C4T the right to file for such Patent Term Extension. Each Party shall execute such authorizations and other documents and take such other actions as may be reasonably requested by the other Party to obtain such extensions. The Parties shall cooperate with each other in gaining patent term restorations, extensions and/or SPCs wherever applicable to C4T Patent Rights Covering a Product.

17. **C4T Representations, Warranties and Covenants**

17.1 Safety Data

C4T has disclosed to Roche and will immediately continue to disclose to Roche (i) the results of all preclinical testing and human clinical testing of Product in its possession or control and (ii) all information in its possession or control concerning side effects, injury, toxicity or sensitivity reaction and incidents or severity thereof with respect to Product.

17.2 Third Party Patent Rights

C4T has no knowledge of the existence of any patent or patent application owned by or licensed to any Third Party that could prevent Roche from making, having made, using, offering for sale, selling or importing Product in the Territory.

17.3 Ownership of Patent Rights

C4T is the exclusive owner of all right, title and interest in, or is the exclusive licensee of, the C4T Base Patent Rights. Appendix 1.5 contains a complete and accurate list of all patents and patent applications included in the C4T Base Patent Rights.

17.4 Inventors

C4T has obtained the assignment of, or an exclusive license under, all interest and all rights or licenses thereunder with respect to the C4T Patent Rights necessary to grant the licenses granted hereunder. All of C4T's employees, officers and consultants have executed agreements requiring assignment to C4T of all Inventions made by such individuals during the course of and as a result of their association with C4T. C4T covenants that in the future all of C4T's employees, officers and consultants will have executed agreements requiring assignment to C4T of all Inventions made by such individuals during the course of and as a result of their association with C4T.

17.5 Grants

To the best of C4T's knowledge and belief, C4T has the lawful right to grant Roche and its Affiliates the rights and licenses described in this Agreement.

17.6 Authorization

The execution, delivery and performance of this Agreement by C4T and all instruments and documents to be delivered by C4T hereunder: (i) are within the corporate power of C4T; (ii) have been duly authorized by all necessary or proper corporate action; (iii) are not in contravention of any provision of the certificate of formation or limited liability company agreement of C4T; (iv) to the knowledge of C4T, will not violate any law or regulation or any order or decree of any court of governmental instrumentality; (v) will not violate the terms of any indenture, mortgage, deed of trust, lease, agreement, or other instrument to which C4T is a party or by which C4T or any of its property is bound, which violation would have an adverse effect on the financial condition of C4T or on the ability of C4T to perform its obligations hereunder; and (vi) do not require any filing or registration with, or the consent or approval of, any governmental body, agency, authority or any other person, which has not been made or obtained previously (other than approvals required under the HSR Act, Regulatory Approvals required for the sale of Products and filings with Regulatory Authorities required in connection with Products).

17.7 Validity of Patent Rights

C4T is not in possession of any information that would, in its reasonable opinion, render invalid and/or unenforceable any claims in any issued patent licensed pursuant to this Agreement. C4T has no knowledge of any inventorship disputes concerning any C4T Patent Rights.

17.8 Ownership and Validity of Know-How

C4T Know-How is legitimately in the possession of C4T and has not been misappropriated from any Third Party. C4T has taken and will continue to take reasonable measures to protect the confidentiality of its Know-How.

17.9 No Claims

There are no claims or investigations pending or threatened against C4T or any of its Affiliates, at law or in equity, or before or by any governmental authority relating to the matters contemplated under this Agreement or that would materially adversely affect C4T's ability to perform its obligations hereunder.

17.10 No Conflict

Neither C4T nor any of its Affiliates is or will be under any obligation to any person, contractual or otherwise, that is conflicting with the terms of this Agreement or that would impede the fulfillment of C4T's obligations hereunder.

17.11 Protection of Know-How

C4T shall at all times exercise Commercially Reasonable Efforts to safeguard the confidentiality of C4T Know-How and Roche Know-How to protect its value. With respect to Know-How licensed from DFCI (including Know-How related to assays), such obligation shall be to the extent permissible and for the maximum time permissible under C4T's existing obligations to DFCI.

17.12 No Other Representations

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, THE FOREGOING REPRESENTATIONS AND WARRANTIES ARE IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF PRODUCTS.

18. **Indemnification**

18.1 Indemnification by Roche

Roche shall indemnify, hold harmless and defend C4T and its directors, officers, employees and agents from and against any and all losses, expenses, cost of defense (including without limitation attorneys' fees, witness fees, damages, judgments, fines and amounts paid in settlement) and any amounts C4T becomes legally obligated to pay because of breach of contract by Roche or any claim or claims against it to the extent that such claim or claims arise out of **[***]**, except to the extent such losses, expenses, costs and amounts are due to the gross negligence or willful misconduct or failure to act of C4T.

18.2 Indemnification by C4T

C4T shall indemnify, hold harmless and defend Roche and its directors, officers, employees and agents from and against any and all losses, expenses, cost of defense (including without limitation attorneys' fees, witness fees, damages, judgments, fines and amounts paid in settlement) and any amounts Roche becomes legally obligated to pay because of any claim or claims against it to the extent that such claim or claims arise out of **[***]**, except to the extent such losses, expenses, costs and amounts are due to the gross negligence or willful misconduct or failure to act of Roche.

18.3 Procedure

In the event of a claim by a Third Party against a Party entitled to indemnification under this Agreement ("**Indemnified Party**"), the Indemnified Party shall promptly notify the other Party ("**Indemnifying Party**") in writing of the claim and the Indemnifying Party shall undertake and solely manage and control, at its sole expense, the defense of the claim and its settlement. The Indemnified Party shall cooperate with the Indemnifying Party and may, at its option and expense, be represented in any such action or proceeding by counsel of its choice. The Indemnifying Party shall not be liable for any litigation costs or expenses incurred by the Indemnified Party without the Indemnifying Party's written consent. The Indemnifying Party shall not settle any such claim unless such settlement fully and unconditionally releases the Indemnified Party from all liability relating thereto, unless the Indemnified Party otherwise agrees in writing.

19. **Liability**

19.1 Limitation of Liability

Subject to Article 5, neither Party shall be liable to the other Party as a result of failure or delay to develop and/or commercialize the Degronimid or the Product, as applicable, including but not limited to, a) a delay in timelines, or b) delay or failure to recruit patients, or c) a change in its respective study protocols, or d) failure of a Party to obtain Regulatory Approval for the Degronimid or the Product, as applicable.

19.2 Disclaimer

EXCEPT FOR INDEMNIFICATION UNDER ARTICLE 18 AND BREACH OF CONFIDENTIALITY AND NON-USE UNDER ARTICLE 20, NEITHER PARTY SHALL BE ENTITLED TO RECOVER FROM THE OTHER PARTY ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES IN CONNECTION WITH THIS AGREEMENT OR ANY LICENSE GRANTED HEREUNDER.

20. **Obligation Not to Disclose Confidential Information**

20.1 Communication and Information Exchange

Roche may conduct in the future or may presently be conducting research that may involve Roche Compounds, Targets or the treatment of Indications. Accordingly, Roche shall have the right to limit what Confidential Information it receives from C4T and how such Information is to be provided to Roche. The Roche and C4T Alliance Directors shall meet to implement procedures for the exchange of Confidential Information designed to safeguard each Party's Information and to prevent contamination of Roche research by C4T Confidential Information. Until such procedures are implemented, the Alliance Directors shall be the sole conduits for exchanging Information between the Parties.

20.2 Non-Use and Non-Disclosure

During the Agreement Term and for **[***]** thereafter, a Receiving Party shall (i) treat Confidential Information provided by Disclosing Party as it would treat its own information of a similar nature, (ii) take all reasonable precautions not to disclose such Confidential Information to Third Parties, without the Disclosing Party's prior written consent, and (iii) not use such Confidential Information other than for fulfilling its obligations under this Agreement or in connection with a license granted hereunder.

20.3 Permitted Disclosure

Notwithstanding the obligation of non-use and non-disclosure set forth in Section 20.1, the Parties recognize the need for certain exceptions to this obligation, specifically set forth below, with respect to press releases, patent rights, publications, and certain commercial considerations.

20.4 Press Releases

Roche shall issue press releases in accordance with its internal policy that typically does not issue a second press release until proof of concept has been achieved for a Product. Roche shall provide C4T with a copy of any draft press release related to the activities contemplated by this Agreement at least **[***]** prior to its intended publication for C4T's review. C4T may provide Roche with suggested modification to the draft press release. Roche shall consider C4T's suggestions in issuing its press release.

C4T shall only issue press releases related to the activities contemplated by this Agreement that have either (i) been approved by Roche or (ii) are required to be issued by C4T as a matter of law and C4T has a competent legal opinion to that effect. In all circumstances, C4T shall provide Roche with a draft press release at least **[***]** prior to its intended publication for Roche's review. During such period, Roche shall (i) approve the draft press release and permit C4T to issue the press release, (ii) contact C4T to discuss modification to the draft press release, or (iii) contact C4T and disapprove the press release. If Roche asks for modification, then C4T shall either make such modification or work with Roche to arrive at a press release that Roche approves. If C4T issues a press release without Roche's approval, then C4T must obtain a competent legal opinion that the release was required to be issued by C4T as a matter of law.

To ensure communication alignment, responses (if any) to inquiries by media or other Third Parties after issuance of a permitted press release by C4T (solely or jointly with Roche) shall consist solely of the press release language or shall follow the response guidelines that may be mutually developed by the Parties.

20.5 Publications

During the Agreement Term, the following restrictions shall apply with respect to disclosure by any Party of Confidential Information relating to the Product in any publication or presentation:

a) Both Parties acknowledge that it is their policy for the studies and results thereof to be registered and published in accordance with their internal guidelines. Roche, in accordance with its internal policies and procedures, shall have the right to publish all studies, clinical trials and results thereof on the clinical trial registries that are maintained by or on behalf of Roche. C4T shall not publish any studies, clinical trials or results thereof on its clinical trial registry, provided however, that Roche's clinical trial registry can be accessed via a link from C4T's clinical trial registry.

b) A Party ("**Publishing Party**") shall provide the other Party with a copy of any proposed publication or presentation at least **[***]** prior to submission for publication so as to provide such other Party with an opportunity to recommend any changes it reasonably believes are necessary to continue to maintain the Confidential Information disclosed by the other Party to the Publishing Party in accordance with the requirements of this Agreement. The incorporation of such recommended changes shall not be unreasonably refused; and if such other Party notifies ("**Publishing Notice**") the Publishing Party in writing, within **[***]** after receipt of the copy of the proposed publication or presentation that such publication or presentation in its reasonable judgment (i) contains an invention, solely or jointly conceived and/or reduced to practice by the other Party, for which the other Party reasonably desires to obtain patent protection or (ii) could be expected to have a material adverse effect on the commercial value of any Confidential Information disclosed by the other Party to the Publishing Party, the Publishing Party shall prevent such publication or delay such publication for a mutually agreeable period of time. In the case of inventions, a delay shall be for a period reasonably sufficient to permit the timely preparation and filing of a patent application(s) on such invention, and in no event less than **[***]** from the date of the Publishing Notice.

20.6 Commercial Considerations

Nothing in this Agreement shall prevent a Party or its Affiliates from disclosing Confidential Information of the other Party or its Affiliates to (i) governmental agencies to the extent required or desirable to secure government approval for the development, manufacture or sale of

Product in the Territory, (ii) Third Parties acting on behalf of Roche, to the extent reasonably necessary for the development, manufacture or sale of Product in the Territory, (iii) Third Parties requesting clinical trial data information (in accordance with Roche's then-current data sharing policy) or (iv) Third Parties to the extent reasonably necessary to market the Product in the Territory. The Receiving Party may disclose Confidential Information of the Disclosing Party to the extent that such Confidential Information is required to be disclosed by the Receiving Party to comply with Applicable Law, to defend or prosecute litigation or to comply with governmental regulations, provided that the Receiving Party provides prior written notice of such disclosure to the Disclosing Party and, to the extent practicable, takes reasonable and lawful actions to minimize the degree of such disclosure. In addition, C4T may provide a copy of this Agreement to DFCI and may disclose the existence and terms of this Agreement to potential financing sources, provided that such disclosure is under a confidentiality agreement having terms and conditions at least as stringent as those contained in this Agreement.

21. **Term and Termination**

21.1 Commencement and Term

This Agreement shall commence upon the Effective Date and continue for the Agreement Term.

21.2 Termination and Change of Control

21.2.1 Termination for Breach

A Party ("**Non-Breaching Party**") shall have the right to terminate this Agreement in its entirety or on a Target-by-Target, Product-by-Product or country-by-country (in the case of termination by C4T) basis in the event the other Party ("**Breaching Party**") is in breach of any of its material obligations under this Agreement. The non-Breaching Party shall provide written notice to the Breaching Party, which notice shall identify the breach and the countries in which the Non-Breaching Party intends to have this Agreement terminate. The Breaching Party shall have a period of **[***]** after such written notice is provided ("**Peremptory Notice Period**") to cure such breach. If the Breaching Party has a *bona fide* dispute as to whether such breach occurred or has been cured, it will so notify the Non-Breaching Party, and the expiration of the Peremptory Notice Period shall be tolled until such dispute is resolved pursuant to Section 23.6. Upon a determination of breach or failure to cure, the Breaching Party may have the remainder of the Peremptory Notice Period to cure such breach. If such breach is not cured within the Peremptory Notice Period, then absent withdrawal of the Non-Breaching Party's request for termination, this Agreement shall terminate in its entirety or such identified countries effective as of the expiration of the Peremptory Notice Period.

21.2.2 Insolvency

A Party shall have the right to terminate this Agreement, if the other Party incurs an Insolvency Event; provided, however, in the case of any involuntary bankruptcy proceeding, such right to terminate shall only become effective if the Party that incurs the Insolvency Event consents to the involuntary bankruptcy or such proceeding is not dismissed within **[***]** after the filing thereof.

21.2.3 Change of Control

If there is a Change of Control of C4T whereby C4T is controlled (as such term is used in the Affiliate definition in Section 1.1), then Roche shall, in its sole discretion, have the right to implement the procedures set forth in Section 21.3.3 by providing notice to C4T within **[***]** of becoming aware of the Change of Control. If there is a Change of Control of C4T, then C4T shall immediately notify Roche of such Change of Control.

21.2.4 Termination by Roche without a Cause

Roche shall have the right to terminate this Agreement at any time as a whole or on a Product-by-Product, Target-by-Target (and as a consequence, all Products to such Target), or country-by-country basis upon (a) **[***]** prior written notice in the case of Product-by-Product or Target-by-Target termination, (b) **[***]** prior written notice in the case of termination as a whole or country-by-country termination before First Commercial Sale of the Product, or (c) upon **[***]** prior written notice in the case of termination as a whole or country-by-country termination after the First Commercial Sale of the Product. The effective date of termination under this Section 21.2.4 shall be the date **[***]**, **[***]** or **[***]**, as the case may be, after Roche provides such written notice to C4T.

21.3 Consequences of Termination and Change of Control

21.3.1 Termination by C4T for Breach by Roche, Roche Insolvency, by Roche without Cause

Upon any termination by C4T for breach by Roche under Section 21.2.1 or for an Insolvency Event of Roche pursuant to 21.2.2 or by Roche without cause pursuant to Section 21.2.4, on the effective date of termination, (a), the rights and licenses granted by C4T to Roche under this Agreement shall terminate in their entirety or on a Product-by-Product, Target-by-Target or country-by-country basis, as applicable, (b) except as set forth in this Section 21.3.1 or as otherwise explicitly set forth in this Agreement, the rights and obligations of the Parties hereunder will terminate with respect to the Target, Product, or country and any applicable Target shall become a "**Terminated Target**", and (c) Roche will execute all documents and take all such further actions as may be reasonably requested by C4T in order to give effect to the foregoing clauses.

If C4T desires to continue to research, develop, manufacture, commercialize and otherwise exploit such Roche Product(s) or CT Co-Dev Products (or any derivatives, improvements, modifications or enhancements against the applicable Target thereof) (collectively, the "**Reversion Products**") in the Field after such termination, then C4T shall give a Continuation Election Notice to Roche within **[***]** of the effective date of termination and pay to Roche a transitional fee of **[***]**. If Roche receives such a timely Continuation Election Notice and such transitional fee, and to the extent reasonably requested by C4T:

(a) As promptly as practicable after the effective date of termination, Roche shall, to the extent Roche has the right to do so under Applicable Law, assign and transfer to C4T or C4T's designee possession and ownership of all governmental or regulatory filings, regulatory materials, pricing approvals and Regulatory Approvals, all copies of material correspondence and conversation logs with Regulatory Authorities relating to the research, development, manufacture, commercialization and exploitation of the Reversion Products, all final pre-clinical and clinical study reports and clinical study protocols, global trademarks, and all data, including non-clinical and clinical data and other material sales and marketing related information in Roche's possession and control related solely to Reversion Product(s) or the corresponding Target(s) to the extent necessary or reasonably useful for C4T to continue to research, develop, manufacture, commercialize and otherwise exploit the Reversion Product(s) in the Field. All data and other information shall be transferred in the form and format in which it is maintained by Roche. Original paper copies shall only be transferred, if required by Applicable Law. Roche shall not be required to prepare or finalize any new data, reports or information solely for purposes of transfer to C4T.

(b) Roche shall appoint C4T as Roche's or Roche's Affiliates' (and to the extent permitted by the applicable sublicense, its Sublicensees') agent for all Reversion Product-related matters involving Regulatory Authorities in the country, or Territory, as applicable, until all Regulatory Approvals, regulatory materials, pricing approvals and other governmental or regulatory filings required to be assigned to C4T hereunder have, in fact, been assigned to C4T or its designee, but in no event longer than the **[***]** anniversary of the effective date of termination. In the event of failure to obtain assignment of any of the items required to be assigned under this Section 21.3.1, Roche hereby consents and grants to C4T or its designee the right to access and reference (without any further action required on the part of Roche, whose authorization to file this consent with any Regulatory Authority is hereby granted) any such item with respect to all Reversion Products.

(c) If the effective date of termination is after First Commercial Sale of a Reversion Product, then, to the extent permitted by Applicable Law, Roche or its Affiliates (or to the extent permitted by the applicable sublicense, its Sublicensees) will appoint C4T or its designee as its exclusive distributor of such Reversion Products in the relevant country, Roche Territory or Territory, and grant C4T or its designee the right to appoint sub-distributors, until such time as all Regulatory Approvals in the relevant country, Roche Territory or Territory have been transferred to C4T or its designee, but in no event longer than the **[***]** anniversary of the effective date of termination.

(d) Roche shall assign and transfer all Clinical Study agreements, to the extent such agreements have not been cancelled and are assignable without Roche paying any material consideration or commencing litigation in order to effect an assignment of any such agreement.

(e) C4T shall, upon transfer from Roche pursuant to this Section 21.3.1, have the right to disclose such filings, approvals and data to (i) governmental agencies of the country to the extent required or desirable to secure government approval for the development, manufacturing or sale of Reversion Product(s) in the country, (ii) Third Parties acting on behalf of C4T, its Affiliates or licensees, to the extent reasonably necessary for the research, development, manufacture, commercialization and exploitation of Reversion Product(s) in the country, and (iii) Third Parties to the extent reasonably necessary to research, develop, manufacture, commercialize or otherwise exploit Reversion Product(s) in the country.

(f) Roche shall grant (without any further action required on the part of C4T) to C4T (a) an exclusive (even as to Roche), perpetual, irrevocable (except as set forth below), license, with the right to grant sublicenses through multiple tiers, under the (i) Roche Know How and (ii) Patent Rights Controlled by Roche that are necessary for the research, development, manufacture or commercialization of Reversion Products, such Roche Know-How and Patent Rights shall be limited to Roche Know-How and Patent Rights made after the Effective Date and in accordance with a Research Plan, Phase I Plan or Development Plan) and Roche's interest in the Joint Patent Rights, solely to the extent necessary to allow C4T, its Affiliates or licensees to research, develop, manufacture, commercialize or otherwise exploit the Reversion Product(s) in the Field in the terminated country(ies), and (b) a non-exclusive, worldwide, perpetual, irrevocable (except as set forth below) license, with the right to grant sublicenses through multiple

tiers, under the (i) Roche Know How and (ii) Patent Rights Controlled by Roche that are necessary for the research, development, manufacture or commercialization of Reversion Products,[such Roche Know-How and Patent Rights shall be limited to Roche Know-How and Patent Rights made after the Effective Date and in accordance with a Research Plan, Phase I Plan or Development Plan)] and Roche's interest in the Joint Patent Rights and Joint Know-How, solely to the extent necessary to allow C4T, its Affiliates or licensees to research, have researched, develop, have developed, use, have used, make, have made, import, have imported, export and have exported Reversion Product(s) in the Field anywhere in the world in order to market, have marketed, distribute, have distributed, sell, have sold and offer for sale and have offered for sale (including all research, development, manufacture and commercialization activities) such Reversion Product(s) in the Field in the terminated country(ies) (collectively, the "**Reversion License**"). For clarity, the Reversion License is in addition to any licenses granted to C4T in Section 3.1.5; provided that, to the extent the Reversion License covers any subject matter for which C4T grants a license to Roche pursuant to Section 3.1.5, such license in Section 3.1.5 shall be limited to not include any such subject matter that overlaps with the Reversion License.

(g) Royalties would be payable by C4T to Roche on the Calendar Year worldwide C4T Net Sales of the applicable Reversion Product, and the tiered royalty rates table below would apply to such C4T Net Sales depending on (i) the origin of such Reversion Product and (ii) the stage of development at the effective date of termination.

Royalty Rates for Calendar Year C4T Net Sales of a Reversion Product

Type of Target / Origin of Reversion Product	**Termination after [***] (Percent (%) of such C4T Net Sales)**	**Termination after [***] (Percent (%) of such C4T Net Sales)**
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

Payments would be made by C4T to Roche in a manner analogous to that set forth in Section 12.12, including adjustments in a manner analogous to those set forth in Sections 12.12.2.1 - 12.12.2.3. Notwithstanding anything to the contrary in this Section 21.3.1(g), Roche will have the right to terminate the licenses granted to C4T in this Section 21.3.1(g) with respect to a Reversion Product in full upon **[***]** prior written notice to C4T in the event of any material breach by C4T of its payment obligations under this Section 21.3.1(g). Notwithstanding the foregoing, any such termination under this Section 21.3.1(g) will not be effective if such breach has been cured within **[***]** after written notice thereof is given by Roche to C4T specifying the nature of the alleged breach.

For clarity, with respect to any Roche IP that is in-licensed by the Roche Group, C4T will be responsible for any payments due to a Third Party with respect thereto and C4T's rights will be subject to the terms of the applicable Third Party agreement. At C4T's written request, the Parties will enter into commercially reasonable prosecution and enforcement and defense terms for the Roche IP with respect to the Reversion Products, and C4T will bear the costs of such prosecution, enforcement and defense activities to the extent related to such Reversion Products.

(h) Roche will promptly transfer and assign to C4T all of Roche's and its Affiliates' (or, if applicable, will cause its or their licensees or sublicensees to transfer and assign) rights, title and interests in and to Roche's (and such Affiliates' and licensees' and sublicensees') global trademark(s) solely used to identify the Reversion Products (but not any house marks, or logos or any trademark of Roche or its Affiliates, containing the word "Roche" or any such Affiliate) in the Field.

(i) If C4T so requests, and to the extent permitted under Roche's obligations to Third Parties on the effective date of termination, Roche will transfer to C4T any Third Party agreements relating solely to the research, development, manufacture, commercialization and exploitation of the Reversion Products to which Roche is a party, subject to any required consents of such Third Party, which Roche will use Commercially Reasonable Efforts to obtain promptly.

(j) Roche will execute all documents and take all such further actions as may be reasonably requested by C4T in order to give effect to the foregoing clauses.

21.3.2 Termination by Roche for Breach by C4T or C4T Insolvency

Upon breach by C4T or C4T's Insolvency, Roche shall have the right to terminate this Agreement in accordance with Section 21.2.1 or Section 21.2.2, as applicable. In such event, the rights and licenses granted by Roche to C4T and by C4T to Roche under this Agreement shall terminate in their entirety or on a Product-by-Product or Target-by-Target basis, as applicable, on the effective date of termination.

21.3.3 Effects of Change of Control

If there is a Change of Control as set forth in Section 21.2.3 where the Change of Control Party is a company that develops or commercializes pharmaceutical products (for clarity, generally for itself and not typically on a contract basis for other companies), then Roche shall have the right to mandate that C4T set up procedures to prevent the disclosure of sensitive business and Confidential Information (including any data, results, structures and synthesis protocols of Degronimids under the Research Plans) to the Change of Control Group **[***]**.

21.3.4 Direct License

Irrespective of anything to the contrary in this Agreement, any Compulsory Sublicense shall remain in full force and effect as may be required by Applicable Law, any existing, permitted sublicense granted by Roche under Section 2.1.2 of this Agreement (and any further sublicenses thereunder) shall, upon the written request of Roche, remain in full force and effect, provided that (i) such Sublicensee is not then in breach of its sublicense agreement (and, in the case of termination by C4T for breach by Roche, that such Sublicensee and any further sublicensees did not cause the breach that gave rise to the termination by C4T); and (ii) such Sublicensee agrees to be bound to C4T under the terms and conditions of such sublicense agreement, provided that (1) such Sublicensee is obligated to pay C4T no less than C4T would have received from Roche under this Agreement, and (2) C4T would not have any more obligations, or fewer rights, with respect to such Sublicensee as compared to Roche under this Agreement. C4T shall thereafter enter into a direct license with such Sublicensee on terms consistent with this Agreement.

21.3.5 Royalty and Payment Obligations

Termination of this Agreement by a Party, for any reason, shall not release Roche from any obligation to pay royalties or make any payments to C4T that are payable prior to the effective date of termination. Termination of this Agreement by a Party, for any reason, will release Roche from any obligation to pay royalties or make any payments to C4T that would otherwise become payable on or after the effective date of termination.

21.3.6 Other Obligations.

21.3.6.1 Obligations related to Ongoing Activities.

If C4T does not provide timely Continuation Election Notice, then Roche (a) shall have the right to cancel all ongoing obligations and (b) shall complete all non-cancellable obligations at its own expense.

If C4T provides such timely Continuation Election Notice and pays the applicable transitional fee, then from the date of notice of termination until the effective date of termination, Roche shall continue all activities contemplated by this Agreement, including preparatory activities, ongoing as of the date of notice of termination. However, Roche shall not be obliged to initiate any new activities not ongoing at the date of notice of termination.

After the effective date of termination, neither Roche nor C4T shall have any obligation to perform and/or complete any activities, except as expressly stated herein.

Notwithstanding the foregoing, in case of termination by C4T under Section 21.2.1 or 21.2.2, or by Roche under Section 21.2.4, upon the request of C4T, Roche shall, at C4T's election and at C4T's sole cost after the effective date of termination, either (i) complete any Clinical Studies related to the Product(s) that are being conducted under its IND for the Product(s) and are ongoing as of the effective date of termination or (ii) continue such Clinical Studies until they can be transferred to C4T; provided, however, that:

(a) both C4T and Roche in their reasonable judgment have concluded that completing any such Clinical Studies does not present an unreasonable risk to patient safety;

(b) Roche shall have no obligation to recruit or enroll any additional patients after the date of termination;

(c) Roche shall transfer all ongoing Clinical Studies for C4T Co-Dev Products to C4T as soon as practicable, (unless such Clinical Studies need to be wound down for lack of safety or efficacy). Roche shall bear its share of the Development Costs of such Clinical Studies for such C4T Co-Dev Products until the effective date of termination and thereafter all costs shall be solely borne by C4T; and

(d) Roche shall transfer all ongoing Clinical Studies for Roche Products to C4T as soon as practicable, (unless such Clinical Studies need to be wound down for lack of safety or efficacy).

In the event that C4T does not elect to have Roche complete any Clinical Studies related to the Product(s) that are being conducted under Roche's IND(s) for the Product(s) and are ongoing as of the effective date of termination, then Roche will wind down such ongoing Clinical Studies, subject to the Parties' sharing any Development Costs for such Clinical Studies incurred during the wind down period.

21.3.6.2 Obligations Related to Manufacturing

(a) Clinical Supplies

In the case of termination by C4T under Section 21.2.1 for uncured breach by Roche, or 21.2.2 for Roche insolvency, or by Roche under Section 21.2.4, if C4T elects to develop the Reversion Product(s), Roche shall, upon C4T's request, transfer all existing and available clinical material to C4T at FBMC. After such transfer is effectuated, Roche shall have no obligation to perform any additional activities concerning the clinical supplies (e.g. retesting, analyses). C4T shall assume all liability for the use of such material. At C4T's request, Roche shall transfer the technology necessary to manufacture the clinical material to C4T or its designee as soon as practicable, at Roche's expense, and Roche will reasonably assist C4T through its relationships with CROs to help enable C4T to assume responsibility for manufacturing.

(b) Commercial Supplies

In the case of termination by C4T under Section 21.2.1 for uncured breach byu Roche, or 21.2.2 for Roche insolvency, or by Roche under Section 21.2.4, if a Reversion Product is marketed in any country of Territory on the date of the notice of termination of this Agreement, upon the request of C4T, Roche shall manufacture and supply such Reversion Product to C4T under a manufacturing transfer and transition plan for a period that shall not exceed **[***]** from the effective date of the termination of this Agreement at FBMC **[***]**. C4T shall use Commercially Reasonable Efforts to take over the manufacturing as soon as reasonably possible after the effective date of termination.

21.3.7 Termination in General

In the event of any termination by Roche, C4T shall use Commercially Reasonable Efforts to minimize any cancellable expenses after the notice of termination and to wind down activities in an expeditious manner. Roche shall have no obligation to provide to C4T any rights or access to Combination Products, patient data, patient samples, or intellectual property or materials to which Roche does not have Control. Unless otherwise agreed by the Parties, the termination of this Agreement shall cause the automatic termination of all ancillary agreements related hereto, if any.

21.4 Survival

Article 1 (Definitions – to the extent necessary to interpret the Agreement), Article 15 (Auditing); Section 16.1 (Ownership of Inventions), Article 18 (Indemnification), Article 19 (Liability), Article 20 (Obligation Not to Disclose Confidential Information), Section 2.1.3 (Commercial License Following Research Program Initiation), Section 2.1.4 (Freedom of Operation), Section 21.3 (Consequences of Termination and Change of Control), Section 21.4 (Survival), Section 23.5 (Governing Law), and Section 23.7 (Arbitration) and any other sections that by their nature are intended to survive any expiration or termination of this Agreement shall survive any expiration or termination of this Agreement for any reason. Notwithstanding anything to the contrary in this Article 21, the grant-back licenses of assigned Collaboration Patent Rights set forth in Section 16.1 shall survive any expiration or termination of this Agreement.

22. **Bankruptcy**

All licenses (and to the extent applicable rights) granted under or pursuant to this Agreement by C4T to Roche are, and shall otherwise be deemed to be, for purposes of Section 365(n) of Title 11, US Code (the "**Bankruptcy Code**") licenses of rights to "intellectual property" as defined under Section 101(60) of the Bankruptcy Code. Unless Roche elects to terminate this Agreement, the Parties agree that Roche, as a licensee or sublicensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code, subject to the continued performance of its obligations under this Agreement.

23. **Miscellaneous**

23.1 US Manufacture

Roche shall manufacture Products leased, used or Sold in the US under C4T IP substantially in the United States as required by 35 U.S.C. 204 and 37 C.F.R. 401 et seq., as amended, provided that, if necessary, C4T will assist Roche or its designated Affiliate(s) in any attempt to secure a waiver of the United States manufacturing requirement contained in 35 U.S.C. Section 204.

23.2 Other Government Laws

Roche shall comply with, and require that its Affiliates and Sublicensees to comply with, all government statutes and regulations applicable to Products. These include but are not limited to FDA statutes and regulations, the Export Administration Act of 1979, as amended, codified in 50 App. U.S.C. 2041 et seq. and the regulations promulgated thereunder or other applicable export statutes or regulations.

23.3 Patent Marking

Roche shall mark, and shall require its Sublicensees and Affiliates to mark, directly or via a mechanism such as the Orange Book, all Licensed Products sold in the US in a manner designed to allow enforcement of the C4T Patent Rights Covering such Licensed Products.

23.4 Publicity – Use of Name

Each Party, its Affiliates and Sublicensees shall not use the names of DFCI, its related entities or its employees, or any adaptations thereof, in any advertising, promotional or sales literature, or in any securities report required by the Securities and Exchange Commission (except as required by law), without the prior written consent of DFCI in each case. However, each Party may (a) refer to publications in the scientific literature by employees of DFCI or (b) state that a sub-license from DFCI has been granted as provided in this Agreement.

23.5 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to its conflict of laws principles, and shall not be governed by the United Nations Convention of International Contracts on the Sale of Goods (the Vienna Convention). Notwithstanding anything to the contrary in this Agreement, issues regarding the scope, construction, validity and/or enforceability of any Patent Rights shall be determined in a court of competent jurisdiction under the local patent laws of the jurisdictions have issued the Patent Rights in question.

23.6 Disputes

Unless otherwise set forth in this Agreement, in the event of any dispute in connection with this Agreement, such dispute shall be referred to the respective executive officers of the Parties designated below or their designees, for good faith negotiations attempting to resolve the dispute. The designated executive officers are as follows:

For C4T: CEO
For Roche: Head of Roche Partnering

23.7 Arbitration

Should the Parties fail to agree within **[***]** after such dispute has first arisen, it shall be finally settled by arbitration in accordance with the Rules of American Arbitration Association (AAA) as in force at the time when initiating the arbitration. The tribunal shall consist of three arbitrators. The place of arbitration shall be New York, New York. The language to be used shall be English.

23.7.1 Arbitrators

Each Party shall nominate one arbitrator. Should the claimant fail to appoint an arbitrator in the request for arbitration within **[***]** of being requested to do so, or if the respondent should fail to appoint an arbitrator in its answer to the request for arbitration within **[***]** of being requested to do so, the other Party shall request the AAA to make such appointment.

The arbitrators nominated by the Parties shall, within **[***]** from the appointment of the arbitrator nominated in the answer to the request for arbitration, and after consultation with the Parties, agree and appoint a third arbitrator, who will act as a chairman of the three arbitrator committee (the "Arbitral Tribunal"). Should such procedure not result in an appointment within the **[***]** time limit, either Party shall be free to request the AAA to appoint the third arbitrator.

Where there is more than one claimant and/or more than one respondent, the multiple claimants or respondents shall jointly appoint one arbitrator.

If any Party-appointed arbitrator or the third arbitrator resigns or ceases to be able to act, a replacement shall be appointed in accordance with the arrangements provided for in this clause.

The language of the arbitration shall be English. Documents submitted in the arbitration (the originals of which are not in English) shall be submitted together with an English translation.

23.7.2 Decisions; Timing of Decisions

The arbitrators shall render a written opinion setting forth findings of fact and conclusions of law with the reason therefor stated, within no later than **[***]** from the date on which the arbitrators were appointed to the dispute. A transcript of the evidence adduced at the arbitration hearing shall be made and, upon request, shall be made available to each Party.

Notwithstanding the above, in the case of JRC, JDC or JCC disputes that are not finally resolved pursuant to Section 11.5.3, the arbitrators shall render a written opinion setting forth findings of fact and conclusions of law with the reason therefor stated, within no later than **[***]** from the date on which the arbitrators were appointed to the dispute.

The time periods set forth in the AAA Arbitration Rules shall be followed; provided however that the arbitrators may modify such time periods as reasonably necessary to render a written opinion in accordance with this Section 23.7.2.

The arbitrator is empowered to award any remedy allowed by law, including money damages, prejudgment interest and attorneys' fees, and to grant final, complete, interim, or interlocutory relief, including injunctive relief.

This arbitration agreement does not preclude either Party seeking conservatory or interim measures from any court of competent jurisdiction including, without limitation, the courts having jurisdiction by reason of either Party's domicile. Conservatory or interim measures sought by either Party in any one or more jurisdictions shall not preclude the Arbitral Tribunal granting conservatory or interim measures. Conservatory or interim measures sought by either Party before the Arbitral Tribunal shall not preclude any court of competent jurisdiction granting conservatory or interim measures.

In the event that any issue shall arise which is not clearly provided for in this Section 23.7, the matter shall be resolved in accordance with the AAA Arbitration Rules.

Any arbitration proceeding hereunder shall be confidential and the arbitrators shall issue appropriate protective orders to safeguard each Party's Confidential Information. Except as required by law, neither Party shall make (or instruct the arbitrators to make) any public announcement with respect to the proceedings or decision of the arbitrators without prior written consent of the other Party. The existence of any dispute submitted to arbitration, and the award, shall be kept in confidence by the Parties and the arbitrators, except as required in connection with the enforcement of such award or as otherwise required by Applicable Law.

Notwithstanding anything to the contrary in this Agreement, any and all issues regarding the scope, construction, validity and/or enforceability of any Patent Rights shall be determined in a court of competent jurisdiction under the local patent laws of the jurisdictions having issued the Patent Rights in question.

Notwithstanding anything to the contrary in this Agreement, any and all issues regarding a breach or alleged breach of a Party's obligations under Article 20 (Obligation Not to Disclose Confidential Information) shall be determined in a court of competent jurisdiction under the laws of the State of New York, with express exclusion of its conflict of laws principles and any and all issues regarding the scope, construction, validity and/or enforceability of any Patent Rights shall be determined in a court of competent jurisdiction under the local patent laws of the jurisdictions having issued the Patent Rights in question.

23.8 Assignment

Neither Party may assign its rights or obligations under this Agreement absent the prior written consent of the other Party, except to any of its Affiliates or in the context of a merger, acquisition, sale or other transaction involving all or substantially all of the assets relating to the Agreement relates of the Party seeking to assign, in which case such Party in its sole discretion may assign its rights and obligations under this Agreement. Any permitted assignment shall be binding on the successors of the assigning Party.

23.9 Debarment

Each Party represents and warrants that it has never been debarred under 21 U.S.C. §335a, disqualified under 21 C.F.R. §312.70 or §812.119, sanctioned by a Federal Health Care Program (as defined in 42 U.S.C §1320 a-7b(f)), including without limitation the federal Medicare or a state Medicaid program, or debarred, suspended, excluded or otherwise declared ineligible from any other similar Federal or state agency or program. In the event a Party receives notice of debarment, suspension, sanction, exclusion, ineligibility or disqualification under the above-referenced statutes, such Party shall immediately notify the other Party in writing and the notified Party shall have the right, but not the obligation, to terminate this Agreement, effective, at such Party's option, immediately or at a specified future date.

23.10 Independent Contractor

No employee or representative of either Party shall have any authority to bind or obligate the other Party to this Agreement for any sum or in any manner whatsoever or to create or impose any contractual or other liability on the other Party without said Party's prior written approval. For all purposes, and not- withstanding any other provision of this Agreement to the contrary, C4T legal relationship to Roche under this Agreement shall be that of independent contractor, and nothing contained in this Agreement shall be deemed or construed to create a partnership, joint venture, employment, franchise, agency or fiduciary relationship between the Parties.

23.11 Unenforceable Provisions and Severability

If any of the provisions of this Agreement are held to be void or unenforceable, then such void or unenforceable provisions shall be replaced by valid and enforceable provisions that will achieve as far as possible the economic business intentions of the Parties. However, the remainder of this Agreement will remain in full force and effect, provided that the material interests of the Parties are not affected, i.e. the Parties would presumably have concluded this Agreement without the unenforceable provisions.

23.12 Waiver

The failure by either Party to require strict performance and/or observance of any obligation, term, provision or condition under this Agreement will neither constitute a waiver thereof nor affect in any way the right of the respective Party to require such performance and/or observance. The waiver by either Party of a breach of any obligation, term, provision or condition hereunder shall not constitute a waiver of any subsequent breach thereof or of any other obligation, term, provision or condition.

23.13 Appendices

All Appendices to this Agreement shall form an integral part to this Agreement.

23.14 Entire Understanding

This Agreement contains the entire understanding between the Parties hereto with respect to the within subject matter and supersedes any and all prior agreements, understandings and arrangements, whether written or oral. Amendments

No amendments of the terms and conditions of this Agreement shall be binding upon either Party hereto unless in writing and signed by both Parties.

23.15 Invoices

All invoices that are required or permitted hereunder shall be in writing and sent by C4T to Roche at the following address or such other address as Roche may later provide:

F. Hoffmann-La Roche Ltd
Kreditorenbuchhaltung
Grenzacherstrasse 124
4070 Basel
Switzerland

23.16 Notice

All notices that are required or permitted hereunder shall be in writing and sufficient if delivered personally, sent by facsimile (and promptly confirmed by personal delivery, registered or certified mail or overnight courier), sent by nationally recognized overnight courier or sent by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

if to C4T, to:	C4 Therapeutics, Inc. 490 Arsenal Street Watertown, MA 02472 U.S.A. Attn: Chief Executive Officer Facsimile No.: _____
and:	Goodwin Procter LLP 100 Northern Avenue Boston, Massachusetts 02210 U.S.A. Facsimile No.: +1 617 523-1231 Attn: Lawrence S. Wittenberg lwittenberg@goodwinprocter.com
if to Roche, to:	F. Hoffmann-La Roche Ltd Grenzacherstrasse 124 4070 Basel Switzerland Attn: Legal Department Facsimile No.: +41 61 688 13 96
and:	Hoffmann-La Roche Inc. 150 Clove Road Suite 8 Little Falls, New Jersey 07424 U.S.A. Attn. Corporate Secretary Facsimile No.: +1 973 890-8433

or to such other address as the Party to whom notice is to be given may have furnished to the other Party in writing in accordance herewith.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the Effective Date.

C4 Therapeutics, Inc.

/s/ Andrew Phillips
Name: Andrew Phillips
Title: President and CEO

F. Hoffmann-La Roche Ltd

/s/ James Sabry
Name: James Sabry, M.D., Ph.D.
Title: Global Head Pharma Partnering

/s/ Stefan Arnold
Name: Stefan Arnold
Title: Head Legal Pharma

Hoffmann-La Roche Inc.

/s/ John P. Parise
Name: John P. Parise
Title: Authorized Signatory

Appendix 1.5

C4T Base Patent Rights

[***]

Appendix 1.15

C4T Patent Rights

[***]

Appendix 1.22

CCS Criteria

[***]

Appendix 1.28

Collaboration Patent Rights

[***]

Appendix 1.82

Phase I Data Package

[***]

Appendix 1.94

Research plan

[***]

Appendix 1.103

Report Criteria

[***]

Appendix 1.105(a)

Excluded Patent Rights

[***]

Appendix 1.105(b)

Roche Patent Rights as of the Restatement Date

[***]

Appendix 1.113

Targets

[***]

Appendix 4.1.8

CROs

[***]

Appendix 7.1

CMOs

[***]

Appendix 8.2.1

Co-Detail Term Sheet

[***]

[***] Certain information in this document has been omitted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

COLLABORATION AND LICENSE AGREEMENT

This Collaboration and License Agreement ("**Agreement**") is entered into with effect as of March 13, 2017 (the "**Effective Date**") by and between C4 Therapeutics, Inc. with an office and place of business at 675 W. Kendall St., Cambridge, MA 02142 ("**C4T**") and Calico Life Sciences LLC with an office and place of business at 1170 Veterans Blvd, South San Francisco, CA 94080 ("**Calico**") (a "Party" or together, "Parties").

WHEREAS, C4T owns or controls a proprietary protein degrader platform that is useful for generating a Protein Degrader (as defined in Section 1.75 below) which is comprised of Protein Degrader Components (as defined in Section 1.76 below) that can cause proteosomal degradation of a target within a cell, and possesses proprietary technology and intellectual property rights relating thereto;

WHEREAS, Calico has expertise in the research, development, manufacture and commercialization of pharmaceutical products;

WHEREAS, Calico and C4T wish to enter into this Agreement to collaborate according to the Joint Research Plans (as defined in Section 1.57 below) to discover and develop Protein Degraders for certain targets of interest for the treatment of human diseases;

WHEREAS, C4T is willing to grant to Calico rights to use certain of its intellectual property rights to make, use, offer for sale, sell and import and export Protein Degraders and products containing Protein Degraders in the Territory for use in the Field (as such terms are respectively defined below), as contemplated herein; and

WHEREAS, Calico is willing to grant to C4T the necessary rights to use Calico Patent Rights to carry out research and development to prepare Protein Degraders, Protein Degrader Components and Collaboration Products containing them in the Territory for use in the Field (as such terms are respectively defined below), as contemplated herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, do hereby agree as follows:

1. Definitions. As used in this Agreement, the following terms, whether used in the singular or plural, shall have the following meanings:

1.1 Affiliate. The term "**Affiliate**" shall mean any individual, corporation, association or other business entity that directly or indirectly controls, is controlled by, or is under common control with the entity in question. As used in this definition of "Affiliate," the term "control" shall mean the direct or indirect ownership of more than fifty percent (>50%) of the stock having the right to vote for directors thereof or the ability to otherwise control the management of the corporation or other business entity whether through the ownership of voting securities, by contract, resolution, regulation or otherwise. With respect to Calico, Alphabet Inc., and any Affiliates of Alphabet Inc., shall not be an Affiliate of Calico, other than Calico Life Sciences LLC and any entities that are controlled by Calico Life Sciences LLC.

1.2 Agreement. The term "**Agreement**" shall mean this document including any and all appendices and amendments to it as may be added and/or amended from time to time in accordance with the provisions of this Agreement.

1.3 Agreement Term. The term "**Agreement Term**" shall mean the period of time commencing on the Effective Date and, unless this Agreement is terminated sooner as provided in Article 16, expiring on the date when no royalty or other payment obligations under this Agreement are or will become due.

1.4 Applicable Law. The term "**Applicable Law**" shall mean any law, statute, ordinance, code, rule or regulation that has been enacted by a government authority (including without limitation, any Regulatory Authority) and is in force as of the Effective Date or comes into force during the Agreement Term, in each case to the extent that the same is applicable to the performance by the Parties of their respective obligations under this Agreement.

1.5 C4T Base Patent Rights. The term "**C4T Base Patent Rights**" shall mean Patent Rights Controlled by C4T or its Affiliates as of the Effective Date, including DFCI Patent Rights existing as of the Effective Date.

1.6 C4T Collaboration Invention. The term "**C4T Collaboration Invention**" means any Collaboration Invention regardless of inventorship that constitutes a discovery, improvement, modification, enhancement or creation of **[***]**.

1.7 C4T Collaboration Patents. The term "**C4T Collaboration Patents**" means any Patent Rights Covering a C4T Collaboration Invention.

1.8 C4T Patent Rights. The term "**C4T Patent Rights**" shall mean Patent Rights Controlled by C4T or its Affiliates as of the Effective Date or during the Agreement Term, including but not limited to C4T Base Patent Rights, DFCI Patent Rights obtained by C4T after the Effective Date of this Agreement, C4T Collaboration Patents and C4T's interest in Joint Collaboration Patent Rights.

1.9 C4T Platform. The term "**C4T Platform**" shall mean the C4T degradation platform, which includes its proprietary Protein Degraders and Protein Degrader Components, assays relevant to the discovery or development of Protein Degraders or Protein Degrader Components, along with chemCRISPR.

1.10 Calendar Quarter. The term "**Calendar Quarter**" shall mean each period of three (3) consecutive calendar months, ending March 31, June 30, September 30, and December 31.

1.11 Calendar Year. The term "**Calendar Year**" shall mean the period of time beginning on January 1 and ending December 31, except for the first year which shall begin on the Effective Date and end on December 31.

1.12 Calico Collaboration Invention. The term "**Calico Collaboration Invention**" means any Collaboration Invention regardless of inventorship that constitutes a discovery, improvement, modification, enhancement or creation to the Target Binding Moiety(ies) and/or Collaboration Target.

1.13 Calico Collaboration Patents. The term "**Calico Collaboration Patents**" means any Patent Rights Covering a Calico Collaboration Invention.

1.14 Calico Group. The term "**Calico Group**" shall mean collectively Calico, its Affiliates, its permitted Sublicensees, and Third Party Collaboration Partners, and each shall be deemed a "Calico Group Member." Any obligations under this Agreement that are made by the Calico Group, shall only apply, with respect to a Sublicensee or a Third Party Collaboration Partner, to the extent such Sublicensee or Third Party Collaboration Partner is exercising rights granted by Calico under this Agreement. By way of example, if a Third Party Collaboration Partner is selling a Collaboration Product, independent of any license grant from Calico, then such sales would not be deemed to be by a "Calico Group Member" under this Agreement.

1.15 Calico IP. The term "**Calico IP**" shall mean Calico Know-How and Calico Patent Rights.

1.16 Calico Know-How. The term "**Calico Know-How**" shall mean all Know-How that Calico Controls as of the Effective Date or during the Agreement Term that Calico provides to C4T at its discretion, and is necessary or useful to conduct research in accordance with a Target Evaluation Research Plan or a Joint Research Plan.

1.17 Calico Patent Rights. The term "**Calico Patent Rights**" shall mean all Patent Rights that Calico Controls as of the Effective Date and during the Agreement Term and that are necessary or useful to conduct research in accordance with the Joint Research Plan.

1.18 Cereblon. The term "**Cereblon**" shall mean that certain E3 ligase with Uniprot Q96SW2.

1.19 chemCRISPR. The term "**chemCRISPR**" shall mean the engineering of fusion proteins, or related constructs and the use of small molecule ligands, including Protein Degraders, for the degradation of such proteins or constructs.

1.20 Clinical Study. The term "**Clinical Study**" shall mean a Phase I Study, Phase II Study, Phase III Study, as applicable.

1.21 Collaboration Invention. The term "**Collaboration Invention**" shall mean an Invention, whether patentable or not, that is developed, created, conceived or reduced to practice in connection with and during the Agreement Term and as a result of activities under a Target Evaluation Research Plan or a Joint Research Plan (a) solely by an employee(s) of a Calico Group Member, (b) solely by an employee(s) of C4T or its Affiliates, or (c) jointly by an employee(s) of a Calico Group Member and by an employee(s) of C4T or its Affiliates. For clarity, a Collaboration Invention does not include Patent Rights or Know-How held by a Party or Third Party Collaborator prior to the Effective Date, or developed by a Party or a Third Party Collaborator outside of this Agreement.

1.22 Collaboration Patents. The term "**Collaboration Patents**" shall mean any Patent Rights Covering a Collaboration Invention.

1.23 Collaboration Product. The term "**Collaboration Product**" shall mean a product that binds to a Collaboration Target and is a Protein Degrader that includes a Protein Degrader Component that (i) was delivered by C4T to Calico pursuant to a Target Evaluation Research Plan or a Joint Research Plan for a Collaboration Target, or (ii) was delivered by C4T to Calico pursuant to a Target Evaluation Research Plan or a Joint Research Plan for a Collaboration Target and was thereafter optimized by or on behalf of Calico for such Collaboration Target, or (iii) is Covered by a Valid Claim of the Licensed Patents or Collaboration Product Patent.

1.24 Collaboration Product Invention. The term "**Collaboration Product Invention**" shall mean a Collaboration Invention regardless of inventorship that is a Protein Degrader.

1.25 Collaboration Product Patent. The term "**Collaboration Product Patent**" shall mean any Patent Rights Covering a Collaboration Product Invention.

1.26 Collaboration Target. The term "**Collaboration Target**" shall mean each of the **[***]** biological targets (as described by a UniProt/SwissProt identifier) as of the Effective Date and as may be selected by Calico pursuant to Section 3.1.2(a) and/or Section 3.1.2(b), and shall include any splice variants, mutants, and natural variants reasonably associated with such UniProt number. Appendix 1.26 to this Agreement lists the Collaboration Targets. The initial Collaboration Targets are listed on Appendix 1.26, and the Parties shall update Appendix 1.26 during the term to add additional targets that are added as Collaboration Targets pursuant to Section 3.1.2(a) and/or Section 3.1.2(b).

1.27 Combination Product. The term "Combination Product" shall mean:

1.27.1 a single pharmaceutical formulation containing as its active ingredients both (i) a Protein Degrader or a Protein Degrader Component and (ii) one or more other therapeutically or prophylactically active ingredients,

1.27.2 a combination therapy comprised of (i) a Protein Degrader or a Protein Degrader Component and (ii) one or more other therapeutically or prophylactically active products, priced and sold in a single package containing such multiple products or packaged separately but sold together for a single price, or

1.27.3 a combination therapy comprised of (i) a Protein Degrader or a Protein Degrader Component and (ii) a Companion Diagnostic, priced and sold in a single package containing such multiple products or packaged separately but sold together for a single price,

in each case, including all dosage forms, formulations, presentations, line extensions, and package configurations. All references to Collaboration Product in this Agreement shall be deemed to include Combination Product.

1.28 Commercially Reasonable Efforts. The term "**Commercially Reasonable Efforts**" shall mean [***].

1.29 Companion Diagnostic. The term "**Companion Diagnostic**" shall mean any product or service that:

1.29.1 identifies a person having a disease or condition, or a molecular genotype or phenotype that predisposes a person to such disease or condition, for which a Collaboration Product could be used to treat and/or prevent such disease or condition;

1.29.2 defines the prognosis or monitors the progress of a disease or condition in a person for which a Collaboration Product could be used to treat and/or prevent such disease or condition;

1.29.3 is used to select a therapeutic or prophylactic regimen, wherein at least one (1) potential therapeutic or prophylactic regimen involves a Collaboration Product, and where the selected regimen is determined, based on the use of such product or service, to likely be effective and/or to be safe for a person; and/or

1.29.4 is used to confirm a Collaboration Product's biological activity, model, establish pharmacokinetic and pharmacodynamics relationships, and/or to optimize dosing or the scheduled administration of a Collaboration Product.

1.30 Confidential Information. The term "**Confidential Information**" shall mean any and all information, data or know-how (including Know-How), whether technical or non-technical, oral or written, that is disclosed by one Party or its Affiliates or Sublicensees ("**Disclosing Party**") to the other Party or its Affiliates ("**Receiving Party**") in connection with this Agreement. Confidential Information shall not include any information, data or know-how that:

1.30.1 was generally available to the public at the time of disclosure, or becomes available to the public after disclosure by the Disclosing Party other than through fault (whether by action or inaction) of the Receiving Party or its Affiliates,

1.30.2 can be evidenced by written records to have been already known to the Receiving Party or its Affiliates prior to its receipt from the Disclosing Party,

1.30.3 is obtained at any time lawfully from a Third Party under circumstances permitting its use or disclosure,

1.30.4 is developed independently by the Receiving Party or its Affiliates as evidenced by written records other than through knowledge of Confidential Information, or

1.30.5 is approved in writing by the Disclosing Party for release by the Receiving Party.

The terms of this Agreement shall be considered Confidential Information of the Parties.

1.31 Control. The term "**Control**" shall mean (as an adjective or as a verb including conjugations and variations such as "**Controls**" "**Controlled**" or "**Controlling**") (a) with respect to Patent Rights and/or Know-How, the possession by a Party or its Affiliate of the ability to grant a license or sublicense of such Patent Rights and/or Know-How without violating the terms of any agreement or arrangement between such Party or its Affiliate and any other party and (b) with respect to proprietary materials, the possession by a Party or its Affiliate of the ability to supply such proprietary materials to the other Party as provided herein without violating the terms of any agreement or arrangement between such Party and its Affiliate and any other party. For clarity, Controlled includes owned.

1.32 Cover. The term "**Cover**" shall mean (as an adjective or as a verb including conjugations and variations such as "Covered," "**Coverage**" or "**Covering**"), with respect to a claim of a pending or issued patent, that the developing, making, using, offering for sale, promoting, selling, exporting or importing of a given compound, formulation or product would infringe such claim in the absence of a license under or ownership in the Patent Rights to which such claim pertains. The determination of whether a compound, formulation, process or product is Covered by a particular claim shall be made on a country-by-country basis.

1.33 Development Candidate. The term "**Development Candidate**" shall mean a Collaboration Product that meets all of the Development Candidate criteria that is set forth in the applicable Joint Research Plan, or alternative criteria agreed to on a Collaboration Target-by-Collaboration Target basis by the JRC ("**Development Candidate Criteria**").

1.34 Dispute. The term "**Dispute**" shall mean any dispute, claim, or controversy arising from or regarding this Agreement, including the interpretation, application, breach, termination, or validity of any provision hereof. For the avoidance of doubt, any matter within the decision-making authority of the JRC shall not be deemed a Dispute merely if a unanimous decision cannot be reached if one of the Parties has the final decision making authority on such matter; however, if a controversy between the Parties arises regarding the interpretation of any provisions hereunder pertaining to any JRC decision that cannot be made due to such controversy, such controversy shall be deemed a Dispute to the extent of such controversy.

1.35 DFCI. The term "**DFCI**" shall mean the Dana Farber Cancer Institute, Inc.

1.36 DFCI Patent Rights. The term "**DFCI Patent Rights**" shall mean all Patent Rights that C4T Controls pursuant to the Exclusive License Agreement by and between DFCI and C4T dated December 16, 2015, amended on May 11, 2016, and as may be further amended from time to time.

1.37 E3 Ligase Binding Moiety. The term "E3 Ligase Binding Moiety" shall mean a moiety that binds to Cereblon or another E3 ligase in possession of or Controlled by C4T or its Affiliates.

1.38 EU. The term "**EU**" shall mean the European Union and all its then-current member countries. Notwithstanding the foregoing, for the purpose of this Agreement, the EU shall include all countries comprising the United Kingdom as of the Effective Date.

1.39 FDA. The term "**FDA**" shall mean the Food and Drug Administration of the United States of America.

1.40 FDCA. The term "**FDCA**" shall mean the Food, Drug and Cosmetics Act.

1.41 Field. The term "**Field**" shall mean any use.

1.42 Filing. The term "**Filing**" shall mean the filing of an application to the FDA as defined in the FDCA and applicable regulations, or the equivalent application to the equivalent agency in any other country or group of countries, the official approval of which is required before any lawful commercial sale or marketing of Collaboration Products.

1.43 First Commercial Sale. The term "**First Commercial Sale**" shall mean, on a country-by-country basis, the first invoiced sale of a Collaboration Product to a Third Party by a member of the Calico Group following the receipt of any Regulatory Approval required for the sale of such Collaboration Product, or if no such Regulatory Approval is required, the date of the first invoiced sale of a Collaboration Product to a Third Party by the Calico Group member in such country.

1.44 FTE. The term "**FTE**" shall mean a full-time equivalent person-year, based upon a total of no less than [***] working hours per year, undertaken in connection with the conduct of research in the Research Program. In no circumstance can the work of any given person exceed [***] FTE.

1.45 FTE Rate. The term "**FTE Rate**" shall mean the amount of **[***]** per FTE for each year of the Agreement, and in addition to labor costs, shall be inclusive of all materials, reagents, equipment and other costs under each Target Evaluation Research Plan or each Joint Research Plan.

1.46 Good Laboratory Practice. The term "**Good Laboratory Practices**" shall mean the then-current standards for good laboratory practices for pharmaceuticals, as set forth in the FD&C Act and applicable regulations and guidance promulgated thereunder, including the Code of Federal Regulations, as amended from time to time, or under any other Applicable Law.

1.47 Handle. The term "**Handle**" shall mean to have primary responsibility for preparing, filing, prosecuting (including interference and opposition proceedings) and maintaining (including interferences, reissue, re-examination, post-grant reviews, inter-partes reviews, derivation proceedings and opposition proceedings), including discontinuing or abandoning Patent Rights.

1.48 ICD-10. The term "**ICD-10**" shall mean the Tenth Revision of the International Classifications of Diseases and Related Health Problems, as may be revised or amended from time to time, or a successor classification.

1.49 Indication. The term "**Indication**" shall mean a distinct type of disease or medical condition in humans to which a Collaboration Product is directed and eventually approved. To distinguish one Indication from another Indication, the two Indications have to be [***].

1.50 Initiation. The term "**Initiation**" shall mean, when referring to a human clinical study, the date that a human is first dosed with the Collaboration Product in a Clinical Study approved by the respective Regulatory Authority.

1.51 Initiation of GLP Tox Study. The term "**Initiation of GLP Tox Study**" shall mean the date that an animal is first dosed with the Development Candidate of a Collaboration Product for the applicable Collaboration Target, in a study of the relationship between dose and its effects on the exposed animal, where (i) the study is a chronic toxicology study to be conducted in accordance with Good Laboratory Practice standards and (ii) the study has been designed in expectation that the results may support establishment of a safe starting dose of the Collaboration Product for a Phase I Study for human therapeutic use.

1.52 Insolvency Event. The term "**Insolvency Event**" shall mean circumstances under which a Party (i) has a receiver or similar officer appointed over all or a material part of its assets or undertaking; (ii) passes a resolution for winding-up (other than a winding-up for the purpose of, or in connection with, any solvent amalgamation or reconstruction) or a court makes an order to that effect or a court makes an order for administration (or any equivalent order in any jurisdiction); (iii) enters into any composition or arrangement with its creditors (other than relating to a solvent restructuring); (iv) ceases to carry on business; (v) is unable to pay its debts as they become due in the ordinary course of business.

1.53 Invention. The term "**Invention**" shall mean an invention, discovery, improvement, modification, enhancement or creation, in each case whether or not patentable.

1.54 Joint Collaboration Know-How. The term "**Joint Collaboration Know-How**" shall mean Know-How that is made jointly by employees of C4T or its Affiliates and employees of Calico Group with or without a Third Party Collaboration Partner in connection with any activity carried out under a Target Evaluation Research Plan or a Joint Research Plan. The Joint Collaboration Know-How shall not include any Calico Collaboration Inventions or C4T Collaboration Inventions.

1.55 Joint Collaboration Inventions. The term "**Joint Collaboration Invention**" shall refer to a Collaboration Invention that is not a Calico Collaboration Invention or a C4T Collaboration Invention or a Collaboration Product Invention and was made by an employee(s) of C4T or its Affiliates jointly with an employee(s) of the Calico Group.

1.56 Joint Collaboration Patents. The term "**Joint Collaboration Patents**" shall mean those Collaboration Patents Covering a Joint Collaboration Invention.

1.57 Joint Research Plan. The term "**Joint Research Plan**" shall mean the strategic plan appended to this Agreement as Appendix 1.57, which sets out the responsibilities of each Party for research and development leading to a Collaboration Product for each Collaboration Target under the Agreement. On the Effective Date of this Agreement, a detailed Joint Research Plan in accordance with the conduct of research described in Article 3 and the responsibilities of the JRC described in Article 6, shall be appended to Appendix 1.57. Such Joint Research Plan shall detail the work to be conducted, the Lead Series Criteria, the Development Candidate Criteria, schedule, and level of effort in FTEs and budget for the initial Collaboration Target, and serve as exemplars for Joint Research Plans for each subsequent Collaboration Target approved by the JRC after the Effective Date, which shall be substantially similar in scope, responsibilities, deliverables, and resource requirements unless otherwise agreed in writing.

1.58 JRC. The term "**JRC**" shall mean the joint research committee described in Article 6.

1.59 Know-How. The term "**Know-How**" shall mean any and all data, results, pre-clinical and clinical protocols, chemical structures, chemical sequences, information, inventions, proprietary information, materials, know-how, formulas, trade secrets, techniques, methods, processes, procedures and developments, whether or not patentable that are necessary or useful for the discovery of Protein Degraders or Protein Degrader Components, or the development, manufacture, or commercialization of Collaboration Products.

1.60 Lead Series. The term "**Lead Series**" shall mean a set of compounds that meet the Lead Series criteria that is set forth in the applicable Joint Research Plan ("**Lead Series Criteria**").

1.61 Licensed Know-How. The term "**Licensed Know-How**" shall mean all Know-How Controlled by C4T or its Affiliates, as of the Effective Date and during the Agreement Term, that is necessary or useful to research, develop, make, use, sell, offer for sale, or import Protein Degraders or Protein Degrader Components or Collaboration Products, including, but not limited to, proprietary information, know-how, or materials related to the C4T Platform.

1.62 Licensed Patents. The term "**Licensed Patents**" shall mean all C4T Patent Rights that are necessary or useful to research, develop, make, use, sell, offer for sale, or import a Protein Degrader, a Protein Degrader Component or Collaboration Products. The Licensed Patents as of the Effective Date are listed on Appendix 1.62, which shall be updated on an annual basis to include new C4T Patent Rights (including adding Patent Rights which cover Protein Degraders to newly added Collaboration Targets) and to remove Patent Rights which apply solely to Collaboration Targets which have been substituted pursuant to Section 3.1.2 hereof.

1.63 Licensed Technology. The term "**Licensed Technology**" shall mean the Licensed Patents and Licensed Know-How.

1.64 Linker. The term "**Linker**" shall mean a linker connecting the Target Binding Moiety and the E3 Ligase Binding Moiety.

1.65 Major European Countries. The term "**Major European Countries**" shall mean the United Kingdom, Germany, France, Italy, and Spain, provided that if the United Kingdom splits into multiple sovereign jurisdictions without a common patent regime during the term of this Agreement, it shall cease to be considered a Major European Country for purposes of this Agreement.

1.66 Net Sales. The term "**Net Sales**" shall mean [***].

1.67 Non-Calico Protein Degrader. The term "**Non-Calico Protein Degrader**" shall have the meaning set forth in Section 2.2. The Target Binding Moiety, Linker and E3 Ligase Binding Moiety referenced in such definition are each a "**Non-Calico Protein Degrader Component**".

1.68 Party. The term "**Party**" shall mean C4T or Calico, as the case may be, and "**Parties**" shall mean C4T and Calico collectively.

1.69 Patent Controversy. The term "**Patent Controversy**" shall mean any Dispute between the Parties to the extent that it involves an issue relating to the inventorship, claim scope or interpretation, infringement, enforceability, patentability, or validity of any Patent Right hereunder, and including any such issues relevant to any prosecution activities hereunder.

1.70 Patent Rights. The term "**Patent Rights**" shall mean a claim of any pending patent application or any issued, unexpired United States or granted foreign patent that has not been dedicated to the public, disclaimed, abandoned or held invalid or unenforceable by a court or other body of competent jurisdiction from which no further appeal can be taken, and that has not been explicitly disclaimed, or admitted in writing to be invalid or unenforceable or of a scope not covering a particular product or service through reissue, disclaimer or otherwise.

1.71 Patent Term Extension. The term "**Patent Term Extension**" means an extension of the term of any issued patent, or a right of protection equivalent to such an extension, granted under the U.S. Drug Price Competition and Patent Term Restoration Act of 1984, the Supplementary Protection Certificate of the member states of the EU, or another similar law or regulation in any other country or jurisdiction.

1.72 Phase I Study. The term "**Phase I Study**" shall mean a human clinical trial in any country that would satisfy the requirements of 21 C.F.R. § 312.21(a) (FDCA), as amended from time to time, and the foreign equivalent thereof.

1.73 Phase II Study. The term "**Phase II Study**" shall mean a human clinical trial, for which the primary endpoints include a determination of dose ranges and/or a preliminary determination of efficacy in patients being studied as described in 21 C.F.R. § 312.21(b) (FDCA), as amended from time to time, and the foreign equivalent thereof.

1.74 Phase III Study. The term "**Phase III Study**" shall mean a human clinical trial that is prospectively designed to demonstrate statistically whether a product is safe and effective for use in humans in a manner sufficient to obtain regulatory approval to market such product in patients having the disease or condition being studied as described in 21 C.F.R. § 312.21(c) (FDCA), as amended from time to time, and the foreign equivalent thereof.

1.75 Protein Degrader. The term "**Protein Degrader**" shall mean, with respect to a Collaboration Target, a compound comprising (a) a Target Binding Moiety, (b) optionally, a Linker, and (c) an E3 Ligase Binding Moiety that degrades such Collaboration Target. The Target Binding Moiety, Linker and E3 Ligase Binding Moiety are each a "Protein Degrader Component".

1.76 Protein Degrader Component. The term "**Protein Degrader Component**" shall have the definition set forth in Section 1.75.

1.77 Regulatory Approval. The term "**Regulatory Approval**" shall mean all approvals (including pricing and reimbursement approvals), licenses, registrations or authorizations by Regulatory Authority, necessary for the manufacture and sale of a Collaboration Product in the Field in a regulatory jurisdiction in the Territory.

1.78 Regulatory Authority. The term "**Regulatory Authority**" shall mean any national, supranational (*e.g.*, the European Commission, the Council of the European Union, the European Medicines Agency), regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity including the FDA, in each country involved in the granting of Regulatory Approval for the Collaboration Product.

1.79 Research Plan Representative. The term "**Research Plan Representative**" shall mean, during the Research Term, for each Joint Research Plan, a single point of contact from each Party that elaborate and coordinate work under the Joint Research Plan. With the consent of the JRC, the Parties shall have the right to have multiple Research Plan Representatives.

1.80 Research Program. The term "**Research Program**" shall mean, for each Collaboration Target, the activities undertaken by the Parties pursuant to the Joint Research Plan for that Collaboration Target to identify and test Protein Degraders or a Protein Degrader Components, and such other activities as the Parties may agree in writing.

1.81 Research Term. The term "**Research Term**" shall mean the period of time in which the Joint Research Plans shall be conducted, commencing on the Effective Date and continuing for a [***] period.

1.82 Royalty Term. The term "**Royalty Term**" shall mean, with respect to a Collaboration Product and for a given country, the period of time commencing on the date of First Commercial Sale of the Collaboration Product in such country and ending on the later of the date that is (a) [***] after the date of the First Commercial Sale of the Collaboration Product in such country, or (b) the expiration of the last to expire Valid Composition of Matter Claim in such country Covering the sale of the Collaboration Product in such country. [***].

1.83 Sublicensee. The term "**Sublicensee**" shall mean an entity to which Calico has licensed rights in accordance with this Agreement and shall include entities to which direct sublicensees of Calico in turn license in accordance with this Agreement, through multiple tiers.

1.84 Target Binding Moiety. The term "**Target Binding Moiety**" shall mean a moiety that is directed to and binds to a particular Collaboration Target.

1.85 Target Evaluation Phase. The term "**Target Evaluation Phase**" shall mean each phase after which one or more Collaboration Targets have been nominated pursuant to Section 3.1.2(a), beginning not more than [***] after submission to the JRC of a research plan, (each, a "**Target Evaluation Research Plan**"), and during which C4 shall create tool compound Non-Calico Protein Degraders to such Collaboration Target to determine whether the Collaboration Target can be degraded, in accordance with Section 3.1.3 and the relevant Target Evaluation Research Plan.

1.86 Territory. The term "**Territory**" shall mean worldwide.

1.87 Third Party. The term "**Third Party**" shall mean a person or entity other than (i) C4T or any of its Affiliates or (ii) Calico or any of its Affiliates.

1.88 Third Party Collaboration Partner. The term "**Third Party Collaboration Partner**" shall mean a Third Party that has entered into an agreement with Calico to participate in research and/or development of Protein Degraders or Protein Degrader Components on a Collaboration Target pursuant to a Joint Research Plan.

1.89 US. The term "**US**" shall mean the United States of America and its territories and possessions.

1.90 US$. The term "**US$**" shall mean US dollars.

1.91 Valid Claim. The term "**Valid Claim**" shall mean [***].

1.92 Valid Composition of Matter Claim. The term "**Valid Composition of Matter Claim**" shall mean, for a given Collaboration Product in a given country of the Territory, a Valid Claim of a Licensed Patent (other than a Valid Claim of a Licensed Patent

Covering a Collaboration Invention invented solely by a Calico Group Member and assigned to C4T) or a Collaboration Product Patent (other than a Valid Claim of a Collaboration Product Patent Covering a Collaboration Product Invention invented solely by a Calico Group Member), in each case that specifically claims the composition of matter of the Collaboration Product (as opposed to its process of manufacture, use or method of treatment), or specifically claims the composition of matter of a Protein Degrader Component that is included in such Collaboration Product.

1.93 Additional Definitions. Each of the following definitions is set forth in the Section of this Agreement indicated below:

Definition	Section
Accounting Period	8.1
Alliance Director	6.7
ANDA	11.5.2
Available Target	3.1.2(a)
Bankruptcy Code	17
Breaching Party	16.2.1
C4T Indemnitees	13.1
Calico Indemnitees	13.2
Competing Product	7.7.2(a)
CPR Rules	18.6
Decision Period	11.5.2
Development Candidate Criteria	1.33
Development Event Payment	7.5
Disclosing Party	1.30
Indemnified Party	13.3
Indemnifying Party	13.3
Initial Payment	7.1
Initiating Party	11.5.3
Lead Series Criteria	1.60
Members	6.2
Net Sales Threshold	7.6
Non Breaching Party	16.2.1
Nomination Notice	3.1.2(a)
Patent Term Extensions	11.7
Peremptory Notice Period	16.2.1
Receiving Party	1.30
Sales Based Event	7.6
Settlement	11.5.3
SPCs	11.7
Suit Notice	11.5.2
Target 1	3.1.3(i)
Target 2	3.1.3(ii)
Target Evaluation Research Plan	1.85
Target Initiation Fee	7.2
Target Substitution Right	3.1.2(b)
Technology Transfer Date	3.1.8
Technology Transfer Package	3.1.8
Terminated Target	3.1.2(b)
Unavailable Target	3.1.2(a)

2. Grant of Licenses and Exclusivity

2.1 Licenses

2.1.1 C4T Research License to Calico. C4T and its Affiliates grant to Calico a non-exclusive license under Licensed Technology solely to the extent necessary to allow Calico to (i) perform its research activities, if any, under a Joint Research Plan, (ii) select and optimize Protein Degraders and Protein Degrader Components developed under a Joint Research Plan, and (iii) develop Collaboration Products including the Protein Degraders and Protein Degrader Components generated under a Joint Research Plan. This research license granted under this Section 2.1.1 may not be sublicensed to any party, other than a Third Party Collaboration Partner and its Affiliates, and then only to the extent necessary for Calico (or such Third Party Collaboration Partner or its Affiliates) to carry out its responsibilities under a Joint Research Plan, without C4T's prior written consent in its sole discretion.

2.1.2 Calico Research License to C4T. Calico hereby grants to C4T a non-exclusive license under Calico IP solely to the extent necessary to allow C4T to (i) perform its research activities under a Target Evaluation Research Plan or a Joint Research Plan, (ii) select and optimize Protein Degraders and Protein Degrader Components developed under and in accordance with a Target Evaluation Research Plan or a Joint Research Plan, and (iii) develop Collaboration Products including the Protein Degraders and Protein Degrader Components generated under and in accordance with a Target Evaluation Research Plan or a Joint Research Plan. This research license granted under this Section 2.1.2 may not be sublicensed to any Third Party without Calico's prior written consent in its sole discretion.

2.1.3 Commercial License. C4T and its Affiliates hereby grant to Calico, an exclusive, sublicenseable (in accordance with Section 2.1.5), royalty-bearing license under the Licensed Technology to make, have made, use, have used, offer to sell, have offered for sale, sell, have sold, import and have imported Collaboration Products.

2.1.4 Right to Subcontract. Calico shall have the right to subcontract its work to be performed under this Agreement without the approval of C4T. C4T shall have the right to subcontract work to be performed under this Agreement with the prior written approval of Calico, which shall not be unreasonably withheld or delayed. In each case, each Party will remain responsible to the other Party for the performance of such contracted work. C4T shall provide Calico with written notice in advance of the initiation of the subcontract. Further, the Party subcontracting the work must obtain a contract of confidentiality from the subcontractor in advance of initiation of work, which includes at least the terms of confidentiality required under this Agreement.

2.1.5 Conditions to Sublicense. Calico's right to grant a commercial sublicense under this Agreement that allows a Third Party or Third Party Collaboration Partner to make, have made, use, have used, offer to sell, have offered for sale, sell, have sold, import and have imported a Collaboration Product in the Territory shall be conditioned on the following terms. Calico shall have the right to grant sublicenses through multiple tiers without the written consent in advance by C4T. Each Sublicensee shall agree to be bound by the applicable provisions of this Agreement including without limitation Article 15 (Obligation Not to Disclose Confidential Information), Section 10.1 (C4T Right to Audit), Sections 18.1—18.3 (Other Government Laws, Patent Marking, Publicity and Use of Name). In addition, Calico shall forward to C4T a copy of the fully executed Sublicense (redacted of financial terms, the identity of Collaboration Targets and any research plans) within **[***]** of execution; provided, however, Calico shall not be required to forward copies of agreements with (i) entities which Calico (or its Sublicensee) appoints to distribute, market, or sell a Collaboration Product (with or without packaging rights) and (ii) those contract research organizations, clinical sites, investigators and manufacturing providers who provide research or development services to Calico (or its Sublicensee) with respect to a Collaboration Target or Collaboration Product. Calico shall provide the Sublicensee with a confidential redacted copy of the DFCI Agreement if, and only if, Calico reasonably believes that a license to make, have made, use, have used, offer to sell, have offered for sale, sell, have sold, import and have imported the Collaboration Product requires such license under the DFCI Agreement. The copy of the DFCI Agreement shall be provided by Calico to the Sublicensee prior to execution of the Sublicense and Calico shall obtain the written agreement of the Sublicensee to be bound by the terms of the DFCI Agreement where applicable. **[***]**

2.1.6 Compliance with the DFCI Agreement. Calico acknowledges that it has received a redacted, fully executed copy of the DFCI Agreement and agrees to be bound by the applicable terms as a sublicensee thereunder, to the extent Calico is able to determine its obligations based on such redacted copy. C4T represents that the redacted copy provided has not been modified, amended or restated prior to the Effective Date. C4T represents and warrants that the DFCI Agreement is in full force and effect in accordance with its terms, and after giving effect to this Agreement, there exist no breaches, defaults or events which would (with the giving of notice, the passage of time or both) give rise to a breach, default or other right to terminate or modify the DFCI Agreement. C4T shall timely pay in full all amounts required to be paid by C4T, and timely perform in full all obligations required to be performed by C4T, under the DFCI Agreement. Without the prior express written consent of Calico, C4T shall not (and shall take no action or make no omission to) modify or waive any provision of the DFCI Agreement that could impair the value of the licenses to Calico herein, or to terminate or have terminated the DFCI Agreement. For clarity, C4T is responsible for all payments owing under the DFCI Agreement, and Calico's payment obligations (including as partial consideration for any sublicense rights under the DFCI Agreement) are as set forth in Section 7 of this Agreement.

2.1.7 Know-How Licenses.

(a) Calico hereby grants to C4T and its Affiliates an irrevocable, royalty-free, fully paid, perpetual, non-exclusive license to use any Know-How disclosed by Calico to C4T that constitutes general information regarding a Collaboration Target or a Target Binding Moiety for C4T's internal research and development, including research and development undertaken through a contract research organization ("CRO") or third party collaborator that has agreed to be bound by obligations of (i) confidentiality no less restrictive than those that bind the parties under this Agreement, and (ii) non-use (except to support its internal research and development in accordance with its foregoing license rights); provided that, the foregoing license rights exclude any and all rights with respect to Patent Rights. During the Agreement Term, the foregoing license grant shall remain subject to the exclusivity set forth in Section 2.2.

(b) C4T and its Affiliates hereby grants to each Calico Group Member an irrevocable, royalty-free, fully paid, perpetual, non-exclusive license to use any Know-How disclosed by C4T to a Calico Group Member that constitutes general information regarding a Linker or E3 Ligase Binding Moiety for the Calico Group Member's internal research and development, including research and development undertaken through a contract research organization ("CRO") that has agreed to be bound by obligations of (i) confidentiality no less restrictive than those that bind the parties under this Agreement, and (ii) non-use (except to support its internal research and development in accordance with its foregoing license rights); provided that, the foregoing license rights exclude any and all rights with respect to Patent Rights.

2.1.8 Grantback Licenses.

(a) Calico hereby grants to C4T and its Affiliates an irrevocable, royalty-free, fully paid, perpetual, sublicensable (through multiple tiers), non-exclusive license under any Calico Grantback Claims to practice any method and to make, use, sell, offer for sale or import any product. As used herein, a "Calico Grantback Claim" means a claim of a Collaboration Patent solely owned by Calico that claims a discovery, improvement, modification, enhancement or creation to a E3 Ligase Binding Moiety (other than those that bind to Cereblon) and/or a Linker in each case delivered by C4T pursuant to a Joint Research Plan or claimed within the C4T Patent Rights that exist as of the Effective Date.

(b) C4T hereby grants to Calico and its Affiliates an irrevocable, royalty-free, fully paid, perpetual, sublicensable (through multiple tiers), non-exclusive license under any C4T Grantback Claims to practice any method and to make, use, sell, offer for sale or import any product. As used herein, a "C4T Grantback Claim" means a claim of a Collaboration Patent solely owned by C4T that claims a discovery, improvement, modification, enhancement or creation to a E3 Ligase Binding Moiety and/or a Linker in each case delivered by Calico pursuant to a Target Evaluation Research Plan or a Joint Research Plan.

2.2 Exclusivity.

With respect to a given Collaboration Target, during the Agreement Term, except to the extent required for C4T to fulfill its obligations under this Agreement, neither C4T nor its Affiliates shall (a) research, develop, make, have made, use, have used, offer for sale, have offered for sale, sell, have sold, import, have imported or otherwise exploit or commercialize any product or material that consists of a compound containing (1) a target binding moiety, (2) optionally, a linker, and (3) an E3 ligase binding moiety ("**Non-Calico Protein Degrader**") that is (i) directed against a Collaboration Target or (ii) designed to be used with (in whole or in part) a Protein Degrader for a Collaboration Target, (b) engage any Third Party(ies) to perform any of the foregoing activities on behalf of C4T or any Affiliate thereof, or (c) grant to any Third Party any right to research, develop, make, have made, use, have used, offer for sale, have offered for sale, sell, have sold, import, have imported or otherwise exploit or commercialize any product or material that consists of a Non-Calico Protein Degrader that is (i) directed against a Collaboration Target, or (ii) designed to be used with

(in whole or in part) a Protein Degrader for a Collaboration Target. In addition, C4T cannot grant rights to or fund a Third Party to do any of the foregoing. C4T, shall retain the right, either alone or with a Third Party, to research, develop, make, have made, use, have used, offer for sale, have offered for sale, sell, have sold, import, have imported or otherwise exploit or commercialize a Non-Calico Protein Degrader directed against a target that is not a Collaboration Target that also has activity against a Collaboration Target provided that C4T, either alone or with a Third Party, cannot research, develop, make, have made, use, have used, offer for sale, have offered for sale, sell, have sold, import, have imported or otherwise exploit or commercialize such Non-Calico Protein Degrader as a degrader of a Collaboration Target, nor can C4T grant rights to a Third Party to do the same. For clarity, this would prohibit C4T, either alone or with a Third Party, from (A) conducting or funding a clinical trial using such Non-Calico Protein Degrader that has as an inclusion criteria the expression of a Collaboration Target or that uses a biomarker that may predict response to a Non-Calico Protein Degrader directed against a Collaboration Target for the purposes of obtaining a label to treat such patients with a Non-Calico Protein Degrader against such Collaboration Target, and (B) marketing and/or selling such Non-Calico Protein Degrader as a Protein Degrader that has activity against such Collaboration Target, nor could C4T grant rights to a Third Party in each case of clauses (A) and (B) to do the same. If Calico substitutes a Collaboration Target pursuant to Section 3.1.2(b), then upon the date of substitution, the foregoing exclusivity shall terminate with respect to the Terminated Target. For the avoidance of doubt, but subject to the foregoing limitations, C4T has the right to use any E3 Ligase Binding Moiety or Linker that C4T Controls with any target other than a Collaboration Target.

3. Research Collaboration

3.1 Conduct of the Research Program

3.1.1 Scope. Calico and C4T shall conduct their activities pursuant to a Target Evaluation Research Plan and a Joint Research Plan as described in Appendix 1.57 for each Collaboration Target initiated by Calico. The activities conducted under the Target Evaluation Research Plan and each Joint Research Plan will be overseen by the JRC. Each Target Evaluation Research Plan and each Joint Research Plan detail the responsibilities of each Party to discover, generate, engineer and characterize Protein Degraders and Protein Degrader Components, including the timeline(s) and budget(s) for such performance.

3.1.2 Collaboration Target Selection.

(a) During the Research Term, Calico shall nominate targets for [***] Collaboration Target slots. The initial Collaboration Targets are set forth on Appendix 1.26. For remaining Collaboration Target slots, or, if applicable, for Collaboration Targets Calico subsequently elects to substitute (as set forth in Section 3.1.2(b) below), the following process will occur. Upon Calico's nomination of a proposed target by written notice to C4T (the "**Nomination Notice**") C4T will have [***] to provide a written response as to whether such target is an Available Target. An "**Available Target**" shall mean all biological targets, as described by a UniProt/SwissProt identifier, except those (i) listed on Appendix 3.1.2 ("**Unavailable Targets**") or (ii) with respect to which C4T has, as of the date Calico provides the Nomination Notice, (A) licensed or provided an option right to such target to a Third Party pursuant to an executed agreement with C4T, or (B) initiated a bona fide internal program at C4T against such target as evidenced by having synthesized a Non-

Calico Protein Degrader for such target and having an active program for such Non-Calico Protein Degrader against such target as evidenced by written records. C4T will inform Calico as to whether a target is an Available Target within [***] of when Calico submits the Nomination Notice. If the proposed target is an Available Target, then the parties shall discuss and within [***] determine whether to include such target in the collaboration based on the relative merits of such target. If there is a disagreement as to whether to add such target to the collaboration, [***] shall have the tie-breaking vote. Any target added to the collaboration under this process shall be deemed a Collaboration Target.

(b) Additionally, during the Research Term, Calico shall have the ability, at its option, to substitute Collaboration Targets if any of the following conditions apply: (i) the Parties have not initiated activities against such Collaboration Target pursuant to a Joint Research Plan, (ii) Calico Group or C4T demonstrates that it will be difficult to degrade such Collaboration Target, (iii) the parties are unable to find a suitable ligand for such Collaboration Target, (iv) data is obtained showing the Collaboration Product does not demonstrate meaningful degradation of the corresponding Collaboration Target or the Collaboration Product fails for other technical reasons to meet the Lead Series Criteria or Development Candidate Criteria as set forth in the mutually agreed to Joint Research Plan or other criteria, such as insufficient efficacy, significant toxicity or inability to achieve drug-like properties, or (v) the Parties obtain data indicating that it is no longer commercially reasonable to pursue such Collaboration Target ("**Target Substitution Right**"). Calico's proposal to substitute a target shall be discussed and agreed upon by the JRC. If Calico exercises its Target Substitution Right then it must provide a Nomination Notice pursuant to Section 3.1.2(a) above and the original named Collaboration Target (the "**Terminated Target**") shall no longer be deemed an active Collaboration Target, and the restrictions pursuant to Section 2.2 shall no longer apply to such Terminated Target.

3.1.3 Target Evaluation Phase and Research Plan Initiation. Except with respect to the commencement of the Target Evaluation Research Plans and Joint Research Plans for the first two Collaboration Targets, which are subject to clauses (i) and (ii) below, Calico shall notify C4T regarding the date Calico desires to commence work on a Target Evaluation Research Plan for a Collaboration Target, and following such notice, the Parties shall submit to the JRC a Target Evaluation Research Plan for such Collaboration Target. Within **[***]** after approval of a Target Evaluation Research Plan by the JRC, C4T shall commence degradation evaluation experiments as agreed upon by the JRC for such Collaboration Targets under such Target Evaluation Research Plan. The initial Target Evaluation Research Plan is attached hereto as Appendix 3.1.3. If C4T is able to demonstrate protein degradation for the Collaboration Targets, as determined by the JRC (pursuant to Section 6.3(iii)), Calico will have the right to select Collaboration Targets in any order and at any time and upon providing written notice to C4T, Calico will together with C4T establish Joint Research Plans (for approval by the JRC) and initiate Joint Research Plans, provided that for the first two Collaboration Targets the submission to the JRC, and initiation, of the Joint Research Plans is as follows:

(i) The Joint Research Plan for the first (1st) Collaboration Target ("**Target** 1") shall be submitted to the JRC and such Joint Research Plan will be initiated within [***] following the demonstration of successful degradation of Target 1 through the Target Evaluation Phase;

(ii) The Joint Research Plan for the second (2nd) Collaboration Target ("Target 2") shall be submitted within [***] after initiation of the first Joint Research Plan and will be initiated [***] following the demonstration of successful degradation of Target 2 through the Target Evaluation Phase.

3.1.4 FTE Commitment. During the Research Term, C4T shall provide, subject to FTE funding by Calico, (i) up to a maximum of **[***]** FTEs from the period commencing upon the initiation of the Research Term, and ending upon the achievement of the Lead Series Criteria, and (ii) up to a maximum of **[***]** FTEs during the period commencing upon the achievement of the Lead Series Criteria and ending upon the achievement of the Development Candidate Criteria, in each case per Collaboration Target for which a Joint Research Plan is initiated at the FTE Rate. In addition, C4T shall provide, subject to FTE funding by Calico, up to **[***]** FTEs per Collaboration Target for Target Evaluation Research Plans at the FTE Rate. All FTEs committed by C4T hereunder shall be fully dedicated to (i.e., solely working on) work to be performed under this Agreement unless a full FTE is not necessary; no time of any FTE working on projects other than as provided hereunder shall be credited toward C4T's commitments above. C4T shall ensure that personnel providing work under each Joint Research Plan shall have skills and expertise no less than personnel working on C4T internal projects, set forth in Article 4. Prior to using personnel on a Joint Research Plan, C4T shall provide to Calico the background and expertise of such personnel and reasonably consider Calico's input regarding the appropriateness of such personnel. The exact number of FTEs and their roles shall be discussed and agreed upon by the JRC and specified in each Joint Research Plan. Payment for such FTEs shall be made in accordance with Section 7.4. Should the Lead Series Criteria or Development Candidate Criteria, respectively, not be sufficiently met as judged by the JRC, then the Parties, via their Research Plan Representatives, shall agree on further activities under such Joint Research Plan designed to meet Lead Series Criteria or Development Candidate Criteria, respectively; *provided* that neither Party shall be obligated to incur additional expenses with respect to such further activities without their consent. However, if Calico agrees to reimburse C4T for such additional expenses, then C4T shall perform such further activities as requested by Calico.

3.1.5 Joint Research Plan. Each Joint Research Plan will set forth (i) the activities and the resources that will be dedicated, including the responsibilities of each Party, (ii) specific objectives for each year, which objectives as proposed to the JRC by the Research Plan Representatives will be approved, if appropriate, by the JRC as research progresses, and (iii) budgets for such activities; *provided* that C4T shall not be obligated to incur unfunded expenses in connection with such updated plans without its consent. The Research Plan Representatives shall review the Joint Research Plan on an ongoing basis and may amend such Joint Research Plan to reflect the updated or amended objectives and the progress made, subject to JRC written approval. Any such changes shall be reflected in written amendments to the Joint Research Plan for each Collaboration Target.

3.1.6 Responsibilities under the Joint Research Plans. Under the Joint Research Plan for a given Collaboration Target, the Parties shall closely interact on all activities. The responsibilities of the Parties shall be set forth in the Joint Research Plan.

3.1.7 Decision to Progress to Development Candidate Research. If the JRC decides that the Lead Series Criteria have been met for a particular Collaboration Target and therefore recommends initiating Lead Optimization activities as outlined in the Joint Research Plan for such Collaboration Target, then Calico shall decide whether to approve such recommendation. If Calico approves the JRC's recommendation to progress to research toward Development Candidate Criteria testing for a given Collaboration Target, then Calico shall do so in writing. If no such approval is given within [***] after the JRC meeting during which the recommendation was made, then the Agreement shall terminate with respect to such Collaboration Target.

3.1.8 Technology Transfer Package. On a Collaboration Target-by-Collaboration Target basis, within **[***]** of when the JRC determines that C4T's activities under the Joint Research Plan have been completed with respect to such Collaboration Target, C4T shall transfer to Calico all relevant data, synthetic methods, and a quantity of Protein Degrader or Protein Degrader Components related to such Collaboration Target as shall be reasonably necessary for Calico to commence further development work (together, the "**Technology Transfer Package**"). The details of the contents of the Technology Transfer Package shall be set forth in the applicable Joint Research Plan. The date of such transfer shall be the "**Technology Transfer Date**".

3.1.9 Extension. In order for the Parties to achieve the Lead Series Criteria and the Development Candidate Criteria under a JRC approved Joint Research Plan, the Research Term may be extended with written agreement of both Parties. In such case, the Parties shall negotiate in good faith the terms of any such extension.

3.1.10 Research Plan Representative. Calico and C4T shall each appoint **[***]** to establish the Joint Research Plan for each Collaboration Target and any revisions thereof for approval by the JRC, and to communicate progress of the Research Program to the other Party. The Research Plan Representatives shall meet at least **[***]** until the earlier of achievement of the Development Candidate criteria set forth in the applicable Joint Research Plan for the last Collaboration Target or expiration or termination of the Research Term. Each meeting may be via teleconference, video conference, and/or in person. The Research Plan Representatives will have no authority to amend, modify or waive compliance with this Agreement (including the Joint Research Plan).

3.2 Records; Reports

3.2.1 Reporting and Visitation. During the JRC meetings, C4T shall provide to the JRC, data and reports summarizing the status of C4T's activities under each Joint Research Plan. Upon the written request of Calico, C4T shall permit Calico, at Calico's expense, to have access during normal business hours to those records of C4T that may be necessary to verify the data that were generated under the Joint Research Plans and the basis for any payments hereunder, no more frequently than **[***]**.

3.2.2 Research Records. Each Party shall maintain records of the Research Program (or cause such records to be maintained) in sufficient detail and in good scientific manner as will properly reflect all work done and results achieved by or on behalf of such Party in the performance of the Research Program. All laboratory notebooks shall be maintained for no less than the term of any Patent Rights issuing therefrom.

4. Diligence. Calico shall use Commercially Reasonable Efforts to perform its respective activities contemplated by this Agreement or as may be agreed upon in any subsequent written agreements with respect to the subject matter hereof. Specifically, for the [***] Collaboration Targets commencing on the times set forth in Sections 3.1.3(i) and 3.1.3(ii), and for all other Collaboration Targets commencing on the date Calico notifies C4T that it is ready to begin preparing a Joint Research Plan, Calico agrees to use Commercially Reasonable Efforts to conduct research to discover and develop Protein Degraders and Protein Degrader Components and to commercialize Collaboration Products against each of such Collaboration Target(s). If Calico ceases to exercise Commercially Reasonable Efforts regarding such research, development and commercialization activities with respect to a Collaboration Target for which there was a JRC approved Joint Research Plan, C4T may terminate this Agreement with respect to such Collaboration Target in accordance with Section 16.2.1 (provided that the other Collaboration Targets and associated Joint Research Plans shall not be terminated and shall continue in accordance with this Agreement). C4T shall conduct its respective activities under each Target Evaluation Research Plan and any Joint Research Plan using the most up-to-date C4T Platform technologies and with efforts and use of personnel with skills and expertise no less than as applied to C4T internal projects or other collaborations.

5. Development, Regulatory Affairs, Manufacturing and Commercialization; Reports. Following the Technology Transfer Date, on a Collaboration Product-by-Collaboration Product basis, Calico, at its sole cost, shall be solely responsible for all pre-clinical and clinical development, regulatory affairs, manufacturing and commercialization of Collaboration Products. Additionally, following the Technology Transfer Date, on a Collaboration Product-by-Collaboration Product basis, [***], Calico shall provide [***] reports to C4T regarding Calico's progress to achieving milestones and commercial launch, including milestones related to the Development Events outlined in Section 7.5, in each case, regarding the relevant Collaboration Product.

6. Governance

6.1 Joint Research Committee. Within [***] after the Effective Date of this Agreement, the Parties shall establish a JRC to oversee the activities of each Party under the Target Evaluation Research Plans and the Joint Research Plans.

6.2 Members. The JRC shall be composed of [***] persons ("**Members**"). Calico and C4T each shall be entitled to appoint [***] Members with appropriate seniority and functional expertise, provided that for C4T Andy Phillips shall be one of the [***]Members appointed by C4T to serve on the JRC, or if Andy Phillips is no longer employed by C4T or no longer holds the title of C4T's Chief Scientific Officer, then C4T's Chief Scientific Officer shall be one of the [***] Members appointed by C4T to serve on the JRC. Each Party may replace any of its Members (except that at all times C4T's Chief Scientific Officer shall be one of C4T's Members) and appoint a person to fill the vacancy arising from each such replacement. In addition, with respect to any JRC matters for a particular Collaboration Product to a Collaboration Target that has been sublicensed by Calico to a Sublicensee, Calico may appoint personnel from such Sublicensee to have representation on the JRC by proxy. A Party that replaces a Member shall notify the other Party at least [***] prior to the next scheduled meeting of the JRC. Both Parties shall use reasonable efforts to keep an appropriate level of continuity in representation. Both Parties may invite a reasonable number of additional guests, including the Research Plan Representatives, and/or advisors to attend part or the whole JRC meeting with prior notification to the JRC. Members (other than C4's Chief Scientific Officer) may be represented at any meeting by another person designated by the absent Member. The agenda for each JRC meeting shall be set by an Alliance Director of a Party, in consultation with the JRC. Facilitation of each JRC meeting shall be done alternatively by the Calico Alliance Director and the C4T Alliance Director, with the first facilitation by the Calico Alliance Director, followed by a C4T Alliance Director, and so on.

6.3 Responsibilities of the JRC. The JRC shall have the responsibility and authority, subject to the other provisions of this Agreement, including Sections 6.6 and 6.8 below, to:

(i) recommend and approve each Target Evaluation Research Plan and each Joint Research Plan, and any revisions or amendments to the Target Evaluation Research Plans and Joint Research Plans which are to be added to Appendix 3.1.3 and Appendix 1.57, respectively, within [***] of such approval by the JRC;

(ii) establish timelines and criteria for decision points;

(iii) assess and determine whether a Collaboration Target has been successfully degraded during the Target Evaluation Phase;

(iv) assess and determine whether Lead Series Criteria and Development Candidate Criteria (as each is set forth in the applicable Joint Research Plan) has been achieved, recommend to Calico whether to progress a Lead Series to the Lead Optimization Phase for a Collaboration Target (as defined in the applicable Joint Research Plan), and other deliverables or milestones under any Joint Research Plan have been met; modify and adopt alternative Lead Series Criteria or Development Candidate Criteria on a Collaboration Target-by-Collaboration Target basis as agreed to by the JRC;

(v) recommend Initiation of GLP Tox Study for a Collaboration Product for a Collaboration Target;

(vi) oversee implementation of each Target Evaluation Research Plan and each Joint Research Plan by C4T and monitor the Parties' activities under this Agreement;

(vii) approve Calico proposals regarding Collaboration Target substitution pursuant to the Target Substitution Right;

(viii) set expectations for the Research Plan Representatives;

(ix) monitor and implement the transfer of the Protein Degraders, Protein Degrader Components and Collaboration Products to Calico; and

(x) attempt to resolve any disputes;

(xi) establish subcommittees as necessary to further the objectives of each Joint Research Plan;

The JRC shall have no responsibility and authority other than that expressly set forth in this Section 6.3.

6.4 Meetings. The Alliance Director that is facilitating the applicable JRC meeting will be responsible for sending invitations and agendas for such JRC meeting to all Members at least [***] before the next scheduled meeting of the JRC. The venue for the meetings shall be agreed by the JRC, provided that the JRC shall hold meetings at least [***], in person and alternating between San Francisco and Cambridge, and in any case as frequently as the Members of the JRC may agree shall be necessary. The Alliance Director of each Party shall attend the JRC meetings as a permanent participant.

6.5 Minutes. The Alliance Director that is facilitating the applicable JRC meeting shall record in reasonable detail and circulate draft minutes of JRC meetings to the other Alliance Director for comment and review within [***] after the relevant meeting. After such review, the minutes shall be circulated to the JRC. The Members of the JRC shall have [***] to provide comments. C4T shall incorporate timely received comments and distribute finalized minutes to all Members of the JRC within [***] of the relevant meeting. The JRC shall approve the final version of the minutes.

6.6 Decisions

6.6.1 Decision Making Authority. The JRC shall decide matters within its responsibilities as set forth in Section 6.3.

6.6.2 Consensus; Good Faith. The Members of the JRC shall act in good faith to cooperate with one another and seek agreement with respect to issues to be decided by the JRC. The Parties shall endeavor to make decisions by consensus.

6.6.3 Failure to Reach Consensus. If the JRC is unable to decide a matter by consensus, then the matter shall be escalated as set forth in Section 6.6.4.

6.6.4 Escalation. If the JRC is unable to decide a matter by consensus, then within **[***]** such matter shall be referred to the senior scientific management of both C4T and Calico (for C4T, this shall mean the CEO or CSO, and for Calico this shall mean the President of Research and Development), who together shall use reasonable and good faith efforts to reach a decision by consensus within **[***]** after the date such matter is referred to them. If the Parties still fail to reach a decision within such **[***]**, then the final decision shall be **[***]**, which shall be exercised in good faith. Any such decision shall constitute a decision of the JRC; *provided* that **[***]** decision shall not result in **[***]**.

6.7 Alliance Director. Each Party shall appoint one person to be its point of contact with responsibility for facilitating communication and collaboration between the Parties (each, an "Alliance Director"). The Alliance Directors shall be permanent participants of the JRC meetings. The Alliance Directors shall facilitate resolution of potential and pending issues and potential disputes to enable the JRC to reach consensus and avert escalation of such issues or potential disputes and to implement the Agreement and any amendments thereto.

6.8 Limitations of Authority. The JRC shall have no authority to amend or waive any terms of this Agreement.

6.9 Expenses. Each Party shall be responsible for its own expenses including travel and accommodation costs incurred in connection with the JRC.

6.10 Lifetime. The JRC shall remain in effect during the Research Term or until the completion of the last Joint Research Plan, whichever is sooner, after which Calico shall provide C4T annual reports describing the development and commercialization progress of the Collaboration Product(s) in the Territory in accordance with Section 5 and Section 8.4.

7. Payments

7.1 Initial Payment. Within [***] after the Effective Date and receipt of an invoice from C4T, Calico shall pay to C4T an initial payment ("**Initial Payment**") of [***].

7.2 Target Initiation Fees. Upon initiation of each Joint Research Plan for a Collaboration Target after successful degradation of such Collaboration Target during such Target Evaluation Phase as determined by the JRC, Calico shall pay a Collaboration Target initiation fee (each a "Target Initiation Fee") of [***], provided however that Calico shall not be required to pay any Target Initiation Fee to exercise the Target Substitution Right under Section 3.1.2(b) or initiate work on a Collaboration Target which is the substitute of a Terminated Target. For clarity, Calico may nominate up to the [***] Collaboration Targets upon the Effective Date, but the Target Initiation Fee for a Collaboration Target is only due upon the initiation of the Joint Research Plan for such Collaboration Target after Calico's selection of such Collaboration Target after the relevant Target Evaluation Phase.

7.3 Anniversary Payments. Upon each of the [***] and [***] anniversaries of the Effective Date, Calico shall pay C4T [***].

7.4 FTE Payments. Based on the budget set forth in each Joint Research Plan, Calico shall pay C4T in arrears for FTEs used by C4T in the preceding Calendar Quarter pursuant to such Joint Research Plan. C4T shall provide to Calico an invoice, on a Joint Research Plan-by-Joint Research Plan basis, setting forth the number of actual FTEs used, the FTE Rate and the amount payable. Calico shall pay such invoices within [***] after receipt of such invoice from C4T.

7.5 Development Event Payments. For each Collaboration Target, Calico shall pay C4T the following set of one-time milestone event payments for the first achievement of each of the corresponding milestone events by the first Collaboration Product for such Collaboration Target. The development event payments (each, a "**Development Event Payment**") under this Section 7.5 shall be paid as follows:

Development Event	First Collaboration Product, first Indication (US$ million)	First Collaboration Product, second Indication (US$ million)
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

Development Event	First Collaboration Product, first Indication (US$ million)	First Collaboration Product, second Indication (US$ million)
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

[***]

If development of the first Collaboration Product for a given Collaboration Target is terminated, then the next Collaboration Product shall become the first Collaboration Product for that same Collaboration Target with regard to development event payments that have yet to be achieved, and so on; provided that any milestone payments that were previously paid for such Collaboration Target (including for a Terminated Target) shall not be payable again for such Collaboration Target (or the substituted Collaboration Target). By way of example, if Calico has paid the milestone payment for achievement of Development Candidate Criteria for a Collaboration Product to Collaboration Target X, and then Collaboration Target Y is substituted for Collaboration Target X, then Calico would not owe another milestone payment for subsequent achievement of Development Candidate Criteria for a Collaboration Product to Collaboration Target Y.

Upon reaching each development event, Calico shall timely notify C4T and each Development Event Payment shall be paid by Calico to C4T within **[***]** from receipt of an invoice from C4T for the occurrence of the applicable event.

7.6 Sales Based Events. On a Collaboration Target-by-Collaboration Target basis, Calico shall pay C4T the following one-time sales-based event (each, a "**Sales Based Event**") payments for the first Collaboration Product to achieve the following levels of Net Sales ("**Net Sales Threshold**") for such Collaboration Target:

Net Sales Threshold	Payment
[***]	[***]
[***]	[***]
[***]	[***]

For each Collaboration Target, each of the Sales Based Event payments shall be paid no more than once at the first occurrence of the event for a Collaboration Product in the Territory first reaching the respective Net Sales Threshold, irrespective of whether or not the previous Sales Based Event payment was triggered by the same or by a different Collaboration Product for such Collaboration Target, and shall be paid within **[***]** after receipt of invoice from C4T after the end of the Calendar Year in which the event first occurs.

The milestone payments in the table above shall be paid in full for Collaboration Products that are Covered by a Valid Composition of Matter Claim in each of (i) the US, (ii) each of the Major European Countries, and (iii) Japan. For Collaboration Products that either (a) are not Covered by a Valid Composition of Matter Claim in each of the US, the Major European Countries and Japan or (b) with respect to which the only Valid Composition of Matter Claim for such Collaboration Product in each of the US, the Major European Countries and Japan is **[***]**, then the above milestone payments shall be reduced by **[***]**.

7.7 Royalty Payments

7.7.1 Royalty Term. Royalties shall be payable by Calico on Net Sales of Collaboration Products during the Royalty Term. Thereafter, the licenses granted to Calico shall be fully paid up, irrevocable and royalty-free worldwide.

7.7.2 Royalty Rates. Calico shall, on a Collaboration Product-by-Collaboration Product basis, pay C4T royalties on Calendar Year Net Sales of a given Collaboration Product in the Territory as follows:

Portion of Calendar Year Net Sales of a Collaboration Product:	**Rate:**
[***]	[***]
[***]	[***]
[***]	[***]

For the purpose of calculating royalties of a Collaboration Product, Calendar Year Net Sales and the royalty rates shall be subject to the following adjustments, as applicable:

(a) No Valid Composition of Matter Claim. Royalties payable for a particular Collaboration Product in a particular country shall be reduced by **[***]** if (i) there is no Valid Composition of Matter Claim Covering the sale of such Collaboration Product in such country of sale, or (ii) **[***]**. As used herein, a "**Competing Product**" means, with respect to a particular Collaboration Product, a Protein Degrader that is directed against the same Collaboration Target.

(b) Third Party Payments. If Calico is obligated to remit payments to a Third Party in relation to Third Party intellectual property that would be infringed by the making, using, selling, offering to sell, or importing of a Collaboration Product, then Calico shall have the right to deduct **[***]** of such consideration actually paid to a Third Party from payments otherwise due and payable by Calico to C4T under this Agreement; *provided* that such offsets shall not reduce amounts payable to C4T by more than **[***]** of the amount otherwise payable after reductions under Section 7.7.2(a). The Third Party intellectual property that is subject to the foregoing offset shall not include any intellectual property that is developed by a Third Party Collaboration Partner on behalf of, or in collaboration with, Calico.

7.8 Disclosure of Payments. The Parties acknowledge that one or both Parties may be obligated to disclose this financial arrangement, including all fees, payments and transfers of value, as may be advised by competent counsel or required under Applicable Law, including the US Sunshine Act. If such disclosure is advised by competent counsel or required accounting, the disclosing Party shall notify the other Party in writing not less than [***] before the disclosure.

8. Accounting and Reporting

8.1 Timing of Payments. Calico shall calculate royalties on Net Sales quarterly as of March 31, June 30, September 30 and December 31 (each being the last day of an "Accounting Period") and shall pay royalties on Net Sales within [***] after the end of each Accounting Period in which such Net Sales occur.

8.2 Late Payment. Any payment under this Agreement that is not paid on or before the date such payment is due shall bear [***] interest per annum.

8.3 Method of Payment. Royalties on Net Sales and all other amounts payable by Calico hereunder shall be paid by Calico in US dollars.

8.4 Reporting. With each payment Calico shall provide C4T in writing for the relevant Calendar Quarter on a Collaboration Product-by-Collaboration Product basis the following information:

[***]

9. Taxes. C4T shall pay all sales, turnover, income, revenue, value added, and other taxes levied on account of any payments accruing or made to C4T under this Agreement.

If provision is made in law or regulation of any country for withholding of taxes of any type, levies or other charges with respect to any royalty or other amounts payable under this Agreement to C4T (or payable by a Sublicensee to Calico), then Calico shall promptly pay (or the applicable Sublicensee shall promptly pay) such tax, levy or charge for and on behalf of C4T (or in the case of the Sublicensee, on behalf of Calico) to the proper governmental authority, and shall promptly furnish C4T with receipt of payment. Calico shall be entitled to deduct any such tax, levy or charge actually paid from royalty or other payment due C4T or be promptly reimbursed by C4T if no further payments are due to C4T. Each Party agrees to reasonably assist the other Party in claiming exemption from such deductions or withholdings under double taxation or similar agreement or treaty from time to time in force and in minimizing the amount required to be so withheld or deducted.

10. Auditing

10.1 C4T Right to Audit. Calico shall keep, and shall require its Affiliates and Sublicensees to keep, full, true and accurate books of account containing all particulars that may be necessary for the purpose of calculating all royalties payable under this Agreement. Such books of accounts shall be kept at their principal place of business. At the expense of C4T, C4T shall have the right to engage an internationally recognized independent public accountant reasonably acceptable to Calico to perform, on behalf of C4T, an audit of such books and records of Calico that are deemed necessary by the independent public accountant to report on Net Sales of Collaboration Product for the period or periods requested by C4T and the correctness of any financial report or payments made under this Agreement.

Upon timely request and at least **[***]** prior written notice from C4T, such audit shall be conducted in the countries specifically requested by the independent public accountant, during regular business hours in such a manner as to not unnecessarily interfere with Calico's normal business activities. Such audit shall be limited to results in the **[***]** prior to audit notification. Accordingly, if C4T does not request an audit of a given Calendar Year for a given country on or before the **[***]** of the end of such Calendar Year, then C4T will be deemed to have accepted the royalty payments and reports for such country in such Calendar Year.

Such audit shall not be performed more frequently than **[***]** nor more frequently than **[***]** with respect to records covering any specific period of time.

All information, data documents and abstracts herein referred to shall be used only by the auditors for the purpose of verifying royalty statements, shall be treated as Calico's Confidential Information subject to the obligations of this Agreement and need neither be retained more than **[***]** after completion of an audit hereof, if an audit has been requested; nor more than **[***]** from the end of the Calendar Year to which each shall pertain; nor more than **[***]** after the date of termination of this Agreement.

10.2 Audit Reports. The auditors shall disclose only whether the books of account calculating all royalties payable under this Agreement are correct or not, and the specific details concerning any discrepancies. No other information shall be shared. The auditors shall share all draft audit reports with the Parties before the final document is issued and either Party shall have the right to provide comments to the auditors. The final audit report shall be shared with Calico at the same time it is shared with C4T.

10.3 Over-or Underpayment. If the audit reveals an overpayment, C4T shall reimburse Calico for the amount of the overpayment within [***]. If the audit reveals an underpayment, Calico shall make up such undisputed underpayment with the next royalty payment or, if no further royalty payments are owed by Calico, Calico shall reimburse C4T for the amount of the underpayment within [***]. Calico shall pay for the audit costs if the underpayment of Calico exceeds [***] of the aggregate amount of royalty payments owed with regard to the royalty statements subject to the audit. Section 8.2 shall apply to this Section 10.3. If the amount or existence of an overpayment or underpayment under this provision is disputed, the Parties shall resolve the dispute through the procedures set forth in Section 18.4.

11. Intellectual Property

11.1 Ownership of Inventions & Prosecution and Maintenance.

11.1.1 C4T and Calico shall promptly report in writing to the other Party each Invention developed, created, conceived or reduced to practice under a Target Evaluation Research Plan or a Joint Research Plan by it or its Affiliates' or Third Party subcontractor's employees or agents (and in the Case of Calico, by a Calico Group Member) in performing any activities under a Target Evaluation Research Plan or a Joint Research Plan.

11.1.2 As between the Parties, (i) C4T shall solely own or Control all C4T Patent Rights including C4T Collaboration Patents; and (ii) Calico shall solely own or Control all Calico Patent Rights, Calico Collaboration Patents and Collaboration Product Patents. For clarity, the Parties acknowledge and agree that once Patent Rights are assigned under this Agreement by one Party to the other Party, such assignment shall remain effective

regardless of whether a Collaboration Target is subsequently terminated or substituted. C4T shall Handle all C4T Patent Rights including C4T Collaboration Patents in its sole discretion at its own cost and using prosecution counsel of its choice. Calico shall Handle all Calico Patent Rights, Calico Collaboration Patents and Collaboration Product Patents in its sole discretion at its own cost and using prosecution counsel of its choice. Calico shall promptly provide to C4T copies of all material prosecution communications regarding Collaboration Product Patents for which a C4T person is a named inventor, and will send C4T copies of drafts of such material prosecution submissions prior to filing. Calico will specifically consider all comments and suggestions provided by C4T on such material patent prosecution submissions and will use reasonable efforts to arrive at joint decisions on responses. If Calico decides to abandon or terminate its interest in any such Collaboration Product Patents in [***], it shall provide written notice to C4T no less than [***] prior to termination and give C4T the opportunity to take over, at C4T's expense, the prosecution and maintenance of such application or patent.

11.1.3 Calico, for itself and on behalf of its Affiliates, licensees and Sublicensees, and employees, subcontractors, consultants and agents of any of the foregoing, hereby assigns (and to the extent such assignment can only be made in the future hereby agrees to assign), to C4T all right, title and interest in and to C4T Collaboration Inventions and C4T Collaboration Patents and any Know-How included therein. Calico will, and will cause the foregoing persons and entities including the other Calico Group Members, to reasonably cooperate with C4T to effectuate and perfect the foregoing ownership, including by promptly executing and recording assignments and other documents consistent with such ownership, as well as cooperating in the prosecution and defense of C4T Collaboration Patents. Calico shall specifically notify any Third Party Collaboration Partners of the obligation to assign C4T Collaboration Inventions and C4T Collaboration Patents to C4T.

11.1.4 C4T, for itself and on behalf of its Affiliates, and employees, subcontractors, consultants and agents of any of the foregoing, hereby assigns (and to the extent such assignment can only be made in the future hereby agrees to assign), to Calico all right, title and interest in and to Calico Collaboration Inventions, Collaboration Product Inventions, Calico Collaboration Patents and Collaboration Product Patents and any Know-How included therein. C4T will, and will cause the foregoing persons and entities to reasonably cooperate with Calico to effectuate and perfect the foregoing ownership, including by promptly executing and recording assignments and other documents consistent with such ownership, as well as cooperating in the prosecution and defense of Calico Collaboration Patents and Collaboration Product Patents.

11.1.5 C4T and its Affiliates shall require its employees and agents to assign Joint Collaboration Inventions made by them to C4T and Calico shall require its employees and agents to assign Joint Collaboration Inventions made by them to Calico. Subject to the licenses granted under this Agreement, C4T and Calico will each have an equal undivided share in the Joint Collaboration Patents, without obligation to account to the other for exploitation thereof, or to seek consent of the other Party for the grant of any license thereunder.

11.1.6 The Parties shall determine, after good faith consultation, which Party shall Handle any Joint Collaboration Patents.

11.1.7 The Parties shall separately prosecute claims in different applications that are Joint Collaboration Patents and solely owned Patent Rights to avoid any comingling of ownership.

11.1.8 Ownership of any invention arising from any activities hereunder other than as specified above shall follow inventorship as determined pursuant to principles of United States patent law. Except as specifically set forth herein, this Agreement shall not be construed as (i) giving any of the Parties any license, right, title, interest in or ownership to the Confidential Information; (ii) granting any license or right under any intellectual property rights; or (iii) representing any commitment by either Party to enter into any additional agreement, by implication or otherwise.

11.2 Patent Coordination. The Parties shall consult no less than **[***]** regarding the Handling of C4T Patent Rights and Collaboration Product Patents. The purpose of such consultation will be to ensure, to the extent reasonable, that one Party's Handling of patent prosecution does not adversely affect the patentability of the other Party's Patent Rights. The Parties shall establish mutually agreed upon procedures for such consultation, which may be at the JRC, and shall exchange such information as may be deemed advisable to carry out the purpose of the consultation.

11.3 Trademarks and Labeling. Calico shall own all trademarks used on or in connection with Collaboration Products in the Territory, and shall, at its sole cost, be responsible for procurement, maintenance, enforcement and defense of all trademarks used on or in connection with Collaboration Products in the Territory.

Calico shall have the right to obtain the International Non-proprietary Name (INN) from the World Health Organization and the US Adopted Name (USAN) from the US Adopted Names Council (USANC) as the generic name(s) for the Collaboration Products.

11.4 CREATE Act. The Parties acknowledge that, during the course of a Target Evaluation Research Plan or a Joint Research Plan, Patent Rights may be generated with different assigning entities, which in the course of U.S. patent prosecution, may benefit from the use of the CREATE Act of 2004 (70 Fed. Reg. 177 (54259-54267) as amended by the Leahy-Smith America Invents Act of 2011 (35 U.S.C. §§ 102(b)(2)(c)). For the purpose of benefit of the Act, the Parties deem this Agreement and/or the written memorialization of transactions contemplated hereunder, to constitute a joint research program and agree that, if deemed necessary under 35 USC § 103(c)(3), to effectuate the use of the CREATE Act, as amended, to include the names of the Parties in appropriate patent applications. The Parties also acknowledge that a terminal disclaimer submitted during patent prosecution under the CREATE Act, if likewise deemed necessary under § 103(c)(3), may include a provision pursuant to Applicable Law that the assigning entity of a second-filed patent application in prosecution waives the right to separately enforce a first-filed patent application made in the course of a Target Evaluation Research Plan or a Joint Research Plan, and that a patent issuing on the second-filed application will not be enforceable if separately litigated. For clarity, a Party submitting a terminal disclaimer under the CREATE Act shall provide a copy of such terminal disclaimer to the other Party's Patent Representative.

11.5 Infringement.

11.5.1 Notice. Each Party shall promptly provide written notice to the other Party during the Agreement Term of any known infringement or suspected infringement by a Third Party of any C4T Patent Rights or any Collaboration Product Patents, and shall provide the other Party with all evidence in its possession supporting such infringement or unauthorized use or misappropriation.

11.5.2 Calico's Right to Prosecute Infringement. Within **[***]** after Calico provides or receives written notice ("**Decision Period**") of infringement of a claim of the C4T Patent Rights that Covers a Collaboration Product, Calico, in its sole discretion, shall decide whether or not it will initiate a suit or action in the affected Territory to abate such infringement or unauthorized use or misappropriation and shall notify C4T of its decision in writing ("**Suit Notice**"). If the infringement is under the Drug Price Competition and Patent Term Restoration Act of 1984 (Public Law 98-417, known as the Hatch-Waxman Act), as amended, or its equivalent in a country other than the US (the "Hatch-Waxman Act"), Calico shall decide whether it will bring suit and shall notify C4T in writing within **[***]** of receiving or providing notice of the infringement (in light of the requirement to file suit within **[***]** of receiving notice from the filer of the Hatch Waxman Abbreviated New Drug Application ("**ANDA**")).

If Calico decides to bring a suit or take action, after Calico provides Suit Notice, Calico may immediately commence such suit or take such action. In the event that Calico (i) does not in writing advise C4T within the Decision Period that Calico will commence suit or take action, or (ii) fails to commence suit or take action within a reasonable time after providing Suit Notice, C4T shall thereafter have the right to commence suit or take action in the Territory with respect to a claim of the C4T Patent Rights that Covers a Collaboration Product, and shall provide written notice to Calico of any such suit commenced or action taken by C4T.

11.5.3 Cooperation, Costs and Damages. The Party bringing suit or taking action ("Initiating Party") shall keep the other Party informed of the status of any such suit or action and shall provide the other Party with copies, to the extent the Initiating Party is lawfully permitted to do so, of all substantive documents or communications filed in such suit or action. The Initiating Party shall have the sole and exclusive right to select counsel for any such suit or action.

The Initiating Party shall, except as provided below, pay all expenses of the suit or action, including the Initiating Party's attorneys' fees and court costs. Any damages, settlement fees or other consideration received as a result of such suit or action shall be allocated as follows:

(a) First, to reimburse the Initiating Party for its costs and, if any remains, to the other Party for any advisory counsel fees and costs; and

(b) Second, the balance, if any, shall be allocated [***] to the Initiating Party, and [***] to the other Party.

If the Initiating Party believes it is reasonably necessary or desirable to obtain an effective remedy, upon written request, the other Party agrees to be joined as a party to the suit or action but shall be under no obligation to participate except to the extent that such participation is required as the result of its being a named party to the suit or action. At the Initiating Party's written request, the other Party shall offer reasonable assistance to the Initiating Party in connection therewith at no charge to the Initiating Party except for reimbursement of reasonable out-of-pocket expenses incurred by the other Party in rendering such assistance. The other Party shall have the right to participate and be represented in any such suit or action by its own counsel at its own expense.

The Initiating Party may settle, enter consent judgment or otherwise voluntarily dispose of the suit or action ("**Settlement**") without the written consent of the other Party but only if such Settlement can be achieved without adversely affecting the other Party's Patent Rights or licenses under this Agreement (including any of its Patent Rights and including by resulting in a reduction in royalties or milestones payable hereunder). If a Settlement could adversely affect the other Party's Patent Rights or licenses under this Agreement, then the written consent of the other Party shall be required.

For any patent that is not a C4T Patent Right, Calico, in its sole discretion, shall decide whether or not to initiate such suit or action in the Territory. Calico shall have full discretion as to how it wishes to handle such suit and may reach Settlement and retain all damages, settlement fees or other consideration under any terms and conditions it desires and retain whatever. However, if a Settlement could adversely affect C4T by resulting in a reduction in royalties or milestones payable hereunder, then the written consent of C4T shall be required, for such settlement.

11.6 Hatch-Waxman. If a Party receives a certification letter notifying the Party of the acceptance for filing of an ANDA for a Collaboration Product pursuant to the Hatch-Waxman Act, as amended, or its equivalent in a country other than the US, then such Party shall immediately provide the other Party with a copy of such certification.

11.7 Patent Term Extensions. The Parties shall use Commercially Reasonable Efforts to obtain all available patent term extensions, adjustments or restorations, or supplementary protection certificates ("**SPCs**", and together with patent term extensions, adjustments and restorations, "**Patent Term Extensions**") for Patent Rights which they are Handling under this Agreement; provided that Calico shall have the final say on which patent to apply for Patent Term Extension for a particular Collaboration Product. C4T shall execute such authorizations and other documents and take such other actions as may be reasonably requested by Calico to obtain such Patent Term Extensions, including designating Calico as its agent for such purpose as provided in 35 USC § 156. All filings for such Patent Term Extensions shall be made by Calico or the Sublicensee holder of the NDA. Each Party shall execute such authorizations and other documents and take such other actions as may be reasonably requested by the other Party to obtain such extensions. The Parties shall cooperate with each other in gaining patent term restorations, extensions and/or SPCs wherever applicable to such Patent Rights.

12. Representations, Warranties and Covenants

12.1 Mutual Representations. Each Party hereby represents and warrants to the other Party as of the Effective Date, and covenants, as applicable, as a material inducement for such Party's entry into this Agreement as follows:

12.1.1 Corporate Existence and Power. It is a company or corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is incorporated, and has full corporate power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as contemplated in this Agreement, including the right to grant the licenses granted by it hereunder.

12.1.2 Authority and Binding Agreement. (i) It has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder; (ii) it has taken all necessary corporate action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; and (iii) this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, and binding obligation of such Party that is enforceable against it in accordance with its terms.

12.1.3 No Conflict. It is not a party to and will not enter into any agreement that would prevent it from granting the rights or exclusivity granted or intended to be granted to the other Party under this Agreement or performing its obligations under this Agreement.

12.1.4 Bankruptcy; Insolvency. It is not aware of any action or petition, pending or otherwise, for bankruptcy or insolvency of such Party or its Affiliates or subsidiaries in any state, country or other jurisdiction, and it is not aware of any facts or circumstances that could result in such Party becoming or being declared insolvent, bankrupt or otherwise incapable of meeting its obligations under this Agreement as they become due in the ordinary course of business.

12.1.5 No Debarment. Such Party is not debarred, has not been convicted, and is not subject to debarment or conviction pursuant to Section 306 of the FD&C Act. In the course of the Research or Development of Licensed Compounds or Collaboration Products, such Party has not, to its knowledge, used prior to the Effective Date, and will not use, during the Term, any employee, consultant, agent or independent contractor who has been debarred by any Regulatory Authority, or, to such Party's knowledge, is the subject of debarment proceedings by a Regulatory Authority or has been convicted pursuant to Section 306 of the FD&C Act.

12.1.6 Compliance with Applicable Law. Each Party will comply with the Applicable Law in the course of performing its obligations or exercising its rights pursuant to this Agreement.

12.1.7 Pending Suits or Claims As of the Effective Date of this Agreement, neither C4T nor its Affiliates have received any notice of any suit or claim that would affect Calico's rights set forth in this Agreement.

12.1.8 Third Party Intellectual Property. As of the Effective Date of this Agreement, neither C4T nor its Affiliates are aware of any Third Party patent rights or other intellectual property other than DFCI Patent Rights and Know-How licensed from DFCI that would be infringed by using or practicing any materials, methods, or procedures encompassed under the C4T Platform.

12.1.9 Platform Information. As of the Effective Date of this Agreement, C4T has provided to Calico all material information and data regarding the efficacy and sufficiency of C4T's proprietary protein degrader platform for generating a Non-Calico Protein Degrader, including information and data that shows such platform's inability to generate Non-Calico Protein Degraders, provided that C4T has not disclosed any information C4T is prohibited from disclosing pursuant to any agreement between C4T and a Third Party; however, in such case C4T has at the very least informed Calico of C4T's inability to generate a protein degrader that degrades a particular target, without disclosing the identity of such target or such Third Party.

12.1.10 Licenses. All of C4T's and its Affiliates' current collaborators and licensees are obligated to assign or exclusively license to C4T (with right to grant sublicenses), all discoveries, improvements, modifications, enhancements or creations regarding any Linker and/or E3 Ligase Binding Moiety, conceived, invented, or otherwise discovered in connection with such collaborator's or licensee's collaboration with C4T or its Affiliates. C4T will use commercially reasonable efforts to ensure that all future collaborators and licensees are obligated to assign or exclusively license to C4T (with right to grant sublicenses), all discoveries, improvements, modifications, enhancements or creations regarding any Linker and/or E3 Ligase Binding Moiety conceived, invented, or otherwise discovered in connection with such collaborator's or licensee's collaboration with C4T or its Affiliates.

12.2 No Other Representations. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, THE FOREGOING REPRESENTATIONS AND WARRANTIES ARE IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF COLLABORATION PRODUCTS.

13. Indemnification

13.1 Indemnification by Calico. Subject to the remainder of this Article 13, Calico shall defend, indemnify, and hold C4T and its Affiliates, subcontractors, sublicensees and each of their respective directors, officers, employees and agents (the "**C4T Indemnitees**") harmless from and against any and all liabilities losses, expenses, costs, damages, or other amounts payable to a Third Party claimant as well as any reasonable attorneys' fees and costs of litigation incurred by such C4T Indemnitees, to the extent that such claims, suits, proceedings, or causes of action brought on behalf of such Third Party against such C4T Indemnitee that arise from or are based on **[***]**; excluding, in each case **[***]**, any damages or other amounts for which C4T has an obligation to indemnify any Calico Indemnitee pursuant to Section 13.2.

13.2 Indemnification by C4T. Subject to the remainder of this Article 13, C4T shall defend, indemnify, and hold Calico, its Affiliates, subcontractors, and Sublicensees, and its and their respective directors, officers, employees and agents (the "**Calico Indemnitees**") harmless from and against any and all liabilities, losses, expenses, costs, damages, or other amounts payable to a Third Party claimant as well as any reasonable attorneys' fees and costs of litigation incurred by such Calico Indemnitees, to the extent that such claims, suits, proceedings or causes of action brought on behalf of such Third party against such Calico Indemnitee that arise from or are based on: **[***]**; excluding, in each case **[***]** any damages or other amounts for which Calico has an obligation to indemnify any C4T Indemnitee pursuant to Section 13.1.

13.3 Procedure. In the event of a claim by a Third Party against a Party entitled to indemnification under this Agreement ("**Indemnified Party**"), the Indemnified Party shall promptly notify the other Party ("**Indemnifying Party**") in writing of the claim and the Indemnifying Party shall undertake and solely manage and control, at its sole expense, the defense of the claim and its settlement. The Indemnifying Party's obligation to defend, indemnify, and hold harmless pursuant to Section 13.1 or Section 13.2 as applicable, will be reduced to the extent the Indemnified Party's delay in providing notification pursuant to the previous sentence results in material prejudice to the Indemnifying Party; provided, however, that the failure by an Indemnified Party to give such notice or otherwise meet its obligations under this Section 13.3 will not relieve the Indemnifying Party of its indemnification obligation under this Agreement. The Indemnified Party shall cooperate with the Indemnifying Party and may, at its option and expense, be represented in any such action or proceeding by counsel of its choice. The Indemnifying Party shall not be liable for any litigation costs or expenses incurred by the Indemnified Party without the Indemnifying Party's written consent, which shall not be unreasonably withheld, delayed or conditioned. The Indemnifying Party shall not settle any such claim unless such settlement fully and unconditionally releases the Indemnified Party from all liability relating thereto, unless the Indemnified Party otherwise agrees in writing.

14. Liability

14.1 Limitation of Liability IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES OF ANY KIND ARISING FROM OR RELATING TO ANY BREACH OF THIS AGREEMENT OR ANY CLAIMS ARISING HEREUNDER, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY (WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE), REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION 14.1 IS INTENDED TO OR WILL LIMIT OR RESTRICT (A) THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF ANY PARTY UNDER SECTION 13.1 OR SECTION 13.2, (B) DAMAGES AVAILABLE IN THE CASE OF A PARTY'S FRAUD, GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, OR (C) DAMAGES AVAILABLE TO A PARTY FOR A BREACH BY THE OTHER PARTY OF THE CONFIDENTIALITY OBLIGATIONS UNDER ARTICLE 15 OR (D) DAMAGES AVAILABLE IN THE CASE OF BREACH OF EXCLUSIVITY UNDER SECTION 2.2.

15. Obligation Not to Disclose Confidential Information

15.1 Non-Use and Non-Disclosure. During the Agreement Term and for [***] thereafter, a Receiving Party shall (i) treat Confidential Information provided by Disclosing Party as it would treat its own information of a similar nature, (ii) take all reasonable precautions not to disclose such Confidential Information to Third Parties, without the Disclosing Party's prior written consent, (iii) not use such Confidential Information other than for fulfilling its obligations or exercising its rights under this Agreement, and (iv) not disclose nor permit the disclosure of Confidential Information of the Disclosing Party to any entity or person other than those among the Receiving Party's employees, contractors, and agents (which, in the case of Calico will include any actual or prospective Calico Group Member) who (a) are informed of the duties of confidentiality in this Agreement; and (b) have a need to know and receive such Confidential Information in order for the Receiving Party to perform its obligations under this Agreement.

15.2 Permitted Disclosure. Notwithstanding the obligation of non-use and non-disclosure set forth in Section 15.1, the Parties recognize the need for certain exceptions to this obligation, specifically set forth below, with respect to press releases, patent rights, publications, and certain commercial considerations.

15.3 Press Releases. The Parties will issue the press release attached hereto as Appendix 15.3 shortly after the Effective Date regarding their execution and entering into this Agreement. Such press release shall not disclose any financial terms. In addition, any additional press releases will be subject to mutual consent of both Parties.

15.4 Publications. During the Agreement Term, Calico shall have the right to publish or present information regarding Collaboration Products without the consent of C4T, and C4T shall not publish or present any information regarding Collaboration Products without the prior written consent of Calico.

15.5 Commercial Considerations. Nothing in this Agreement shall prevent a Party or its Affiliates from disclosing Confidential Information of the other Party or its Affiliates to (i) governmental agencies to the extent required to secure government approval for the development, manufacture or sale of Collaboration Product in the Territory, (ii) Third Parties acting on behalf of Calico, to the extent reasonably necessary for the development, manufacture or sale of Collaboration Product in the Territory, (iii) Third Parties requesting clinical trial data information (in accordance with Calico's then-current data sharing policy), (iv) Third Parties to the extent reasonably necessary to market the Collaboration Product in the Territory or (v) in connection with due diligence by an actual or prospective, bona-fide Third Party investor, acquirer or Sublicensee under an appropriate confidentiality agreement with confidentiality terms no less restrictive than those contained herein. The Receiving Party may disclose Confidential Information of the Disclosing Party to the extent that such Confidential Information is required to be disclosed by the Receiving Party to comply with Applicable Law, to defend or prosecute litigation or to comply with governmental regulations; provided that the Receiving Party provides prior written notice of such disclosure to the Disclosing Party and, to the extent practicable, takes reasonable and lawful actions to minimize the degree of such disclosure. In addition, C4T may provide a copy of this Agreement to DFCI, redacted of (a) financial terms, (b) the identify of Collaboration Targets and (c) the Target Evaluation Research Plans and Joint Research Plans, and may disclose the existence and terms of this Agreement to DFCI and to potential financing sources; provided that in each case such provision or disclosure is under a confidentiality agreement having terms and conditions at least as stringent as those contained in this Agreement.

16. Term and Termination

16.1 Commencement and Term. This Agreement shall commence upon the Effective Date and continue for the Agreement Term.

16.2 Termination

16.2.1 Termination for Breach. Subject to Section 4, a Party ("**Non-Breaching Party**") shall have the right to terminate this Agreement in its entirety or on a Collaboration Target-by-Collaboration Target, Collaboration Product-by-Collaboration Product or country-by-country (in the case of termination by C4T) basis in the event the other Party ("**Breaching Party**") is in breach of any of its material obligations under this Agreement. The non-Breaching Party shall provide written notice to the Breaching Party, which notice shall identify the breach and the countries in which the Non-Breaching Party intends to have this Agreement terminate. The Breaching Party shall have a period of **[***]**

after such written notice is provided ("**Peremptory Notice Period**") to cure such breach. If the Breaching Party has a bona fide dispute as to whether such breach occurred or has been cured, it will so notify the Non-Breaching Party, and the expiration of the Peremptory Notice Period shall be tolled until such dispute is resolved pursuant to Section 18.5. Upon a determination of breach or failure to cure, the Breaching Party may have the remainder of the Peremptory Notice Period to cure such breach. If such breach is not cured within the Peremptory Notice Period, then absent withdrawal of the Non-Breaching Party's request for termination, this Agreement shall terminate in its entirety, or with respect to the applicable Collaboration Target (on a Collaboration Target-by-Collaboration Target basis) or such identified countries effective as of the expiration of the Peremptory Notice Period.

16.2.2 Insolvency. A Party shall have the right to terminate this Agreement, if the other Party incurs an Insolvency Event; provided, however, in the case of any involuntary bankruptcy proceeding, such right to terminate shall only become effective if the Party that incurs the Insolvency Event consents to the involuntary bankruptcy or such proceeding is not dismissed within **[***]** after the filing thereof.

16.2.3 Discretionary Termination of Agreement by Calico. Calico may terminate this Agreement in its entirety, or on a Collaboration Target-by-Collaboration Target basis, or a country-by-country basis, in each case at will without cause **[***]** after written notice to C4T, however, Calico shall (i) reimburse C4T for all costs it has incurred up to the date of termination; and (ii) provide C4T with all inventory of starting materials, synthetic intermediates, Protein Degraders and Protein Degrader Components provided to Calico by C4T without cost.

16.3 Consequences of Termination

16.3.1 Termination by C4T for Breach by Calico. Upon any termination by C4T for breach by Calico under Section 16.2.1, the rights and licenses granted by C4T to Calico under this Agreement shall terminate in their entirety or on a Collaboration Product-by-Collaboration Product, Collaboration Target-by-Collaboration Target or country-by-country basis, as applicable, on the effective date of termination.

16.3.2 Termination by Calico for Breach by C4T or C4T Insolvency. Upon breach by C4T or C4T's Insolvency, Calico shall have the right to terminate this Agreement in accordance with Section 16.2.1, 16.2.3 or Section 16.3.2, as applicable. In such event, the rights and licenses granted by Calico to C4T and by C4T to Calico under this Agreement shall terminate in their entirety or on a Collaboration Product-by-Collaboration Product or Collaboration Target-by-Collaboration Target basis, as applicable, on the effective date of termination.

16.3.3 Direct License. Notwithstanding anything to the contrary in this Agreement, any existing, permitted sublicense granted by Calico under Section 2.1.3 of this Agreement (and any further sublicenses thereunder) shall, upon the written request of Calico, remain in full force and effect after termination of this Agreement; *provided* that (i) such Sublicensee is not then in material breach of its sublicense agreement (and, in the case of termination by C4T for breach by Calico, that such Sublicensee and any further sublicensees did not cause the breach that gave rise to the termination by C4T); and (ii) and such Sublicensee agrees to be bound to C4T under the terms and conditions of such sublicense agreement. **[***]**

16.3.4 Royalty and Payment Obligations. Except as set forth in Section 16.3.3, termination of this Agreement by Calico, for any reason, shall not release Calico from any obligation to pay royalties or make any payments to C4T that are payable after the effective date of termination until expiration of the applicable Royalty Term.

16.3.5 Termination in General. In the event of any termination by Calico, C4T shall use Commercially Reasonable Efforts to minimize any cancellable expenses after the notice of termination and to wind down activities in an expeditious manner. In the event of termination by Calico of a Collaboration Product or Collaboration Target, C4T shall use Commercially Reasonable Efforts to reassign FTEs working on such terminated Collaboration Product or Collaboration Target to another Collaboration Product or Collaboration Target to the extent possible to maximize the value of these FTEs to Calico.

16.4 Survival. Article 1 (Definitions – to the extent necessary to interpret the Agreement), Section 2.1.7 (Know-How Licenses), Section 2.1.8 (Grantback Licenses) Section 7.7 (Royalty Payments), Article 10 (Auditing); Section 11.1 (Ownership of Inventions), Article 13 (Indemnification), Article 14 (Liability), Article 15 (Obligation Not to Disclose Confidential Information), Section 16.3 (Consequences of Termination), Section 16.4 (Survival), Section 18.4 (Governing Law), and Section 18.5—18.9 (Dispute Resolution Provisions) shall survive any expiration or termination of this Agreement for any reason.

17. Bankruptcy. All licenses (and to the extent applicable rights) granted under or pursuant to this Agreement by C4T to Calico are, and shall otherwise be deemed to be, for purposes of Section 365(n) of Title 11, US Code (the "**Bankruptcy Code**") licenses of rights to "intellectual property" as defined under Section 101(60) of the Bankruptcy Code. Unless Calico elects to terminate this Agreement, the Parties agree that Calico, as a licensee or sublicensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code, subject to the continued performance of its obligations under this Agreement.

18. Miscellaneous

18.1 Other Government Laws. Calico shall comply with, and require that its Affiliates and Sublicensees comply with, all government statutes and regulations applicable to Collaboration Products. These include but are not limited to FDA statutes and regulations, the Export Administration Act of 1979, as amended, codified in 50 App. U.S.C. 2041 et seq. and the regulations promulgated thereunder or other applicable export statutes or regulations.

18.2 Patent Marking. Calico shall mark, and shall require its Sublicensees and Affiliates to mark, directly or via a mechanism such as the Orange Book, all Collaboration Products sold in the US in a manner designed to allow enforcement of the Licensed Patents Covering such Collaboration Products.

18.3 Publicity – Use of Name. Except as expressly permitted pursuant to Section 15.3, neither Party shall be permitted to use the name, or any proprietary trademarks, trade names, trade dress or logos of the other Party, or its Affiliates in any publicity, promotion, news release or public disclosure relating to this Agreement or its subject matter, without the prior express written permission of the other Party. Each Party, its Affiliates and Sublicensees shall not use the names of DFCI, its related entities or its employees, or any adaptations thereof, in any advertising, promotional or sales literature, or in any securities

report required by the Securities and Exchange Commission (except as required by law), without the prior written consent of DFCI in each case. However, each Party may (a) refer to publications in the scientific literature by employees of DFCI, (b) state that a sub-license from DFCI has been granted as provided in this Agreement and (c) post the press release mutually agreed upon pursuant to Section 15.3 on its website.

18.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws and jurisdiction of the State of New York, without reference to its conflict of laws principles, and shall not be governed by the United Nations Convention of International Contracts on the Sale of Goods (the Vienna Convention).

18.5 Disputes. Unless otherwise set forth in this Agreement, in the event of any Dispute in connection with this Agreement, such Dispute shall be referred to the respective executive officers of the Parties designated below or their designees within [***] following the identification of the Dispute, for good faith negotiations attempting to resolve the Dispute. The designated executive officers are as follows:

For C4T: President
For Calico: President of Research & Development

If the officers are unable to resolve the Dispute within **[***]**, then the Dispute may be referred to arbitration upon mutual agreement in accordance with Section 18.6 below.

18.6 Arbitration. If the Parties fail to resolve a Dispute pursuant to Section 18.5, and the Parties together agree in writing to pursue resolution of the Dispute other than a Patent Controversy by binding Arbitration, then the Dispute shall be submitted for resolution in arbitration pursuant to the then current CPR Non-Administered Arbitration Rules ("**CPR Rules**") (www.cpradr.org), except where they conflict with these provisions, in which case these provisions control.

18.6.1 The arbitration will be held in New York, New York. All aspects of the arbitration shall be treated as confidential.

18.6.2 The arbitrators will be chosen from the CPR Panel of Distinguished Neutrals, unless a candidate not on such panel is approved by both Parties. Each arbitrator shall be a lawyer with at least **[***]** experience with a law firm or corporate law department of over **[***]** lawyers or who was a judge of a court of general jurisdiction. To the extent that the Dispute requires special expertise for example, scientific or technical expertise, either Party may so inform CPR prior to the beginning of the selection process, and such criteria will be included in the selection process.

18.6.3 The arbitration tribunal shall consist of three arbitrators, of whom each Party shall designate one in accordance with the "screened" appointment procedure provided in CPR Rule 5.4, and the third arbitrator shall be selected by two arbitrators selected by the Parties. The chair will be chosen in accordance with CPR Rule 6.4.

18.6.4 If, however, the aggregate award sought by the Parties is less than **[***]** and equitable relief is not sought, a single arbitrator shall be chosen in accordance with the CPR Rules.

18.6.5 Candidates for the arbitrator position(s) may be interviewed by representatives of the Parties in advance of their selection, provided that all Parties are represented.

18.6.6 The Parties agree to select the arbitrator(s) within **[***]** days of initiation of the arbitration. The hearing will be concluded within **[***]** after selection of the arbitrator(s) and the award will be rendered within **[***]** of the conclusion of the hearing, or of any post hearing briefing, which briefing will be completed by both sides within **[***]** after the conclusion of the hearing. In the event the Parties cannot agree upon a schedule, then the arbitrator(s) shall set the schedule following the time limits set forth above as closely as practical.

18.6.7 The Parties shall have the right to conduct and enforce pre-hearing discovery in accordance with the then current Federal Rules of Civil Procedure, unless otherwise agreed by the Parties in writing.

18.6.8 The hearing will be concluded in **[***]** or less. Multiple hearing days will be scheduled consecutively to the greatest extent possible. A transcript of the testimony adduced at the hearing shall be made and shall be made available to each Party.

18.6.9 All discovery conducted pursuant to the arbitration proceedings will be subject to the then current Federal Rules of Civil Procedure, unless otherwise agreed by the Parties in writing.

18.6.10 The arbitrator(s) shall decide the merits of any Dispute in accordance with the law governing this Agreement, without application of any principle of conflict of laws that would result in reference to a different law. The arbitrator(s) may not apply principles such as “amiable compositeur” or “natural justice and equity.”

18.6.11 The arbitrator(s) are expressly empowered to decide dispositive motions in advance of any hearing and shall endeavor to decide such motions as would a United States District Court Judge sitting in the jurisdiction whose substantive law governs.

18.6.12 The arbitrator(s) shall render a written opinion stating the reasons upon which the award is based. The Parties consent to the jurisdiction of the United States District Court for the district in which the arbitration is held for the enforcement of these provisions and the entry of judgment on any award rendered hereunder. Should such court for any reason lack jurisdiction, any court with jurisdiction may act in the same fashion.

18.6.13 Each Party has the right to seek from the appropriate court provisional remedies such as attachment, preliminary injunction, replevin, etc. to avoid irreparable harm, maintain the status quo, or preserve the subject matter of the Dispute. Rule 14 of the CPR Rules does not apply to this Agreement

18.7 Patent Controversies. Notwithstanding anything in this Agreement to the contrary, any Patent Controversy shall be subject to adjudication in accordance with the Applicable Laws of the country or jurisdiction in which the relevant Patent Right is pending or has been issued. The Parties agree that the venue of any such adjudication involving a Patent Right pending in or issued by the United States shall be a U.S. Federal District Court (or appellate body, as necessary) sitting in New York, and for a Patent Right pending in or issued by any other country, any competent court having jurisdiction over the subject of the

Patent Controversy sitting in the capital of such country (or if there is not any such competent court in the capital, a location reasonably proximate to the capital), and each Party irrevocably submits to the jurisdiction of such court. Each Party agrees not to raise any objection at any time to the laying or maintaining of the venue of any action, suit or proceeding for such purpose in any such court, irrevocably waives any claim that such action, suit or other proceeding has been brought in an inconvenient forum, including any forum non conveniens argument, and further irrevocably waives the right to object, with respect to such action, suit or other proceeding, that such court does not have any jurisdiction over such Party.

18.8 Interim or Provisional Relief. Nothing in this Agreement shall preclude either Party from seeking interim or provisional relief in any court of competent jurisdiction, including a temporary restraining order, preliminary injunction or other interim equitable relief concerning a Dispute with the other Party, either prior to or during the dispute resolution procedures set forth herein, to protect the interests of such Party.

18.9 Consent to Jurisdiction. Each Party, for the purpose of enforcing an award hereunder or for seeking interim or provisional relief as contemplated herein with respect to any Disputed breach of this Agreement, agrees not to raise any objection at any time to the laying or maintaining of the venue of any action, suit or proceeding for such purpose in any such court, irrevocably waives any claim that such action, suit or other proceeding has been brought in an inconvenient forum, and further irrevocably waives the right to object, with respect to such action, suit or other proceeding, that such court does not have any jurisdiction over such Party. Each Party further agrees that service of any process, summons, notice or document by registered mail to such Party's notice address provided for in this Agreement shall be effective service of process for any action, suit or proceeding in the court with respect to any matters to which it has submitted to jurisdiction in this Section.

18.10 Assignment. Neither Party may assign its rights or obligations under this Agreement absent the prior written consent of the other Party, except to any of its Affiliates or in the context of a merger, acquisition, sale or other transaction involving all or substantially all of the assets related to this Agreement of the Party seeking to assign, in which case such Party shall assign its rights and obligations under this Agreement. Any permitted assignment shall be binding on the successors of the assigning Party.

18.11 Debarment. Each Party represents and warrants that it has never been debarred under 21 U.S.C. § 335a, disqualified under 21 C.F.R. § 312.70 or § 12.119, sanctioned by a Federal Health Care Program (as defined in 42 U.S.C § 1320a-7b(f)), including without limitation the federal Medicare or a state Medicaid program, or debarred, suspended, excluded or otherwise declared ineligible from any other similar Federal or state agency or program. In the event a Party receives notice of debarment, suspension, sanction, exclusion, ineligibility or disqualification under the above-referenced statutes, such Party shall immediately notify the other Party in writing and the notified Party shall have the right, but not the obligation, to terminate this Agreement, effective, at such Party's option, immediately or at a specified future date.

18.12 Independent Contractor. No employee or representative of either Party shall have any authority to bind or obligate the other Party to this Agreement for any sum or in any manner whatsoever or to create or impose any contractual or other liability on the other Party without said Party's prior written approval. For all purposes, and not- withstanding any other provision of this Agreement to the contrary, the legal relationship between C4T and Calico under this Agreement shall be that of independent contractor, and nothing contained in this Agreement shall be deemed or construed to create a partnership, joint venture, employment, franchise, agency or fiduciary relationship between the Parties.

18.13 Unenforceable Provisions and Severability. If any of the provisions of this Agreement are held to be void or unenforceable, then such void or unenforceable provisions shall be replaced by valid and enforceable provisions that will achieve as far as possible the economic business intentions of the Parties. However the remainder of this Agreement will remain in full force and effect.

18.14 Waiver. The failure or delay by either Party to require strict performance and/or observance of any obligation, term, provision or condition under this Agreement will neither constitute a waiver thereof nor affect in any way the right of the respective Party to require such performance and/or observance. The waiver by either Party of a breach of any obligation, term, provision or condition hereunder shall not constitute a waiver of any subsequent breach thereof or of any other obligation, term, provision or condition.

18.15 Appendices. All Appendices to this Agreement shall form an integral part to this Agreement.

18.16 Entire Understanding. This Agreement contains the entire understanding between the Parties hereto with respect to the within subject matter and supersedes any and all prior agreements, understandings and arrangements, whether written or oral.

18.17 Amendments. No amendments of the terms and conditions of this Agreement shall be binding upon either Party hereto unless in writing and signed by both Parties.

18.18 Invoices. All invoices that are required or permitted hereunder shall be in writing and sent by C4T to Calico at the following address or such other address as Calico may later provide:

Calico Life Sciences LLC
Accounts Payable
1170 Veterans Blvd
South San Francisco, CA 94080

18.19 Notice. All notices that are required or permitted hereunder shall be in writing and sufficient if delivered personally, sent by facsimile (and promptly confirmed by personal delivery, registered or certified mail or overnight courier), sent by nationally recognized overnight courier or sent by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

if to C4T, to:	C4 Therapeutics, Inc. 675 W. Kendall Street Cambridge, MA 02142 U.S.A. Facsimile No.: [ ] Attn: Thomas Needham Chief Business Officer tneedham@c4therapeutics.com
and:	Goodwin Procter LLP 100 Northern Avenue Boston, Massachusetts 02210 U.S.A. Facsimile No.: 617 801-8917 Attn: Lawrence S. Wittenberg lwittenberg@goodwinlaw.com
if to Calico, to:	Calico Life Sciences LLC 1170 Veterans Blvd South San Francisco, CA 94080 Attn: Hal Barron President of Research and Development
and:	Fenwick & West LLP 555 California Street, 13th Floor San Francisco, CA 94104 Facsimile No.: 415 281-1350 Attn: Jake Handy jhandy@fenwick.com

or to such other address as the Party to whom notice is to be given may have furnished to the other Party in writing in accordance herewith.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the Effective Date.

C4 Therapeutics, Inc.

By: /s/ Andrew J. Phillips
Name: Andrew J. Phillips, Ph.D
Title: President and Chief Scientific Officer

Calico Life Sciences LLC

By: /s/ Hal Barron
Name: Hal Barron
Title: President of R&D

[Signature Page to License Agreement]

Appendix 1.26

Collaboration Targets

[Omitted]

Appendix 1.57

Joint Research Plan

[Omitted]

Appendix 1.62

Licensed Patents

[Omitted]

Appendix 3.1.3

Target Evaluation Research Plan

[Omitted]

Appendix 15.3

Press Release

[Omitted]

Exhibit 10.8

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND REPLACED WITH "[***]". SUCH IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF DISCLOSED.

CREDIT AGREEMENT AND GUARANTY

DATED AS OF

JUNE 5, 2020

AMONG

C4 THERAPEUTICS, INC.,
AS THE BORROWER,

THE GUARANTORS FROM TIME TO TIME PARTY HERETO,
AS GUARANTORS

THE LENDERS FROM TIME TO TIME PARTY HERETO,
AS LENDERS

AND

PERCEPTIVE CREDIT HOLDINGS III, LP,
AND ITS SUCCESSORS AND ASSIGNS PARTY HERETO,
AS ADMINISTRATIVE AGENT AND AS A LENDER

$20,000,000

TABLE OF CONTENTS

CREDIT AGREEMENT AND GUARANTY, dated as of June 5, 2020 (this *"Agreement"*), among C4 THERAPEUTICS, INC., a Delaware corporation (the *"Borrower"*), certain Guarantors from time to time parties hereto, PERCEPTIVE CREDIT HOLDINGS III, LP, a Delaware limited partnership (*"Perceptive"*), as a lender (together with its successors and assigns party hereto pursuant to Section 13.05, the *"Lenders"* and each a *"Lender"*) and as administrative agent for the Lenders (in such capacity, together with its successors and assigns, the *"Administrative Agent"*).

WITNESSETH:

The Borrower has requested the Lenders to make term loans to the Borrower, and the Lenders are prepared to make such loans on and subject to the terms and conditions hereof. Accordingly, the parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Certain Defined Terms. As used herein, the following terms have the following respective meanings:

"Accounting Change" has the meaning set forth in Section 1.02.

"Accounting Change Notice" has the meaning set forth in Section 1.02.

"Acquisition" means any transaction, or any series of related transactions, by which any Person directly or indirectly, by means of a take-over bid, tender offer, amalgamation, merger, purchase of assets, or similar transaction having the same effect as any of the foregoing, (a) acquires all or substantially all of the assets of any Person engaged in any business, (b) acquires all or substantially all of a business line or unit or division of any other Person, (c) acquires control of securities of a Person engaged in a business representing more than 50% of the ordinary voting power (determined on a fully-diluted basis) for the election of directors or other governing body if the business affairs of such Person are managed by a board of directors or other governing body, or (d) acquires control of more than 50% of the ownership interest (determined on a fully-diluted basis) in any Person engaged in any business that is not managed by a board of directors or other governing body.

"Act" has the meaning set forth in Section 13.16.

"Administrative Agent" has the meaning set forth in the introduction hereto.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Agreement" has the meaning set forth in the introduction hereto.

"Anti-Corruption Laws" means all laws, rules and regulations of any jurisdiction applicable to the Obligors and their Affiliates concerning or relating to bribery or corruption, including, without limitation, the Foreign Corrupt Practices Act of 1977, as amended.

"Anti-Terrorism Laws" means any laws or regulations relating to terrorism or money laundering, including, without limitation the *Bank Secrecy Act* (31 U.S.C. §§ 5311 *et seq.*), the *Money Laundering Control Act of 1986* (18 U.S.C. §§ 1956 *et seq.*), the USA Patriot Act and any similar law enacted in the United States after the date of this Agreement.

"Applicable Margin" means 9.50% per annum, as such percentage may be increased by Section 3.02(d).

"Approved Fund" has the meaning set forth in Section 13.05(c).

"Asset Sale" has the meaning set forth in Section 9.09.

"Assignment Agreement" means an assignment and assumption entered into by a Lender and an assignee of such Lender in substantially the form of Exhibit E.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy".

"Benefit Plan" means any employee benefit plan as defined in Section 3(3) of ERISA to which any Obligor or Subsidiary thereof incurs or otherwise has any obligation or liability, contingent or otherwise.

"Borrower" has the meaning set forth in the introduction hereto.

"Borrowing" means a borrowing consisting of the Tranche A Term Loan made by the Lenders on the Closing Date or the Tranche B Term Loan made by the Lenders on the Tranche B Term Loan Borrowing Date.

"*Borrowing Notice*" means a notice substantially in the form attached hereto as Exhibit I.

"Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are not authorized or not required to close in New York City and, when determined in connection with notices and determinations in respect of LIBOR or any Term Loan or any funding, Interest Period or any payments in respect of the Term Loans, that is also a day on which dealings in dollar deposits are carried on in the London interbank market.

"Capital Lease Obligations" means, as to any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) real and/or personal Property which obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under GAAP and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined substantially in accordance with GAAP; *provided* that any obligations that were not required to be included on the balance sheet of such Person as capital lease obligations when incurred (whether now outstanding or at any time incurred or entered into) but are subsequently re-characterized as capital lease obligations due to a change in accounting rules under GAAP after the Closing Date shall for all purposes hereunder not be treated as a Capital Lease Obligation.

"Casualty Event" means any actual or constructive loss, condemnation, destruction, confiscation, requisition, seizure or forfeiture of all or any material portion of the assets of the Borrower or any other Obligor, excluding only those assets, individually or in the aggregate, subject to any such event during any calendar year with a fair market value as of the date thereof equal to or less than $500,000.

"Change of Control" means (a) prior to a Qualified Public Offering, any "person" or "group" (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the date hereof), other than the Permitted Investors, shall own, directly or indirectly, beneficially or of record, shares representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of Borrower, (b) after a Qualified Public Offering, any "person" or "group" (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the date hereof) shall own, directly or indirectly, beneficially or of record, shares representing more than 45% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of Borrower, (c) during any period of twelve (12) consecutive calendar months, the occupation of a majority of the seats (other than vacant seats) on the board of directors of Borrower by Persons who were neither (i) nominated by the board of directors of Borrower, nor (ii) appointed by directors on the board of directors on the Closing Date, or (d) Borrower shall cease to directly own, beneficially and of record, 100% of the issued and outstanding Equity Interests of each Subsidiary (determined on a fully diluted basis).

"Claims" includes claims, litigation, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions, information (brought by a public prosecutor without grand jury indictment) or other similar processes, assessments or reassessments.

"Closing Date" means the date hereof.

"Closing Fee" has the meaning set forth in Section 2.03.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means any Property in which a Lien is purported to be granted under any of the Security Documents (or all such Property, as the context may require).

"Collateral Questionnaire" means that certain Collateral Questionnaire and certification by a Responsible Officer of the Borrower substantially in the form of attached hereto as Exhibit H.

"Commitment" means, with respect to each Lender, such Lender's Tranche A Term Loan Commitment and Tranche B Term Loan Commitment, and *"Commitments"* means all such commitments of all Lenders. The aggregate amount of the Commitments as of the Closing Date is $20,000,000.

"Commodity Account" has the meaning set forth in the Security Agreement.

"*Competitor*" means any Person that is a bona fide direct competitor of any Obligor in the same industry or a substantially similar industry which offers a substantially similar product or service as any Obligor; *provided* that no Lender or Affiliate of a Lender shall be deemed to be a direct competitor of any Obligor as a result of such Lender or Affiliate of such Lender being an investor in, owning or managing a business that may be a competitor of any Obligor.

"Compliance Certificate" has the meaning set forth in Section 8.01(d).

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Contract Manufacturer" means each third party contract manufacturer or development partner involved in the development, manufacture or distribution of a Product.

"Contracts" means any contract, license, instrument, lease, agreement, obligation, promise, undertaking, understanding, arrangement, document, commitment, entitlement or engagement under which a Person has, or will have, any liability or contingent liability (in each case, whether written or oral, expressed or implied, and whether in respect of monetary or payment obligations, performance obligations or otherwise), excluding the Loan Documents.

"Control" means, with respect to any particular Person, the possession by one or more other Persons, directly or indirectly, of the power to direct or cause the direction of the management or policies of such particular Person, whether through the ability to exercise voting power, by contract or otherwise. *"Controlling"* and *"Controlled"* have meanings correlative thereto.

"Controlled Account" has the meaning set forth in Section 8.17(a).

"Copyrights" has the meaning set forth in the Security Agreement.

"Default" means any Event of Default and any event that, upon the giving of notice, the lapse of time or both, would constitute an Event of Default.

"Default Rate" has the meaning set forth in Section 3.02(d).

"Deposit Account" has the meaning set forth in the Security Agreement and relates to such accounts located and/or maintained in the United States of America.

"Designated Person" means a person or entity:

(a) listed in the annex to, or otherwise targeted by the provisions of, the Executive Order (as disclosed by World-Check or another reputable commercially available database);

(b) named as a "Specially Designated National and Blocked Person" on the most current list published by OFAC at its official website or any replacement website or other replacement official publication of such list (as disclosed by World-Check or another reputable commercially available database); or

(c) with which the Lenders are prohibited from dealing or otherwise engaging in any transaction by any Economic Sanctions Laws.

"Disqualified Equity Interests" means, with respect to any Person, any Equity Interest of such Person that, by its terms (or by the terms of any security or other Equity Interest into which it is convertible or for which it is exchangeable upon exercise or otherwise), or upon the happening of any event or condition (i) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), including pursuant to a sinking fund obligation or otherwise, (ii) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part, (iii) provides for the scheduled payments of dividends or other distributions in cash or other securities that would constitute Disqualified Equity Interests, or (iv) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is one hundred and eighty (180) days after the Stated Maturity Date; *provided* that, if such Equity Interests are issued pursuant to any plan for the benefit of directors, officers, employees or consultants of such Person or by any such plan to such directors, officers, employees or consultants, such Equity Interests shall not constitute Disqualified Equity Interests solely because they may be required to be repurchased by such Person upon the death, disability, retirement or termination of employment or service of such director, officer, employee or consultant.

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of the United States, any state thereof or the District of Columbia.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Economic Sanctions Laws" means:

(a) the Executive Order, the *International Emergency Economic Powers Act* (50 U.S.C. §§ 1701 *et seq.*), the *Trading with the Enemy Act* (50 U.S.C. App. §§ 1 *et seq.*), any other law or regulation promulgated thereunder from time to time and administered by OFAC and any similar law enacted in the United States after the date of this Agreement; and

(b) any other similar applicable law now or hereafter enacted in any other applicable jurisdiction.

"Environmental Law" means any federal, state, provincial or local governmental law, rule, regulation, order, writ, judgment, injunction or decree relating to pollution or protection of the environment or the treatment, storage, disposal, release, threatened release or handling of hazardous materials, and all local laws and regulations related to environmental matters and any specific agreements entered into with any competent authorities which include commitments related to environmental matters.

"Equity Interest" means, with respect to any Person, any and all shares, interests, participations or other equivalents, including membership interests (however designated, whether voting or nonvoting), of equity of such Person, including, if such Person is a partnership, partnership interests (whether general or limited) and any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of property of, such partnership, but excluding debt securities convertible or exchangeable into such equity.

"ERISA" means the United States Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means, collectively, any Obligor, Subsidiary thereof, and any Person under common control, or treated as a single employer, with any Obligor or Subsidiary thereof, within the meaning of Section 414(b), (c), (m) or (o) of the Code.

"ERISA Event" means (i) a reportable event as defined in Section 4043 of ERISA with respect to a Title IV Plan, excluding, however, such events as to which the PBGC by regulation has waived the requirement of Section 4043(a) of ERISA that it be notified within thirty (30) days of the occurrence of such event; (ii) the applicability of the requirements of Section 4043(b) of ERISA with respect to a contributing sponsor, as defined in Section 4001(a)(13) of ERISA, to any Title IV Plan where an event described in paragraph (9), (10), (11), (12) or (13) of Section 4043(c) of ERISA is reasonably expected to occur with respect to such plan within the following thirty

(30) days; (iii) a withdrawal by any Obligor or any ERISA Affiliate thereof from a Title IV Plan or the termination of any Title IV Plan resulting in liability under Sections 4063 or 4064 of ERISA; (iv) the withdrawal of any Obligor or any ERISA Affiliate thereof in a complete or partial withdrawal (within the meaning of Section 4203 and 4205 of ERISA) from any Multiemployer Plan if there is any potential liability therefore, or the receipt by any Obligor or any ERISA Affiliate thereof of notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA; (v) the filing of a notice of intent to terminate, the treatment of a plan amendment as a termination under Section 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Title IV Plan or Multiemployer Plan; (vi) the imposition of liability on any Obligor or any ERISA Affiliate thereof pursuant to Sections 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (vii) the failure by any Obligor or any ERISA Affiliate thereof to make any required contribution to a Plan, or the failure to meet the minimum funding standard of Section 412 of the Code with respect to any Title IV Plan (whether or not waived in accordance with Section 412(c) of the Code) or the failure to make by its due date a required installment under Section 430 of the Code with respect to any Title IV Plan or the failure to make any required contribution to a Multiemployer Plan; (viii) the determination that any Title IV Plan is considered an at-risk plan or a plan in endangered to critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; (ix) an event or condition which might reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Title IV Plan or Multiemployer Plan; (x) the imposition of any liability under Title I or Title IV of ERISA, other than PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Obligor or any ERISA Affiliate thereof; (xi) an application for a funding waiver under Section 303 of ERISA or an extension of any amortization period pursuant to Section 412 of the Code with respect to any Title IV Plan; (xii) the occurrence of a non-exempt prohibited transaction under Sections 406 or 407 of ERISA for which any Obligor or any Subsidiary thereof may be directly or indirectly liable; (xiii) a violation of the applicable requirements of Section 404 or 405 of ERISA or the exclusive benefit rule under Section 401(a) of the Code by any fiduciary or disqualified person for which any Obligor or any ERISA Affiliate thereof may be directly or indirectly liable; (xiv) the occurrence of an act or omission which could give rise to the imposition on any Obligor or any ERISA Affiliate thereof of fines, penalties, Taxes or related charges under Chapter 43 of the Code or under Sections 409, 502(c), (i) or (1) or 4071 of ERISA; (xv) the assertion of a material claim (other than routine claims for benefits) against any Plan or the assets thereof, or against any Obligor or any Subsidiary thereof in connection with any such plan; (xvi) receipt from the IRS of notice of the failure of any Qualified Plan to qualify under Section 401(a) of the Code, or the failure of any trust forming part of any Qualified Plan to fail to qualify for exemption from taxation under Section 501(a) of the Code; (xvii) the imposition of any lien (or the fulfillment of the conditions for the imposition of any lien) on any of the rights, properties or assets of any Obligor or any ERISA Affiliate thereof, in either case pursuant to Title I or IV, including Section 302(f) or 303(k) of ERISA or to Section 401(a)(29) or 430(k) of the Code; or (xviii) the establishment or amendment by any Obligor or any Subsidiary thereof of any "welfare plan," as such term is defined in Section 3(1) of ERISA, that provides post-employment welfare benefits in a manner that would increase the liability of any Obligor, other than those benefits required under the Consolidated Omnibus Budget Reconciliation Act.

"ERISA Funding Rules" means the rules regarding minimum required contributions (including any installment payment thereof) to Title IV Plans, as set forth in Sections 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Event of Default" has the meaning set forth in Section 10.01.

"Excess Funding Guarantor" has the meaning set forth in Section 11.08.

"Excess Payment" has the meaning set forth in Section 11.08.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Accounts" means deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of the employees of the Borrower and its Subsidiaries and deposit accounts holding in trust funds not owned by Borrower or its Subsidiaries.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes in each case (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of a Lender, its applicable lending office located in, the jurisdiction imposing such Tax or (ii) that are Other Connection Taxes, (b) any U.S. federal withholding Taxes that are imposed on amounts payable to Lender to the extent that the obligation to withhold amounts existed on the date that (i) Lender became a "Lender" under this Agreement or (ii) Lender changes its lending office, except in each case to the extent Lender is a direct or indirect assignee of any other Lender that was entitled, at the time the assignment of such other Lender became effective, to receive additional amounts under Section 5.03 or Lender was entitled to receive additional amounts under Section 5.03 immediately before it changed its lending office, (c) any Taxes imposed in connection with FATCA, and (d) Taxes attributable to such Recipient's failure to comply with Section 5.03(e).

"Executive Order" means the US Executive Order No. 13224 on Blocking Property and Prohibiting Transactions with Persons who commit, Threaten to Commit, or Support Terrorism.

"Expense Deposit" means a cash deposit in the amount of $50,000 made by the Borrower to an Affiliate of Perceptive Advisors LLC pursuant to the Proposal Letter for the prepayment of the Lenders' reasonable and documented out-of-pocket costs and expenses (payable pursuant to Section 13.03(a) and/or the Proposal Letter) incurred prior to the Closing Date.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities entered into in connection with the implementation of the foregoing.

"FD&C Act" means the U.S. Food, Drug and Cosmetic Act of 1938 (or any successor thereto), as amended from time to time, and the rules, regulations, guidelines, guidance documents and compliance policy guides issued or promulgated thereunder.

"FDA" means the U.S. Food and Drug Administration and any successor entity.

"FDA Laws" means (i) the FD&C Act and its implementing regulations; (ii) the Federal Controlled Substances Act and its implementing regulations; (iii) the Controlled Substances Import and Export Act and its implementing regulations; (iv) all terms and conditions of any pending or approved Product Authorization; (v) any state board of pharmacy Laws; (vi) any state Laws pertaining the possession, distribution, or use of controlled substances; (vii) any other applicable Laws of any jurisdiction governing the research, development and approval, testing, manufacturing, processing, handling, packaging, labeling, storage, advertising, promotion, marketing, sale and distribution of drugs, medical devices or "combination products" (as defined at 21 CFR 3.2); and (viii) all other applicable Laws administered or issued by the FDA.

"Federal Health Care Program" has the meaning specified in Section 1128B(f) of the Social Security Act and includes the programs commonly known as Medicare, Medicaid, TRICARE and CHAMPVA.

"Financial Forecast" has the meaning set forth in Section 8.01(i)

"Foreign Lender" means a Lender that is not a U.S. Person.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"GAAP" means generally accepted accounting principles in the United States of America, as in effect from time to time, set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants, in the statements and pronouncements of the Financial Accounting Standards Board and in such other statements by such other entity as may be in general use by significant segments of the accounting profession that are applicable to the circumstances as of the date of determination. Subject to Section 1.02, all references to "GAAP" shall be to GAAP applied consistently with the principles used in the preparation of the financial statements described in Section 7.04(a).

"Governmental Approval" means any consent, authorization, approval, order, license, franchise, permit, certification, accreditation, registration, clearance, exemption, filing or notice that is issued or granted by or from (or pursuant to any act of) any Governmental Authority, including any application or submission related to any of the foregoing.

"Governmental Authority" means any nation, government, branch of power (whether executive, legislative or judicial), state, municipality or other political subdivision thereof and any entity exercising executive, legislative, judicial, monetary, regulatory or administrative functions of or pertaining to government, including without limitation Regulatory Authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, courts, bodies, boards, tribunals and dispute settlement panels, and other law-, rule- or regulation-making organizations or entities of any State, territory, county, city or other political subdivision of the United States or any foreign country.

"Guarantee" of or by any Person (the *"guarantor"*) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the *"primary obligor"*) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; *provided,* that the term Guarantee shall not include endorsements for collection or deposit in the Ordinary Course of Business.

"Guarantee Assumption Agreement" means a Guarantee Assumption Agreement substantially in the form of Exhibit A by an entity that, pursuant to Section 8.11(a), is required to become a "Guarantor".

"Guaranteed Obligations" has the meaning set forth in Section 11.01.

"Guarantor" means, (i) initially, each of the Subsidiaries of the Borrower listed as a Guarantor on the signature pages hereto and (ii) any other Subsidiary of the Borrower joined as a Guarantor from time to time pursuant to Section 8.11. For the avoidance of doubt, there are no Guarantors as of the Closing Date.

"Hazardous Material" means any substance, element, chemical, compound, product, solid, gas, liquid, waste, by-product, pollutant, contaminant or material which is hazardous or toxic, and includes, without limitation, (a) asbestos, polychlorinated biphenyls and petroleum (including crude oil or any fraction thereof) and (b) any material classified or regulated as "hazardous" or "toxic" or words of like import pursuant to an Environmental Law.

"Healthcare Laws" means, collectively, all Laws applicable to the business of the Borrower or any other Obligor regulating the manufacturing, sale, distribution, labeling, marketing, promotion, export, or the provision of and payment for, health care products (including the Products), items and services, including but not limited to (i) all applicable Laws relating to the privacy or security of consumer information, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (Pub. L. No. 104-191) (*"HIPAA"*) and any similar state

laws; (ii) all applicable federal and state fraud and abuse Laws, including but not limited to the federal Anti-Kickback Statute (42 U.S.C. §1320a-7b(b) and any similar state laws), the federal Physician Self-Referral Prohibition (commonly referred to as the *"Stark Law"*) (42 U.S.C. § 1395nn and any similar state laws), the Civil Monetary Penalties Act (42 U.S.C. §1320a-7a), and the civil False Claims Act (31 U.S.C. §3729 *et seq.* and any similar state laws); (iii) all applicable FDA Laws; (iv) the licensure and registration of drug or device manufacturers; and (v) all applicable rules and regulations promulgated under or pursuant to any of the foregoing.

"Hedging Agreement" means any interest rate exchange agreement, foreign currency exchange agreement, commodity price protection agreement or other interest or currency exchange rate or commodity price hedging arrangement.

"IND" means (x) an Investigational New Drug Application (as defined in the FD&C Act) that is required to be submitted to the FDA before beginning a clinical trial in human subjects, and (y) any similar application relating to any investigational new drug or clinical trial required by any country, jurisdiction or Governmental Authority other than the FDA.

"Indebtedness" of any Person means, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or similar instruments, (iii) all obligations of such Person upon which interest charges are customarily paid, (iv) all obligations of such Person under conditional sale or other title retention agreements relating to Property acquired by such Person, (v) all obligations of such Person in respect of the deferred purchase price of Property or services (excluding accounts payable incurred in the Ordinary Course of Business not overdue by more than one hundred twenty (120) days), (vi) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on Property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (vii) all Guarantees by such Person of Indebtedness of others, (viii) all Capital Lease Obligations of such Person, (ix) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (x) obligations under any Hedging Agreement, currency swaps, forwards, futures or derivatives transactions, (xi) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances, and (xii) any Disqualified Equity Interests of such Person, and (xiii) all other obligations required to be classified as indebtedness of such Person under GAAP. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Indemnified Party" has the meaning set forth in Section 13.03(b).

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any Obligation and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Information" has the meaning set forth in Section 13.17.

"Insolvency Proceeding" means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshaling of assets for creditors, or other, similar arrangement in respect of any Person's creditors generally or any substantial portion of such Person's creditors, in each case undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code.

"Intellectual Property" means, with respect to any Person, all of such Person's rights, title and interest in and to all Patents, Trademarks, Copyrights, industrial designs, Technical Information, whether registered or not and whether existing under U.S. or non-U.S. Law or jurisdiction, including, without limitation, all:

(a) applications, registrations, amendments and extensions relating to such Intellectual Property;

(b) rights and privileges arising under any applicable Laws with respect to any Intellectual Property;

(c) rights to sue for or collect any damages for any past, present or future infringements of any Intellectual Property; and

(d) rights of the same or similar effect or nature as described above in any jurisdiction corresponding to any Intellectual Property throughout the world.

"Interest Period" means, (a) initially, the period beginning on (and including) the Closing Date and ending on (and including) the last day of the calendar month in which the Closing Date occurs, and (b) thereafter, the period beginning on (and including) the first day of each succeeding calendar month and ending on the earlier of (and including) (x) the last day of such calendar month and (y) the Maturity Date.

"Invention" means any novel, inventive or useful art, apparatus, method, process, machine (including any article or device), manufacture or composition of matter, or any novel, inventive and useful improvement in any art, method, process, machine (including any article or device), manufacture or composition of matter.

"Investment" means, for any Person: (a) the acquisition (whether for cash, Property, services or securities or otherwise) of Equity Interests, bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person or any agreement to make any such acquisition (including any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such sale); (b) the making of any deposit with, or advance, loan, assumption of debt or other extension of credit to, any other Person (including the purchase of Property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such Property to such Person), but excluding any such advance, loan or extension of credit in the nature of an ordinary course trade receivable having a term not exceeding one hundred twenty (120) days arising in connection with the sale of services, inventory or supplies by such Person in the Ordinary Course of Business; (c) the entering into of any Guarantee of, or

other contingent obligation with respect to, Indebtedness or other liability of any other Person and (without duplication) any amount committed to be advanced, lent or extended to such Person; (d) entering into any joint venture or (e) the entering into of any Hedging Agreement. The amount of an Investment will be determined at the time the Investment is made without giving effect to any subsequent changes in value.

"IRS" means the U.S. Internal Revenue Service or any successor agency, and to the extent relevant, the U.S. Department of the Treasury.

"Laws" means, collectively, all international, foreign, federal, state, provincial, territorial, municipal and local statutes, treaties, rules, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lenders" has the meaning set forth in the introduction hereto.

"LIBOR" means, for any Interest Period, the rate per annum (rounded upwards if necessary, to the next 1/100%) equal to the London interbank offered for one-month deposits in Dollars appearing on the appropriate Bloomberg screen or the Dow Jones Markets Telerate Page 3750 as of 11:00 a.m. (London time) two (2) Business Days prior to the commencement of any Interest Period; *provided*, that in the event that such rate does not appear on the appropriate Bloomberg screen or the Dow Jones Markets Telerate Page 3750 (or otherwise on the Dow Jones Markets screen) at such time, "LIBOR" shall be determined by reference to such other comparable publicly available service for displaying the offered rate for deposit in Dollars in the London interbank market as may be selected by the Majority Lenders; *provided*, *further*, that in no event shall LIBOR be less than 1.75%.

"Lien" means any mortgage, lien, pledge, charge or other security interest, or any lease, title retention agreement, mortgage, restriction, easement, right-of-way, option or adverse claim (of ownership or possession) or other encumbrance of any kind or character whatsoever or any preferential arrangement that has the practical effect of creating a security interest.

"Loan Documents" means, collectively, this Agreement, the Notes, the Security Documents, any Guarantee Assumption Agreement, each Warrant and any subordination agreement, intercreditor agreement or other present or future document, instrument, agreement or certificate delivered to any Lender in connection with this Agreement or any of the other Loan Documents, in each case, as amended, restated, supplemented or otherwise modified.

"Loan Exposure" means, with respect to any Lender, as of any date of determination, the outstanding principal amount of such Lender's portion of the Term Loans; *provided,* at any time prior to the making of the Term Loans, the Loan Exposure of any Lender shall be equal to such Lender's Commitment.

"Loss" means judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any Claim or any proceeding relating to any Claim.

"M&A Event" means, (a) a merger, consolidation or exchange in which (i) the Borrower is a constituent party or (ii) a Subsidiary of the Borrower is a constituent party and the Borrower issues shares of its Equity Interests pursuant to such merger, consolidation or exchange, *except for* any such merger, consolidation or exchange involving the Borrower or a Subsidiary in which the shares of Equity Interests of the Borrower outstanding immediately prior to such merger, consolidation or exchange continue to represent, or are converted into or exchanged for shares of Equity Interests that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the Equity Interests of (x) the surviving or resulting company; or (y) if the surviving or resulting company is a wholly owned Subsidiary of another entity immediately following such merger, consolidation or exchange, the parent entity of such surviving or resulting company; or (b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Borrower of all or substantially all the assets of the Borrower and its Subsidiaries, taken as a whole, or the sale or disposition (whether by merger, consolidation or otherwise) of one or more Subsidiaries of the Borrower if substantially all of the assets of the Borrower and its Subsidiaries, taken as a whole, are held by such Subsidiary or Subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned Subsidiary of the Borrower.

"Majority Lenders" means, at any time, one or more Lenders having or holding Loan Exposure and representing more than 50% of the aggregate Loan Exposure of all Lenders.

"Margin Stock" means "margin stock" within the meaning of Regulations U and X.

"Material Adverse Change" and *"Material Adverse Effect"* mean a material adverse change in or effect on (a) the business, financial condition, operations, or Property of the Obligors taken as a whole, (b) the ability of any Obligor to perform its obligations under any Loan Document, (c) the value of the Property comprising Collateral (taken as a whole), or (d) the legality, validity, binding effect or enforceability of the Loan Documents or the rights and remedies of any Lender under any of the Loan Documents.

"Material Agreement" means (a) any Contract which is listed in Schedule 7.14, (b) any other Contract to which the Borrower or any of its Subsidiaries is a party or a beneficiary from time to time, or to which any assets or properties of the Borrower or any of its Subsidiaries is bound, the absence or termination of which would reasonably be expected to result in a Material Adverse Effect, and (c) any other Contract to which the Borrower or any of its Subsidiaries is a party or a guarantor (or equivalent) whether existing as of the date hereof or in the future that during any period of twelve (12) consecutive months is reasonably expected to (1) result in payments or receipts (including royalty, licensing or similar payments) made to the Borrower or any of its Subsidiaries in an aggregate amount in excess of $1,000,000 or (2) require payments or expenditures (including royalty, licensing or similar payments) made by the Borrower or any of its Subsidiaries in an aggregate amount in excess of $1,000,000.

"Material Indebtedness" means, at any time, any Indebtedness of any Obligor, the outstanding principal amount of which, individually or in the aggregate, exceeds $750,000.

"Material Intellectual Property" means all Obligor Intellectual Property, whether currently owned or licensed, or acquired, developed or otherwise licensed or obtained after the date hereof (a) necessary for the operation of the business of the Borrower and its Subsidiaries as currently conducted or as currently contemplated to be conducted, including all current and contemplated Product Development and Commercialization Activities relating to the Products, (b) the loss of which would reasonably be expected to have or result in a Material Adverse Effect or (c) that has a fair market value in excess of $1,000,000.

"Maturity Date" means the earlier to occur of (i) the Stated Maturity Date, and (ii) the date on which the Term Loans are accelerated pursuant to Section 10.02.

"Minimum Liquidity" has the meaning set forth in Section 8.15.

"Multiple on Invested Capital" means, as of any date of determination a positive amount equal to $[(TAP \times .4) – (TR)] \times (TLR \div TAP)$, where:

TAP = the total aggregate principal amount of the Term Loans borrowed as of such date of determination.

TR = the "Total Return", which is the aggregate amount of interest payments (excluding any interest payments payable at the Default Rate pursuant to Section 3.02(c)) and fees received by the Lenders on or before such date of determination (including the Closing Fee and any Prepayment Fees, but excluding any return on or in respect of the Warrants).

TLR = the total aggregate principal amount of the Term Loans repaid as of such date of determination.

"Multiemployer Plan" means any multiemployer plan, as defined in Section 400l(a)(3) of ERISA, to which any ERISA Affiliate incurs or otherwise has any obligation or liability, contingent or otherwise.

"NDA" means (i) (x) a New Drug Application or Abbreviated New Drug Application (each as defined in the FD&C Act) that must be submitted to the FDA and (y) any similar application required by any country, jurisdiction or Governmental Authority other than the FDA that must be approved before a drug can be marketed, and (ii) all supplements and amendments that may be submitted to permit any changes to an approved NDA.

"Net Cash Proceeds" means, (a) with respect to any Casualty Event experienced or suffered by an Obligor, the amount of cash proceeds actually received from time to time by or on behalf of such Obligor after deducting therefrom only (i) actual costs and expenses related thereto incurred by such Obligor in connection therewith and (ii) Taxes paid or payable in connection therewith and (b) with respect to a Qualified Public Offering, the excess, if any, of (i) the sum of the cash received in connection with such offering over (ii) underwriting discounts, commissions, costs and other reasonable and customary expenses (including reasonable attorney's, accountant's and other similar professional advisor's fees), incurred by an Obligor in connection with such offering.

"Note" means a promissory note executed and delivered by the Borrower to any Lender in accordance with Section 2.04.

"Obligations" means, with respect to any Obligor, all amounts, obligations (including, without limitation, all Warrant Obligations), liabilities, covenants and duties of every type and description owing by such Obligor to any Lender or any other Indemnified Party hereunder, arising out of, under, or in connection with, any Loan Document, whether direct or indirect (regardless of whether acquired by assignment), absolute or contingent, due or to become due, whether liquidated or not, now existing or hereafter arising and however acquired, and whether or not evidenced by any instrument for the payment of money, including, without duplication, (a) the principal amount of the Term Loans, (b) all interest, whether or not accruing after the filing of any petition in bankruptcy or after the commencement of any insolvency, reorganization or similar proceeding, and whether or not a claim for post-filing or post-petition interest is allowed in any such proceeding, (c) the Prepayment Fee, and (d) all other fees, expenses (including fees, charges and disbursement of counsel), interest, commissions, charges, costs, disbursements, indemnities and reimbursement of amounts paid and other sums chargeable to such Obligor under any Loan Document.

"Obligor Intellectual Property" means, at any time of determination, Intellectual Property owned by, licensed to or otherwise held by any Obligor at such time including, without limitation, the Intellectual Property listed on Schedule 7.05(b).

"Obligors" means, collectively, the Borrower, each Guarantor and each of their respective successors and permitted assigns.

"OFAC" means the Office of Foreign Assets Control of the U.S. Department of the Treasury (or any successor thereto).

"Ordinary Course of Business" means, with respect to the Obligors, the ordinary course of business generally consistent with past custom and practice (including with respect to nature, scope, magnitude, quantity and frequency).

"Organizational Documents" means (a) with respect to any corporation, its certificate or articles of incorporation or organization, as amended, and its by-laws, as amended, (b) with respect to any limited partnership, its certificate of limited partnership, as amended, and its partnership agreement, as amended, (c) with respect to any general partnership, its partnership agreement, as amended, and (d) with respect to any limited liability company, its articles of organization, as amended, and its operating agreement, as amended. In the event any term or condition of this Agreement or any other Loan Document requires any Organizational Document to be certified by a secretary of state or similar government official, the reference to any such "Organizational Document" shall only be to a document of a type customarily certified by such government official.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising solely from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Term Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 5.03(h)).

"Participant" has the meaning set forth in Section 13.05(e).

"Participant Register" has the meaning set forth in Section 13.05(f).

"Patents" has the meaning set forth in the Security Agreement.

"Payment Date" means the last day of each Interest Period; *provided* that if such last day of such Interest Period is not a Business Day, then the Payment Date for such Interest Period will be the next succeeding Business Day.

"PBGC" means the United States Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"Permits" means all permits, licenses, registrations, certificates, orders, approvals, authorizations, consents, waivers, franchises, variances and similar rights issued by or obtained from any Governmental Authority or any other Person, including, without limitation, those relating to Environmental Laws.

"Permitted Acquisition" means any Acquisition by the Borrower or any of its wholly-owned Subsidiaries, by (i) purchase, merger, license or otherwise, of all or substantially all of the assets of, all of the Equity Interests of, or a business line or unit or a division of, any Person or (ii) license arrangement for the rights to use, develop, market or otherwise commercialize any Patents, Trademarks, Copyrights or other Intellectual Property (other than ordinary course, over the counter software license arrangements); *provided* that:

(a) immediately prior to, and immediately after giving effect thereto, no Default or Event of Default shall have occurred and be continuing or would result therefrom;

(b) all transactions in connection therewith shall be consummated, in all material respects, in accordance with all applicable Laws and in conformity in all material respects with all applicable Governmental Approvals;

(c) in the case of the Acquisition of all of the Equity Interests of such Person, all of the Equity Interests (except for any such securities in the nature of directors' qualifying shares required pursuant to applicable Law) acquired, or otherwise issued by such Person or any newly formed Subsidiary of the Borrower in connection with such Acquisition, shall be owned 100% by an Obligor or any other Subsidiary, and the Borrower shall have taken, or caused to be taken, as of the date such Person becomes a Subsidiary of the Borrower, each of the actions set forth in Section 8.11, if applicable;

(d) such Person (in the case of an Acquisition of Equity Interests) or assets (in the case of an Acquisition of assets or a division) (i) shall be engaged or used, as the case may be, in the same business or lines of business in which the Borrower and/or its Subsidiaries are engaged or a business reasonably and substantially related or incidental thereto or (ii) shall have a similar customer base as the Borrower and/or its Subsidiaries;

(e) the Borrower shall have provided the Administrative Agent with at least ten (10) Business Days' prior written notice of any such Acquisition, together with summaries, prepared in reasonable detail, of all due diligence conducted by or on behalf of the Borrower or the applicable Subsidiary prior to such Acquisition;

(f) all of the assets or Equity Interests acquired in connection with such Acquisition shall be of a U.S. Person;

(g) on a *pro forma* basis after giving effect to such Acquisition, the Borrower shall be in compliance with the Minimum Liquidity covenant set forth in Section 8.15; and

(h) the Acquisition shall have been approved by the board of directors or other governing body or controlling Person of the Person acquired or the Person from whom such assets or division is acquired.

"Permitted Cash Equivalent Investments" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than two (2) years from the date of acquisition, (b) commercial paper with an average maturity of no more than one (1) year and having the highest rating from either Standard & Poor's Ratings Group or Moody's Investors Service, Inc. and (c) any money market funds or other investment vehicles whose principal investments are in investments described in clauses (i) or (ii) above, and (d) investments permitted by the investment policy approved by the board of directors of Borrower, so long as Borrower provides written notice to the Lenders of any changes to the investment policy delivered to the Lenders on the Closing Date and such changes will not adversely affect the Lenders in any material respect in the determination of the Lenders in their reasonable discretion.

"Permitted Indebtedness" means any Indebtedness permitted under Section 9.01.

"Permitted Investors" means those persons identified on Schedule 1.01B.

"Permitted Licenses" are (a) licenses of over-the-counter software that is commercially available to the public and (b) licenses for the use of Obligor Intellectual Property, in each case, entered into in the Ordinary Course of Business or as otherwise may be approved by the applicable Obligors' board of directors and so long as (i) no Event of Default has occurred and is continuing at the time of such license and (ii) such license does not materially impair the Lenders from exercising their rights under any of the Loan Documents.

"Permitted Liens" means any Liens permitted under Section 9.02.

"Permitted Priority Liens" means (a) Liens permitted under Section 9.02(d), (e), (f) or (g); and (b) Liens permitted under Section 9.02(b); *provided* that such Liens are also of the type described in Section 9.02(d), (e), (f) or (g).

"Permitted Refinancing" means, with respect to any Indebtedness permitted to be refinanced, extended, renewed or replaced hereunder, any refinancings, extensions, renewals and replacements of such Indebtedness; *provided* that such refinancing, extension, renewal or replacement shall not (a) increase the outstanding principal amount of the Indebtedness being refinanced, extended, renewed or replaced, (b) contain terms relating to outstanding principal amount, amortization, maturity, collateral security (if any) or subordination (if any), or other material terms that, taken as a whole, are less favorable in any material respect to the Borrower and its Subsidiaries or the Lenders than the terms of any agreement or instrument governing the Indebtedness being refinanced, (c) have an applicable interest rate or equivalent yield that exceeds the interest rate or equivalent yield of the Indebtedness being refinanced, (d) contain any new requirement to grant any Lien or to give any Guarantee that was not an existing requirement of the Indebtedness being refinanced and (e) after giving effect to such refinancing, extension, renewal or replacement, no Default or Event of Default shall have occurred (or would reasonably be expected to occur) as a result thereof.

"Person" means any individual, corporation, company, voluntary association, partnership, limited liability company, joint venture, trust, unincorporated organization or Governmental Authority or other entity of whatever nature.

"PFIC" has the meaning set forth in Section 8.01(j).

"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Premium Event" has the meaning set forth in Section 10.03.

"Prepayment Fee" has the meaning set forth in Section 3.03(a).

"Pro Rata Share" has the meaning set forth in Section 11.08.

"Product" means any current or future product subject to any Product Development and Commercialization Activities by any Obligor, including any such product currently in development or which may be developed, in each case related to Material Intellectual Property.

"Product Agreement" means, with respect to any Product, any Contract, license, document, instrument, interest (equity or otherwise) or the like under which one or more Persons grants or receives (a) any right, title or interest with respect to any Product Development and Commercialization Activities of such Product, or (b) any right to exclude any other Person from engaging in, or otherwise restricting any right, title or interest as to, any Product Development and Commercialization Activities with respect to such Product, including any Contract with suppliers, manufacturers, distributors, clinical research organizations, hospitals, group purchasing organizations, wholesalers, pharmacies or any other Person related to such entity.

"Product Assets" means, with respect to any Product, (a) any and all rights, title and interest of the Obligors or any of its Subsidiaries in any assets relating to such Product or any Product Development and Commercialization Activities with respect to such Product, (b) all Product Related Information with respect to such Product or any related Product Development and Commercialization Activities, (c) any Product Agreement related to such Product or any such Product Development and Commercialization Activities, (d) any Intellectual Property, Regulatory Approvals and similar assets with respect to such Product or any such Product Development and Commercialization Activities, and (e) all rights, title and interests in any other property, tangible or intangible, manifesting or otherwise in respect of such Product or any such Product Development and Commercialization Activities, including, without limitation, inventory, accounts receivable or similar rights to receive money or payment pertaining thereto and all proceeds of the foregoing.

"Product Authorizations" means any and all Regulatory Approvals (including all applicable supplements, amendments, governmental price and reimbursement approvals and approvals of applications for regulatory exclusivity), clearances, licenses, notifications, registrations, safety or quality specifications and standards, or any other authorizations of any applicable Regulatory Authority in each case necessary for the manufacturing, development, distribution, ownership, use, storage, import, export, transport, promotion, marketing, sale or other commercialization of any Product or for any Product Development and Commercialization Activities with respect thereto in any country or jurisdiction, whether U.S. or non-U.S, including without limitation INDs, NDAs or similar applications.

"Product Development and Commercialization Activities" means, with respect to any Product, any combination of research, development, manufacture, import, use, sale, licensing, importation, storage, design, labeling, marketing, promotion, supply, distribution, testing, packaging, purchasing or other commercialization activities, receipt of payment in respect of any of the foregoing (including, without limitation, in respect of licensing, royalty or similar payments), or any similar or other activities the purpose of which is to commercially exploit such Product.

"Product Related Information" means, with respect to any Product, all books, records, lists, ledgers, files, manuals, correspondence, reports, plans, drawings and data (in any form or medium), and all techniques and other know-how, owned or possessed by the Borrower or any of its Subsidiaries that are necessary or required for any Product Development and Commercialization Activities relating to such Product, including (a) brand materials, packaging and other trade dress, customer targeting and other marketing, promotion and sales materials and information, referral, customer, supplier and other contact lists and information, product, business, marketing and sales plans, research, studies and reports, sales, maintenance and production records, training materials and other marketing, sales and promotional information, (b) clinical data, information included or supporting any Product Authorization or other Regulatory Approval, any regulatory filings, updates, notices and correspondence (including adverse event and other pharmacovigilance and other post-marketing reports and information, etc.), technical information, product development and operational data and records, and all other documents, records, files, data and other information relating to product development, manufacture and use, (c) litigation and dispute records, and accounting records, (d) all documents, records and files relating to Intellectual Property, including all correspondence from and to third parties (including Intellectual Property counsel and patent, trademark and other intellectual property registries, including the United States Patent and Trademark Office) not subject to attorney-client privilege, and (e) all other information, techniques and know-how necessary or required in connection with the Product Development and Commercialization Activities for any Product.

"Prohibited Payment" means any bribe, rebate, payoff, influence payment, kickback or other payment or gift of money or anything of value (including meals or entertainment) to any officer, employee or ceremonial office holder of any government or instrumentality thereof, political party or supra-national organization (such as the United Nations), any political candidate, any royal family member or any other person who is connected or associated personally with any of the foregoing that is prohibited under any Requirement of Law.

"Property" of any Person means any property or assets, or interest therein, of such Person.

"Proportionate Share" means, with respect to any Lender, the percentage obtained by dividing (i) the Loan Exposure of such Lender then in effect by (ii) the aggregate Loan Exposure of all Lenders then in effect.

"Proposal Letter" means the letter agreement, dated March 26, 2020, among the Borrower and Perceptive Advisors LLC, regarding the transactions contemplated hereby and the outline of proposed terms and conditions attached thereto.

"Publicly Reporting Company" means an issuer generally subject to the public reporting requirements of the Exchange Act.

"Qualified Equity Interest" means, with respect to any Person, any Equity Interest of such Person that is not a Disqualified Equity Interest.

"Qualified Plan" means an employee benefit plan (as defined in Section 3(3) of ERISA) other than a Multiemployer Plan (i) that is or was at any time maintained or sponsored by any Obligor or any ERISA Affiliate thereof or to which any Obligor or any ERISA Affiliate thereof has ever made, or was ever obligated to make, contributions, and (ii) that is intended to be tax qualified under Section 401(a) of the Code.

"Qualified Public Offering" shall mean the initial underwritten public offering of common Equity Interests of Borrower pursuant to an effective registration statement filed with the United States Securities and Exchange Commission in accordance with the Securities Act of 1933, raising Net Cash Proceeds of at least $60,000,000.

"Recipient" means any Lender or the Administrative Agent.

"Redemption Date" has the meaning set forth in Section 3.03(a).

"Redemption Price" has the meaning set forth in Section 3.03(a).

"Register" has the meaning set forth in Section 13.05(d).

"Regulation T" means Regulation T of the Board of Governors of the Federal Reserve System, as amended.

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System, as amended.

"Regulation X" means Regulation X of the Board of Governors of the Federal Reserve System, as amended.

"Regulatory Approvals" means any Governmental Approval relating to any Product or any Product Development and Commercialization Activities related to such Product, including any Product Authorizations with respect thereto.

"Regulatory Authority" means any Governmental Authority that is concerned with or has regulatory or supervisory oversight with respect to any Product or any Product Development and Commercialization Activities relating to any Product, including the FDA and all equivalent Governmental Authorities, whether U.S. or non-U.S.

"Representatives" has the meaning set forth in Section 13.17.

"Requirement of Law" means, as to any Person, any Law applicable to or binding upon such Person or any of its Properties or revenues.

"Resignation Effective Date" has the meaning set forth in Section 12.06(a).

"Responsible Officer" of any Person means each of the president, chief executive officer and chief financial officer of such Person.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other Property) with respect to any Equity Interest of the Borrower or any of its Subsidiaries, or any payment (whether in cash, securities or other Property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such shares of capital stock of the Borrower or any of its Subsidiaries or any option, warrant or other right to acquire any such shares of capital stock of the Borrower or any of its Subsidiaries.

"Restrictive Agreement" means any indenture, agreement, instrument or other binding arrangement that prohibits, restricts or imposes any condition upon (a) the ability of the Borrower or any Subsidiary to create, incur or permit to exist any Lien upon any of its Property (other than (i) customary provisions in contracts (including without limitation leases and in-bound licenses of Intellectual Property) restricting the assignment thereof, (ii) restrictions or conditions imposed by any agreement governing secured Permitted Indebtedness permitted under Section 9.01(g), to the extent that such restrictions or conditions apply only to the Property securing such Indebtedness and (iii) software and other Intellectual Property licenses pursuant to which the Borrower or a Subsidiary thereof is the licensee of the relevant software or Intellectual Property, as the case may be (in which case, any prohibition or limitation shall relate only to the assets or rights subject to the applicable license and/or the license itself)), or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its Equity Interests or to make or repay loans or advances to the Borrower or any other Subsidiary or to Guarantee Indebtedness of the Borrower or any other Subsidiary.

"Sanctions" means economic or financial sanctions, requirements or trade embargoes imposed, administered or enforced from time to time by U.S. Governmental Authorities (including, but not limited to, OFAC, the U.S. Department of State and the U.S. Department of Commerce).

"Sanctions Laws" means all laws, rules, regulations and requirements of any jurisdiction applicable to the Obligors or any party to the Loan Documents concerning or relating to Sanctions, terrorism or money laundering.

"SEC" means United States Securities and Exchange Commission.

"Securities Account" has the meaning set forth in the Security Agreement.

"Securities Subsidiary" means C4T Securities Corp., a Massachusetts corporation.

"Security Agreement" means the Security Agreement, dated as of the date hereof, in substantially the form of Exhibit G, among the Obligors, the Lenders and the Administrative Agent, granting a security interest in the personal Property constituting Collateral thereunder in favor of the Administrative Agent for the benefit of the Lenders.

"Security Documents" means, collectively, the Security Agreement, each Short-Form IP Security Agreement, and each other security document, control agreement or financing statement executed to perfect Liens in favor of the Administrative Agent for the benefit of the Lenders.

"Short-Form IP Security Agreements" means any short-form copyright, patent or trademark (as the case may be) security agreements, dated as of the date hereof entered into by one or more Obligors in favor of the Administrative Agent for the benefit of the Lenders, each in form and substance satisfactory to the Administrative Agent.

"Solvent" means, with respect to any Person at any time, that (a) the present fair saleable value of the Property of such Person is greater than the total amount of liabilities (including contingent liabilities) of such Person, (b) the present fair saleable value of the Property of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, and (c) such Person has not incurred and does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature.

"Sources and Uses Certificate" means a certificate, required to be delivered pursuant to Section 6.01(e)(x), duly executed and completed by a Responsible Officer of the Borrower setting forth the sources and uses of the cash and equity proceeds to be used in connection with the Transactions.

"Specified Pipeline Targets" means those pipelines identified as Ikaros, BRAF, BRD9 and RET.

"Stated Maturity Date" means the fourth (4th) anniversary of the Closing Date; *provided* that if any such date shall occur on a day that is not a Business Day, then the Stated Maturity Date shall be the next succeeding Business Day.

"Subsidiary" means, with respect to any Person (the *"parent"*) at any time of determination, any other Person of which more than 50% of the outstanding capital stock of such other Person having ordinary voting powers, determined on a fully diluted basis, is at the time directly or indirectly owned or controlled by the parent. Unless the context otherwise specifically requires, the term "Subsidiary" shall be a reference to a Subsidiary of Borrower.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Technical Information" means all trade secrets and other proprietary or confidential information, which may include any proprietary information of a scientific, technical, or business nature in any form or medium, standards and specifications, conceptions, ideas, innovations, discoveries, Invention disclosures, all documented research, developmental, demonstration or engineering work, data, plans, specifications, reports, summaries, experimental data, manuals, models, samples, know-how, technical information, systems, methodologies, computer programs or information technology.

"Term Loans" means the Tranche A Term Loan and the Tranche B Term Loan.

"Title IV Plan" means an employee benefit plan (as defined in Section 3(3) of ERISA) other than a Multiemployer Plan (i) that is or was at any time maintained or sponsored by any Obligor or any ERISA Affiliate thereof or to which any Obligor or any ERISA Affiliate thereof has ever made, or was obligated to make, contributions, and (ii) that is or was subject to Section 412 of the Code, Section 302 of ERISA or Title IV of ERISA.

"Trademarks" has the meaning set forth in the Security Agreement.

"Tranche A Term Loan" means each loan advanced by a Lender pursuant to Section 2.01(a). For purposes of clarification, any calculation of the aggregate outstanding principal amount of the Tranche A Term Loan on any date of determination shall mean the aggregate principal amount of the Tranche A Term Loan made pursuant to Section 2.01(a) that has not yet been repaid as of such date.

"Tranche A Term Loan Commitment" means the commitment of a Lender to make or otherwise fund a Tranche A Term Loan and *"Tranche A Term Loan Commitments"* means such commitments of all Lenders in the aggregate. The amount of each Lender's Tranche A Term Loan Commitment, if any, is set forth on Schedule 1.01A. The aggregate amount of the Tranche A Term Loan Commitments as of the Closing Date is $12,500,000.

"Tranche B Term Loan" means each loan advanced by a Lender pursuant to Section 2.01(b). For purposes of clarification, any calculation of the aggregate outstanding principal amount of the Tranche B Term Loan on any date of determination shall mean the aggregate principal amount of the Tranche B Term Loan made pursuant to Section 2.01(b) that has not yet been repaid as of such date.

"Tranche B Term Loan Borrowing Date" means with respect to the Tranche B Term Loan, the Business Day on which all conditions set forth in Section 6.02 have been satisfied or waived by the Lenders and the Tranche B Term Loan is made hereunder.

"Tranche B Term Loan Commitment" means the commitment of a Lender to make or otherwise fund a Tranche B Term Loan and *"Tranche B Term Loan Commitments"* means such commitments of all Lenders in the aggregate. The amount of each Lender's Tranche B Term Loan Commitment, if any, is set forth on Schedule 1.01A. The aggregate amount of the Tranche B Term Loan Commitments as of the Closing Date is $7,500,000.

"Tranche B Term Loan Commitment Termination Date" means June 30, 2021.

"Transactions" means the execution, delivery and performance by each Obligor of this Agreement and the other Loan Documents to which such Obligor is a party and the other transactions contemplated hereby and thereby, including disbursement and application of the proceeds of the Term Loans.

"Unrestricted Cash" means the balance of unencumbered cash (other than cash encumbered by the Liens granted to the Lenders pursuant to the Loan Documents) and Permitted Cash Equivalent Investments (which for greater certainty shall not include any undrawn credit lines), in each case, to the extent held in a Deposit Account subject to an account control agreement reasonably satisfactory to the Administrative Agent.

"U.S. Person" means a "United States person" within the meaning of Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning set forth in Section 5.03(f)(ii)(B)(3).

"Warrants" means the warrants to be delivered to the Administrative Agent pursuant to Section 6.01(i) that, among other things, grants the holder thereof the right to purchase the number of shares of Series B Preferred Stock of the Borrower as indicated on the Warrant Shares table on Schedule 1.01A, as the Warrants may be amended, replaced or otherwise modified pursuant to the terms thereof.

"Warrant Obligations" means, with respect to the Borrower, all of its Obligations arising out of, under or in connection with, any Warrant.

"Withdrawal Liability" means, at any time, any liability incurred (whether or not assessed) by any ERISA Affiliate and not yet satisfied or paid in full at such time with respect to any Multiemployer Plan pursuant to Section 4201 of ERISA.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02. Accounting Terms and Principles. All accounting determinations required to be made pursuant hereto shall, unless expressly otherwise provided herein, be made substantially in accordance with GAAP. If, after the date hereof, any change occurs in GAAP or in the application thereof (an *"Accounting Change"*) and such change would cause any amount required to be determined for the purposes of the covenants to be maintained or calculated pursuant to Article 8 or 9 to be materially different than the amount that would be determined prior to such change, then the Borrower will provide a detailed notice of such change (an *"Accounting Change Notice"*) to the Administrative Agent in conjunction with the next required delivery of financial statements pursuant to Section 8.01. If the Borrower requests an amendment to any provision hereof to eliminate the effect of any Accounting Change occurring after the Closing Date or in the application thereof on the operation of such provision, regardless of whether any Accounting Change Notice is given before or after such Accounting Change or in the application thereof, then the Administrative Agent and the Borrower agree that they will negotiate in good faith amendments to the provisions of this Agreement that are directly affected by such Accounting Change with the intent of having the respective positions of the Administrative Agent and the Borrower after such Accounting Change conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon, (i) the provisions in this Agreement shall be calculated as if no such Accounting Change had occurred and (ii) the Borrower shall provide to the Administrative Agent a written reconciliation in form and substance reasonably satisfactory to the Administrative Agent, between calculations of any baskets and other requirements hereunder before and after giving effect to such Accounting Change.

All components of financial calculations made to determine compliance with this Agreement shall be adjusted to include or exclude, as the case may be, without duplication, such components of such calculations attributable to any Acquisition or disposition of assets consummated after the first day of the applicable period of determination and prior to the end of such period, as determined in good faith by the Borrower based on assumptions expressed therein and that were reasonable based on the information available to the Borrower at the time of preparation of the Compliance Certificate setting forth such calculations.

Section 1.03. Interpretation. For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, (a) the terms defined in this Agreement include the plural as well as the singular and vice versa; (b) words importing gender include all genders; (c) any reference to a Section, Article, Annex, Schedule or Exhibit refers to a Section or Article of, or Annex, Schedule or Exhibit to, this Agreement; (d) any reference to "this Agreement" refers to this Agreement, including all Annexes, Schedules and Exhibits hereto, and the words herein, hereof, hereto and hereunder and words of similar import refer to this Agreement and its Annexes, Schedules and Exhibits as a whole and not to any particular Section, Article, Annex, Schedule, Exhibit or any other subdivision; (e) references to days, months and years refer to calendar days, months and years, respectively; (f) all references herein to "include" or "including" shall be deemed to be followed by the words "without limitation"; (g) the word "from" when used in connection with a period of time means "from and including" and the word "until" means "to but not including"; and (h) accounting terms not specifically defined herein shall be construed substantially in accordance with GAAP (except for the term "property," which shall be interpreted as broadly as possible, including, in any case, cash, securities, other assets, rights under contractual obligations and permits and any right or interest in any property, except where otherwise noted). Unless otherwise expressly provided herein, references to organizational documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto permitted by the Loan Documents.

Section 1.04. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE 2

THE COMMITMENTS

Section 2.01. Term Loans.

(a) *Tranche A Term Loan*.

(i) Subject to the terms and conditions of this Agreement and relying on the representations and warranties set forth herein, each Lender, severally and not jointly, agrees to provide its share of the Tranche A Term Loan to the Borrower on the Closing Date in Dollars in a principal amount equal to such Lender's Tranche A Term Loan Commitment. No Lender shall have an obligation to make a Tranche A Term Loan in excess of such Lender's Tranche A Term Loan Commitment.

(ii) The Borrower may make one borrowing under the Tranche A Term Loan Commitment which shall be on the Closing Date. Subject to Sections 3.01 and 3.03, all amounts owed hereunder with respect to the Tranche A Term Loan shall be paid in full no later than the Maturity Date. Each Lender's Tranche A Term Loan Commitment shall terminate immediately and without further action on the Closing Date after giving effect to the funding of such Lender's Tranche A Term Loan Commitment on such date.

(b) *Tranche B Term Loan*.

(i) Prior to the Tranche B Term Loan Commitment Termination Date, subject to the terms and conditions of this Agreement and relying on the representations and warranties set forth herein, each Lender, severally and not jointly, agrees, at the request of the Borrower, to provide its share of the Tranche B Term Loan to the Borrower on the Tranche B Term Loan Borrowing Date in Dollars in a principal amount equal to such Lender's Tranche B Term Loan Commitment. No Lender shall have an obligation to make a Tranche B Term Loan in excess of such Lender's Tranche B Term Loan Commitment.

(ii) Subject to the terms and conditions of this Agreement (including Section 6.02), the Borrower shall deliver to the Administrative Agent a fully executed Borrowing Notice no later than 5 p.m. (Eastern time) at least three (3) Business Days in advance of the proposed Tranche B Term Loan Borrowing Date.

(iii) The Borrower may make one (1) borrowing under the Tranche B Term Loan Commitment which shall be on the Tranche B Term Loan Borrowing Date. Subject to Sections 3.01 and 3.03, all amounts owed hereunder with respect to the Tranche B Term Loan shall be paid in full no later than the Maturity Date. Each Lender's Tranche B Term Loan Commitment shall terminate immediately and without further action on the Tranche B Term Loan Borrowing Date after giving effect to the funding of such Lender's Tranche B Term Loan Commitment on such date.

(c) Any principal amount of the Term Loan borrowed under Section 2.01(a) or 2.01(b) hereof and subsequently repaid or prepaid may not be reborrowed.

Section 2.02. Proportionate Shares. Each Term Loan shall be made, and all participations purchased, by the Lenders simultaneously and proportionately to their respective Proportionate Shares, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Term Loan hereunder or purchase a participation required hereby nor shall the Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Term Loan requested hereunder or purchase a participation required hereby.

Section 2.03. Fees. On the Closing Date, the Borrower shall pay out of the proceeds of the Tranche A Term Loan advanced by the Lenders on the Closing Date a non-refundable fee in the amount of $300,000 (the *"Closing Fee"*). Such payment shall be in addition to such fees, costs and expenses due and payable pursuant to Section 13.03.

Section 2.04. Notes. Upon the request of any Lender, the Borrower shall prepare, execute and deliver to such Lender one or more promissory note(s) evidencing the portion of the Term Loans payable to such Lender (or if requested by it, to it and its registered assigns) in the form attached hereto as Exhibit B (each, a *"Note"*).

Section 2.05. Use of Proceeds. The Borrower shall use the proceeds of the Term Loans (a) for general working capital purposes and corporate purposes not expressly prohibited hereunder, (b) to refinance certain existing Indebtedness on the Closing Date and (c) to pay, in accordance with the Sources and Uses Certificate, fees, costs and expenses incurred in connection with the Transactions.

ARTICLE 3

PAYMENTS OF PRINCIPAL AND INTEREST

Section 3.01. Repayment. There will be no scheduled repayments of principal on the Term Loans prior to the thirtieth (30th) month anniversary of the Closing Date. Commencing with the Payment Date occurring immediately after the thirtieth (30th) month anniversary of the Closing Date, the Borrower shall on each Payment Date make a repayment of the Term Loans in an amount equal to 2.00% of the initial principal amount of the Term Loans drawn under Section 2.01. The entire outstanding principal amount of the Term Loans will be due and payable on the Maturity Date.

Section 3.02. Interest.

(a) *Interest Generally.* The Borrower agrees to pay to the Lenders interest in cash on the outstanding principal amount of the Term Loans for each Interest Period at a rate per annum equal to the sum of (i) LIBOR plus (ii) the Applicable Margin.

(b) *LIBOR Not Determinable.* If on or before the day on which LIBOR is to be determined, the Majority Lenders determine that (i) LIBOR cannot be determined for any reason, (ii) LIBOR will not adequately and fairly reflect the cost of maintaining the Term Loans or (iii) Dollar deposits in the principal amount of the Term Loans are not available in the London interbank market, the Majority Lenders shall, as soon as practicable thereafter, give written notice of such determination to the Borrower and the Administrative Agent. Upon any such determination, LIBOR shall be LIBOR as of the end of the immediately preceding Interest Period and shall at all times thereafter bear interest at LIBOR as of the end of the immediately preceding Interest Period. Each determination by the Majority Lenders hereunder shall be conclusive and binding absent manifest error.

(c) *Replacement to LIBOR*. If at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the circumstances set forth in clause (b)(i) of this Section have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in clause (b)(i) of this Section have not arisen but the supervisor for the administrator of LIBOR has made a public statement identifying a specific date after which LIBOR shall no longer be used for determining interest rates for loans, then the Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to LIBOR that gives due consideration to the then-prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable; *provided* that, if such alternate rate of interest shall be less than 1.75%, such rate shall be deemed to be 1.75% for the purposes of this Agreement. Notwithstanding anything to the contrary in Section 13.04, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five (5) Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Majority Lenders stating that such Lenders object to such amendment.

(d) *Default Interest.* Notwithstanding the foregoing, upon the occurrence and during the continuance of any Event of Default, the Applicable Margin on the principal amount of the Term Loans outstanding hereunder shall automatically increase by four percent (4.00%) per annum (the interest rate, as increased pursuant to this Section 3.02(d), being the *"Default Rate"*). If any Obligation is not paid when due under any applicable Loan Document, the amount thereof shall accrue interest at the Default Rate. Payment or acceptance of the increased rates of interest provided for in this Section 3.02(d) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of the Administrative Agent or any Lender.

(e) *Payment Dates.* Accrued interest on the Term Loans shall be payable in arrears on each Payment Date with respect to the most recently completed Interest Period in cash, and upon the payment or prepayment of the Term Loans (on the principal amount being so paid or prepaid); *provided* that interest payable at the Default Rate shall be payable from time to time on demand by the Majority Lenders.

(f) *Maximum Rate.* Notwithstanding any other provision of this Agreement, in no event will any interest or rates referred to herein exceed the maximum interest rate permitted by applicable Law. If such maximum interest rate would be exceeded by the terms hereof, the rates of interest payable hereunder will be reduced to the extent necessary so that such rates (together with any fees or other amounts which are construed by a court of competent jurisdiction to be interest or in the nature of interest) equal the maximum interest rate permitted by applicable Law and any overpayment of interest received by the Lenders before such rates are so construed will be applied, forthwith after determination of such overpayment, to pay all then outstanding interest, and thereafter to pay outstanding principal.

Section 3.03. Prepayments.

(a) *Optional Prepayments.* The Borrower shall have the right to optionally prepay in whole or in part (in a minimum amount of $500,000 and integral multiples of $100,000 in excess of that amount for each partial prepayment) the outstanding principal amount of the Term Loans on any Business Day (a *"Redemption Date"*) for an amount equal to the sum of (i) the aggregate principal amount of the Term Loans being prepaid, (ii) any accrued but unpaid interest in respect of the aggregate principal amount of the Term Loans being prepaid and (iii) a prepayment fee equal to the Multiple on Invested Capital on the aggregate principal amount of the Term Loans being prepaid on such date (the "*Prepayment Fee*" and such aggregate amount, the *"Redemption Price"*).

(b) *Mandatory Prepayment.* In the event of any Casualty Event, the Borrower shall prepay the Term Loans plus a Prepayment Fee on the principal amount of the Term Loans being prepaid (calculated in accordance with the definition of "Multiple on Invested Capital", it being agreed that the relevant payment date shall be deemed to be the "Redemption Date" for purposes of such calculation), plus any accrued but unpaid interest and fees then due and owing, in an amount equal to 100% of the Net Cash Proceeds received by the Obligors with respect thereto; *provided, however,* so long as no Default or Event of Default has occurred and is continuing, within one hundred eighty (180) days after receipt of such Net Cash Proceeds, the Borrower may apply the Net Cash Proceeds of any casualty policy up to $500,000 with respect to any loss, but not exceeding $1,000,000 in the aggregate for all losses under all casualty policies during the term of this Agreement, toward the replacement or repair of destroyed or damaged property; *provided, further,* that any such replaced or repaired property shall be Collateral in which the Administrative Agent for the benefit of the Lenders has been granted a security interest under the Security Documents.

(c) *Prepayment Fee.* Payment of any Prepayment Fee under this Section 3.03 constitutes liquidated damages, not unmatured interest or a penalty, as the actual amount of damages to the Lenders as a result of the relevant triggering event, prepayment or repayment would be impracticable and extremely difficult to ascertain. Accordingly, the Prepayment Fee hereunder is provided by mutual agreement of the Borrower and the Lenders as a reasonable estimation and calculation of such actual lost profits and other actual damages of the Lenders. Without limiting the generality of the foregoing, it is understood and agreed that upon the occurrence of any Premium Event, the Prepayment Fee shall be automatically and immediately due and payable as though any prepaid or repaid portion of the Term Loans were voluntarily prepaid as of such date

and shall constitute part of the Obligations secured by the Collateral. The Prepayment Fee shall also be automatically and immediately due and payable if the Term Loans are satisfied or released by foreclosure (whether by power of judicial proceeding or otherwise), deed in lieu of foreclosure or by any other means. THE BORROWER HEREBY EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR OTHER LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING APPLICABLE PREMIUM IN CONNECTION WITH ANY SUCH EVENTS. The Borrower and the other Obligors expressly agree (to the fullest extent it and they may lawfully do so) that with respect to the Prepayment Fee payable under the terms of this Agreement: (i) the Prepayment Fee is reasonable and is the product of an arm's length transaction between sophisticated business parties, ably represented by counsel; (ii) the Prepayment Fee shall be payable notwithstanding the then-prevailing market rates at the time payment is made; (iii) there has been a course of conduct between the Lenders and the Obligors giving specific consideration in this transaction for such agreement to pay the Prepayment Fee; and (iv) the Obligors shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Obligors expressly acknowledge that their agreement to pay the Prepayment Fee as herein described is a material inducement to the Lenders to provide the Commitments and to make the Term Loans.

ARTICLE 4

PAYMENTS, ETC.

Section 4.01. Payments.

(a) *Payments Generally.* Each payment of principal, interest and other amounts to be made by the Obligors under this Agreement or any other Loan Document shall be made in Dollars, in immediately available funds, without deduction, set off or counterclaim, to the deposit account of the Administrative Agent, for the account of the respective Lenders to which such payment is owed, not later than 2:00 p.m. (Eastern time) on the date on which such payment is due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding Business Day).

(b) *Application of Payments Following an Event of Default.* Proceeds of all payments received following the occurrence and continuance of an Event of Default shall be applied in the following order of priority, with proceeds being applied to a succeeding level of priority only if amounts owing pursuant to the immediately preceding level of priority have been paid in full in cash:

(i) *first*, to the payment of any unpaid costs or expenses referred to in Section 13.03(a) then due and owing;

(ii) *second*, to the payment of any accrued and unpaid interest and any fees (other than the Prepayment Fee) then due and owing;

(iii) *third*, to the payment of unpaid principal of the Term Loans on a pro rata basis;

(iv) *fourth*, to the payment of any Prepayment Fee then due and payable;

(v) *fifth*, in reduction of the Borrower's obligation to pay any Claims or Losses referred to in Section 13.03(b) then due and owing; and

(vi) *sixth*, to the Borrower or such other Persons as may lawfully be entitled to or directed by the Borrower to receive the remainder.

(c) *Application of Prepayments.* Proceeds of any prepayment made pursuant to clauses 3.03(a) or 3.03(b) above shall be applied in the following order of priority, with proceeds being applied to a succeeding level of priority only if amounts owing pursuant to the immediately preceding level of priority have been paid in full in cash:

(i) *first*, to the payment of any unpaid costs or expenses referred to in Section 13.03(a) then due and owing;

(ii) *second*, to the payment of any accrued and unpaid interest and any fees (other than the Prepayment Fee) then due and owing;

(iii) *third*, to the payment of any Prepayment Fee then due and payable; and

(iv) *fourth*, to the payment of unpaid principal of the Term Loans on a pro rata basis.

Unless otherwise directed by the Majority Lenders, all payments of principal, interest and fees under this Agreement and the other Loan Documents shall be made by the Obligors to the Lenders pro rata in accordance with the Lenders' respective Proportionate Shares of such payments.

(d) *Non-Business Days.* Except in the case of any payment to be made on any Payment Date, if the due date of any payment under this Agreement (whether in respect of principal, interest, fees, costs or otherwise, but excluding the Stated Maturity Date) would otherwise fall on a day that is not a Business Day, such date shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension.

Section 4.02. Computations. All computations of interest and fees hereunder shall be computed on the basis of a year of 360 days and actual days elapsed during the period for which payable.

Section 4.03. Notices. Each notice of optional prepayment shall be effective only if received by the Lenders not later than 2:00 p.m. (Eastern time) on the date three (3) Business Days prior to the date of prepayment. Each notice of optional prepayment shall specify the amount to be prepaid and the date of prepayment.

Section 4.04. Set-Off.

(a) *Set-Off Generally.* Upon the occurrence and during the continuance of any Event of Default, the Administrative Agent, the Lenders and each of their respective Affiliates are hereby authorized at any time and from time to time, to the fullest extent permitted by Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Lenders or such Affiliates to or for the credit or the account of any Obligor against any and all of the Obligations, whether or not the Lenders shall have made any demand and although such Obligations may be unmatured. The Lenders agree promptly to notify the Borrower after any such set-off and application, *provided* that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Lenders and their respective Affiliates under this Section 4.04 are in addition to other rights and remedies (including other rights of set-off) that the Lenders and their respective Affiliates may have.

(b) *Exercise of Rights Not Required.* Nothing contained herein shall require the Administrative Agent, the Lenders or any of their respective Affiliates to exercise any such right or shall affect the right of such Persons to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of any Obligor.

ARTICLE 5

YIELD PROTECTION, ETC.

Section 5.01. Additional Costs.

(a) *Change in Requirements of Law Generally.* If, on or after the date hereof, the adoption of any Requirement of Law, or any change in any Requirement of Law, or any change in the interpretation or administration thereof by any court or other Governmental Authority charged with the interpretation or administration thereof, or compliance by any Lender (or its lending office) with any request or directive (whether or not having the force of law) of any such Governmental Authority, shall impose, modify or deem applicable any reserve (including any such requirement imposed by the Board of Governors of the Federal Reserve System), special deposit, contribution, insurance assessment or similar requirement, in each case that becomes effective after the date hereof, against assets of, deposits with or for the account of, or credit extended by, a Lender (or its lending office) or shall impose on a Lender (or its lending office) any other condition affecting the Term Loans or the Commitment, not as a result of any action or inaction on the part of such Lender, and the result of any of the foregoing is to increase the cost to any Lender of making or maintaining its portion of the Term Loans, or to reduce the amount of any sum received or receivable by any Lender under this Agreement or any other Loan Document, by an amount reasonably deemed by such Lender in good faith to be material (other than (i) Indemnified Taxes, (ii) Taxes described in clauses (b) through (d) of the definition of *"Excluded Taxes"* and (iii) Connection Income Taxes), then the Borrower shall promptly pay to such Lender on demand such additional amount or amounts as will compensate such Lender for such increased cost or reduction. Notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder

or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to constitute a change in Requirements of Law for all purposes of this Section 5.01, regardless of the date enacted, adopted or issued.

(b) *Change in Capital Requirements.* If a Lender shall have determined that, on or after the date hereof, the adoption of any Requirement of Law regarding capital adequacy, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority charged with the interpretation or administration thereof, or any request or directive regarding capital adequacy (whether or not having the force of law) of any such Governmental Authority, in each case that becomes effective after the date hereof, has or would have the effect of reducing the rate of return on capital of a Lender (or its parent) as a consequence of a Lender's obligations hereunder or the Term Loans to a level below that which a Lender (or its parent) could have achieved but for such adoption, change, request or directive by an amount reasonably deemed by it to be material, then the Borrower shall pay to such Lender on demand such additional amount or amounts as will compensate such Lender (or its parent) for such reduction.

(c) *Notification by Lender.* The Lenders will promptly notify the Borrower of any event of which it has knowledge, occurring after the date hereof, which will entitle a Lender to compensation pursuant to this Section 5.01, including a calculation in reasonable detail of such compensation. Before giving any such notice pursuant to this Section 5.01(c) such Lender shall designate a different lending office if such designation (x) will, in the reasonable judgment of such Lender, avoid the need for, or reduce the amount of, such compensation and (y) will not, in the reasonable judgment of such Lender, be materially disadvantageous to such Lender. A certificate of the Lender claiming compensation under this Section 5.01, setting forth the amount or amounts to be paid to it hereunder, shall be conclusive and binding on the Borrower in the absence of manifest error.

Section 5.02. Illegality. Notwithstanding any other provision of this Agreement, in the event that on or after the date hereof the adoption of or any change in any Requirement of Law or in the interpretation or application thereof by any competent Governmental Authority shall make it unlawful for a Lender or its lending office to make or maintain the Term Loans (and, in the opinion of such Lender, the designation of a different lending office would either not avoid such unlawfulness or would be disadvantageous to such Lender), then such Lender shall promptly notify the Borrower thereof following which (a) the Lender's Commitment shall be suspended until such time as such Lender may again make and maintain the Term Loans hereunder and (b) if such Requirement of Law shall so mandate, the Term Loans shall be prepaid by the Borrower on or before such date as shall be mandated by such Requirement of Law in an amount equal to the Redemption Price applicable on the date of such prepayment in accordance with Section 3.03(a).

Section 5.03. Taxes.

(a) *Payments Free of Taxes.* Any and all payments on account of any Obligation shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law requires the deduction or withholding of any Tax from any such payment by an Obligor, then such Obligor shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by such Obligor shall be increased as necessary so that after such deduction or withholding for Indemnified Taxes has been made (including such deductions and withholdings for Indemnified Taxes applicable to additional sums payable under this Section 5.03) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding for Indemnified Taxes been made. For purposes of this Section, the term "applicable Law" includes FATCA.

(b) *Payment of Other Taxes by the Borrower.* The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent, timely reimburse it for, Other Taxes.

(c) *Evidence of Payments.* As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority, as a withholding Tax pursuant to this Section 5.03, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, or a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) *Indemnification.* The Borrower shall reimburse and indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 5.03) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) *Indemnification by the Lenders.* Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of any Borrower to do so), and (ii) any Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to such Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) *Status of Lenders.* (i) Any Lender that is entitled to an exemption from, or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or as reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.03(f)(ii)(A), (B) or (D)) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), duly completed, valid, executed copies of IRS Form W-9 (or successor form) certifying that such Lender is exempt from U.S. Federal backup withholding Tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the Recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower and the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income Tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, duly completed, valid executed copies of IRS Form W-8BEN (or successor form) or IRS Form W-8BEN-E (or successor form) establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "interest" article of such Tax treaty and (y) with respect to any other applicable payments under any Loan Document, duly completed, valid, executed originals of IRS Form W-8BEN (or successor form) or IRS Form W-8BEN-E (or successor form) establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "business profits" or "other income" article of such Tax treaty;

(2) duly completed, valid, executed copies of IRS Form W-8ECI (or successor form);

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit C to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the applicable Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a *"U.S. Tax Compliance Certificate"*) and (y) executed copies of IRS Form W-8BEN (or successor form) or IRS Form W-8BEN-E (or successor form); or

(4) to the extent a Foreign Lender is not the beneficial owner, duly completed, valid, executed copies of IRS Form W-8IMY (or successor form), accompanied by IRS Form W-8ECI (or successor form), IRS Form W-8BEN (or successor form), IRS Form W-8BEN-E (or successor form), a U.S. Tax Compliance Certificate, IRS Form W-9 (or successor form), and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the Recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. Federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with its obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Recipient agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall promptly update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) *Treatment of Certain Refunds.* If any party to this Agreement determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 5.03 (including by the payment of additional amounts pursuant to this Section 5.03), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the written request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 5.03(g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 5.03(g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts giving rise to such refund had never been paid. This Section 5.03(g) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) *Mitigation Obligations.* If the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or to any Governmental Authority for the account of any Lender pursuant to Section 5.01 or this Section 5.03, then such Lender shall (at the request of the Borrower) use commercially reasonable efforts to designate a different lending office for funding or booking its Term Loans hereunder or to assign and delegate its rights and obligations hereunder to another of its offices, branches or Affiliates if, in the sole reasonable judgment of such Lender, such designation or assignment and delegation would (i) eliminate or reduce amounts payable pursuant to Section 5.01 or this Section 5.03, as the case may be, in the future, (ii) not subject such Lender to any unreimbursed cost or expense and (iii) not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment and delegation.

(i) *Survival*. Each party's obligations under this Article 5 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all Obligations under any Loan Document.

Section 5.04. Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to this Article 5 shall not constitute a waiver of such Lender's right to demand such compensation; *provided* that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than six (6) months prior to the date that such Lender notifies the Borrower of the change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the change in Law giving rise to such increased costs or reductions is retroactive, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof).

ARTICLE 6

CONDITIONS PRECEDENT

Section 6.01. Conditions to Tranche A Term Loan; Closing Date. The obligation of each Lender to make the Tranche A Term Loan on the Closing Date shall not become effective until the following conditions precedent shall have been reasonably satisfied or waived in writing by the Lenders (which satisfaction or waiver may be made simultaneously with the making of the Tranche A Term Loan hereunder):

(a) *Organization and Capitalization*. The organizational structure and capitalization of the Obligors, after giving effect to the Transactions, as set forth on Schedule 7.20 shall be satisfactory to the Lenders.

(b) *Terms of Material Agreements.* The Lenders shall be satisfied in their sole discretion with the terms and conditions of all of the Obligors' Material Agreements, including without limitation, the Material Agreements that are directly or indirectly associated with Product manufacturing, distribution and payment of royalties by any Obligor.

(c) *No Law Restraining Transactions.* No applicable Law or regulation shall restrain, prevent or, in the reasonable judgment of the Lenders, impose materially adverse conditions upon the Transactions.

(d) *Lien Searches.* The Lenders shall be satisfied with Lien searches regarding the Obligors made prior to the Closing Date.

(e) *Documentary Deliveries.* The Lenders shall have received the following documents, each of which shall be in form and substance satisfactory to the Lenders:

(i) *Agreement.* This Agreement duly executed and delivered by the Borrower and each of the other parties hereto.

(ii) *Security Documents.* (A) The Security Documents, including, without limitation, the Security Agreement, each Short-Form IP Security Agreement, account control agreements and financing statements, each in form and substance satisfactory to the Lenders and duly executed and delivered by each of the Obligors.

(B) The Collateral Questionnaire, duly executed and delivered by a Responsible Officer of the Borrower, substantially in the form of Exhibit H hereto and otherwise in form and substance satisfactory to the Lenders.

(C) Without limitation, all other documents and instruments reasonably required to perfect the Lenders' Lien on, and security interest in, the Collateral required to be delivered on or prior to the Closing Date shall have been duly executed and delivered and be in proper form for filing, and shall create in favor of the Lenders, a perfected Lien on, and security interest in, the Collateral, subject to no Liens other than Permitted Liens.

(D) The Borrower shall have executed and delivered a landlord personal property collateral access agreement executed by the landlord of the leasehold property located at 490 Arsenal Way, Suite 200, Watertown, MA 02472 and by the Borrower.

(iii) *Note.* Any Notes requested in accordance with Section 2.04.

(iv) *Approvals.* The Borrower shall certify that all Regulatory Approvals have been made or obtained, and all material licenses, consents, authorizations and approvals of, and notices to and filings and registrations with, any Governmental Authority (including all foreign exchange approvals) in connection with the Transactions have been made or obtained, and all material third-party consents and approvals, necessary in connection with the execution, delivery and performance by the Obligors of the Loan Documents and the Transactions have been obtained.

(v) *Organizational Documents.* (A) Certified copies of the Organizational Documents of each Obligor and of resolutions of the board of directors (or similar governing body) of each Obligor approving and authorizing the execution, delivery and performance of this Agreement and each of the other Loan Documents to which it is a party, certified as of the Closing Date by its secretary or assistant secretary as being in full force and effect without modification or amendment; (B) a good standing certificate and/or compliance certificate from the applicable Governmental Authority of each Obligor's jurisdiction of incorporation and in each jurisdiction in which it is qualified as a foreign corporation or other entity to do business, each dated a recent date prior to the Closing Date; and (C) such other documents as the Lenders may have reasonably requested.

(vi) *Incumbency Certificate.* A certificate of each Obligor as to the authority, incumbency and specimen signatures of the persons who have executed the Loan Documents and any other documents in connection herewith on behalf of the Obligors.

(vii) *Officer's Certificate.* A certificate, dated as of the Closing Date and signed by a Responsible Officer of the Borrower, confirming compliance with the conditions set forth in this Section 6.01.

(viii) *Opinion of Counsel.* A favorable opinion, dated as of the Closing Date, of Goodwin Procter LLP, counsel to each Obligor in form reasonably acceptable to the Lenders and their counsel.

(ix) *Evidence of Insurance.* Certificates from each Obligor's insurance broker or other evidence satisfactory to the Lenders that all insurance required to be maintained pursuant to Section 8.05 is in full force and effect.

(x) *Sources and Uses Certificate.* The Lenders shall have received the Sources and Uses Certificate duly executed and delivered by a Responsible Officer of the Borrower, substantially in the form of Exhibit F hereto and otherwise in form and substance satisfactory to the Lenders.

(f) *Due Diligence.* The Lenders shall have received and be satisfied with all due diligence regarding the Obligors (including without limitation historical financial statements, technical, operational, legal, intellectual property, commercial market forecasts, clinical and regulatory assessments, supply chain, securities, labor, Tax, litigation, environmental, reimbursement and regulatory authority matters) in their sole discretion.

(g) *Indebtedness.* As of the Closing Date, after giving effect to the Transactions, no Obligor shall have any Indebtedness other than the Obligations and any Indebtedness specified on Schedule 7.13A. All amounts due or outstanding in respect of any Indebtedness other than the Obligations and any Indebtedness specified on Schedule 7.13A shall have been repaid in full, all commitments (if any) in respect thereof terminated, all guarantees (if any) thereof discharged and released and all security therefor (if any) released, together with all fees and other amounts owing thereon, or documentation in form and substance reasonably satisfactory to the Lenders to effect such release upon such repayment and termination shall have been delivered to the Lenders.

(h) *Closing Fees, Expenses, Etc.* The Lenders and their Affiliates shall have received for their own account, the Closing Fee and all reasonable and documented out-of-pocket fees, costs and expenses due (including reasonable and documented out-of-pocket attorney costs and the reasonable and documented out-of-pocket fees and expenses of any other advisors to the Lenders) and payable pursuant to Section 13.03, after deducting therefrom the Expense Deposit.

(i) *Warrants*. The Administrative Agent shall have received the executed Warrants, dated as of the Closing Date.

(j) *Representations and Warranties*. The representations and warranties of the Obligors contained in Article 7 or any other Loan Document shall be true and correct in all material respects on and as of the Closing Date; *provided* that to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; *provided further* that any representation and warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects.

(k) *Required Equity Financing*. Borrower shall have raised at least $60,000,000 of new cash equity in the form of Series B Preferred Stock, on terms reasonably satisfactory to the Administrative Agent.

(l) *No Default*. No Default shall exist, or would result from such proposed borrowing of the Tranche A Term Loan or from the application of the proceeds therefrom.

Section 6.02. Conditions to Tranche B Term Loan; Tranche B Term Loan Borrowing Date. The obligation of each Lender to make the Tranche B Term Loan on the Tranche B Term Loan Borrowing Date shall not become effective until the following conditions precedent shall have been reasonably satisfied or waived in writing by the Lenders (which satisfaction or waiver may be made simultaneously with the making of the Tranche B Term Loan hereunder):

(a) *Closing Conditions*. All closing conditions as set forth in Section 6.01 shall have been satisfied or waived in accordance with Section 13.04 on or before the Closing Date.

(b) *Borrowing Notice.* The Administrative Agent shall have received a Borrowing Notice duly executed by a Responsible Officer of the Borrower.

(c) *Representations and Warranties*. The representations and warranties of the Obligors contained in Article 7 or any other Loan Document shall be true and correct in all material respects on and as of the Tranche B Term Loan Borrowing Date; *provided* that to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; *provided further* that any representation and warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects.

(d) *No Default*. No Default shall exist, or would result from such proposed Borrowing or from the application of the proceeds therefrom.

(e) *Milestone.* The Borrower shall have, on or prior to [***], filed an IND with respect to a Specified Pipeline Target.

The borrowing of the Term Loans shall constitute a certification by the Borrower to the effect that the conditions set forth in Section 6.01 and 6.02, as applicable, have been fulfilled as of the Closing Date or the Tranche B Term Loan Borrowing Date, as applicable.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to enter into this Agreement and to extend the Term Loans hereunder, each Obligor represents and warrants to the Lenders and the Administrative Agent, on the Closing Date and on the Tranche B Term Loan Borrowing Date, that the following statements are true and correct:

Section 7.01. Power and Authority. Each Obligor and each of its Subsidiaries (a) is duly organized, validly existing and in good standing under the applicable laws of its jurisdiction of organization, (b) has all requisite corporate (or equivalent) power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted except to the extent that failure to have the same would not reasonably be expected to have a Material Adverse Effect, (c) is qualified to do business and is in good standing in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary except where failure to so qualify would not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect, and (d) has full power, authority and legal right to make and perform each of the Loan Documents and, in the case of the Borrower, to borrow the Term Loans hereunder.

Section 7.02. Authorization; Enforceability. The Transactions are within each Obligor's corporate (or equivalent) powers and have been duly authorized by all necessary corporate (or equivalent) action and, if required, by all necessary shareholder or other equity holder action. The Loan Documents have been duly executed and delivered by each Obligor party thereto and constitutes, and each of the other Loan Documents to which it is a party when executed and delivered by such Obligor will constitute, a legal, valid and binding obligation of such Obligor, enforceable against each Obligor in accordance with its terms, except as such enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or similar Laws of general applicability affecting the enforcement of creditors' rights and (b) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 7.03. Governmental and Other Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other Person, except for (i) such as have been obtained or made and are in full force and effect and (ii) filings and recordings in respect of perfecting or recording the Liens created pursuant to the Security Documents, (b) will not violate any applicable Requirement of Law or the Organizational Documents of any Obligor or any applicable order of any Governmental Authority, in each case, other than any such violations that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect, (c) will not violate or result in a default under any Material Agreement, or give rise to a right thereunder to require any payment to be made by any such Person, and (d) will not result in the creation or imposition of any Lien (other than Permitted Liens) on any asset of any Obligor or any of its Subsidiaries.

Section 7.04. Financial Statements; Material Adverse Change.

(a) *Financial Statements.* The Borrower has heretofore furnished to the Administrative Agent certain financial statements as provided for in Section 8.01. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Obligors as of such dates and for such periods substantially in accordance with GAAP, subject to quarterly or year-end adjustments and the absence of footnotes. No Obligor has any material contingent liabilities or liabilities for taxes, long-term lease or unusual forward or long-term commitments not disclosed in the aforementioned financial statements.

(b) *No Material Adverse Change.* Since December 31, 2018 no event, circumstance or change has occurred that has caused or evidences, either in individually or in the aggregate, a Material Adverse Change.

Section 7.05. Properties.

(a) *Property Generally.* Each Obligor and each of its Subsidiaries has good and marketable fee simple title to, or valid leasehold interests in, all its real and personal Property material to its business, subject only to Permitted Liens and except as would not reasonably be expected to interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes.

(b) *Intellectual Property.* (i) Schedule 7.05(b) lists, with respect to each Obligor, all United States and foreign registrations of and applications for Patents, Trademarks, and Copyrights that are Obligor Intellectual Property, including the applicable jurisdiction, registration or application number and date, as applicable thereto, a designation as to whether it is Material Intellectual Property, and a designation as to whether it is licensed or owned by an Obligor.

(ii) Each Obligor (A) owns or possesses all legal and beneficial rights, title and interest in and to the Material Intellectual Property designated on Schedule 7.05(b) as being owned by such Obligor and (B) has the right to use the Material Intellectual Property licensed to such Obligor, in each case with good and marketable title, free and clear of any Liens or Claims of any kind other than Permitted Liens.

(iii) To each Obligor's knowledge, the Material Intellectual Property does not violate any license or infringe any valid and enforceable Intellectual Property right of another.

(iv) Other than with respect to the Material Agreements, or as permitted by this Agreement, the Obligors have not assigned or otherwise transferred ownership of, or agreed to assign or otherwise transfer ownership of, any Material Intellectual Property, in whole or in part, to any Person who is not an Obligor.

(v) Other than as set forth on Schedule 7.05(b), the Obligors have not received any written communications, nor is there any pending or, to each Obligor's knowledge, threatened action in writing, suit, proceeding or claim in writing by another, alleging that any of the Obligors has violated, infringed, diluted or misappropriated any Intellectual Property of another.

(vi) There is no pending or, to any Obligor's knowledge, threatened action in writing, suit, proceeding or claim in writing by another: (a) challenging an Obligor's rights in or to any Material Intellectual Property owned by such Obligor; or (b) challenging the validity, enforceability or scope of any Material Intellectual Property owned by an Obligor.

(vii) Each Obligor has taken commercially reasonable precautions to protect the secrecy, confidentiality and value of the Material Intellectual Property.

(viii) Each Obligor has complied with the terms of each Material Agreement pursuant to which Intellectual Property has been licensed to the Obligors (which material terms shall include, but not be limited to, pricing and duration of the agreement), unless such non-compliance would not reasonably be expected to result in a Material Adverse Change.

(ix) All maintenance fees, annuities, and the like due or payable on the Patents within the Material Intellectual Property owned by or exclusively licensed to an Obligor have been timely paid or the failure to so pay was the result of an intentional decision by the applicable Obligor, which would not reasonably be expected to result in a Material Adverse Change. All documents and instruments necessary to register or apply for or renew registration of all Patents, Trademarks and Copyrights within the Material Intellectual Property owned by an Obligor have been validly executed, delivered and filed in a timely manner with the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

(x) To each Obligor's knowledge, (A) there are no material defects in any of the Patents within the Material Intellectual Property and (B) no such Patents within the Material Intellectual Property have ever been finally adjudicated to be invalid, unpatentable or unenforceable for any reason in any administrative, arbitration, judicial or other proceeding.

(xi) To each Obligor's knowledge, no Obligor has received any written notice asserting that the Patents within the Material Intellectual Property are invalid, unpatentable or unenforceable and, to each Obligor's knowledge, no Obligor has engaged in any conduct, or omitted to perform any necessary act, the result of which would invalidate or render unpatentable or unenforceable any such Patent within the Material Intellectual Property.

(xii) To the knowledge of each Obligor, no third party is infringing upon or misappropriating, or violating any material license or agreement with such Obligor relating to any Material Intellectual Property.

(xiii) The representations and warranties in this Section 7.05(b) are the exclusive representations and warranties with respect to Intellectual Property matters.

Section 7.06. No Actions or Proceedings.

(a) *Litigation.* There is no litigation, investigation or enforcement proceeding pending or threatened in writing with respect to any Obligor by or before any Governmental Authority or arbitrator (i) that either individually or in the aggregate would reasonably be expected to have a Material Adverse Effect or (ii) that involves this Agreement or the Transactions.

(b) *Environmental Matters.* The operations and the real Property of the Obligors comply with all applicable Environmental Laws, except to the extent the failure to so comply, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. To each Obligor's knowledge, there have been no conditions, occurrences or release of Hazardous Materials which would reasonably be expected to have a Material Adverse Effect.

(c) *Labor Matters.* No Obligor has engaged in unfair labor practices and there are no pending or, to any Obligor's knowledge, threatened in writing labor actions, disputes, grievance or arbitration proceedings involving the employees of any Obligor, in each case that would reasonably be expected to have a Material Adverse Effect. There is no material strike or work stoppage in existence or threatened in writing against any Obligor and to the knowledge of such Obligor, no union organization activity is taking place.

Section 7.07. Compliance with Laws and Agreements. Each Obligor is in compliance with all Requirements of Law (including Healthcare Laws and Environmental Laws) and all Contracts binding upon it or its Property, except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 7.08. Taxes. Each Obligor has timely filed or caused to be filed all federal income and other material Tax returns and reports required to have been filed and has paid or caused to be paid all federal income and other material Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and for which such Obligor has set aside on its books adequate reserves with respect thereto substantially in accordance with GAAP.

Section 7.09. Full Disclosure. The Borrower has disclosed to the Lenders all Material Agreements to which any Obligor is party, and all other matters to its knowledge, that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect. None of the reports, financial statements, certificates or other information furnished by or on behalf of the Obligors to the Lenders in connection with the negotiation of this Agreement and the other Loan Documents or delivered hereunder or thereunder (as modified or supplemented by other information so furnished) contains any material misstatement of material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood by the Administrative Agent and the Lenders that such projected financial information is not to be viewed as facts, and that no assurances can be given that any particular projections will be realized and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material).

Section 7.10. Regulation.

(a) *Investment Company Act.* No Obligor is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

(b) *Margin Stock.* No Obligor is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying Margin Stock and no part of the proceeds of the Term Loans will be used to buy or carry any Margin Stock in violation of Regulation T, U or X.

Section 7.11. Solvency. The Obligors, on a consolidated basis, are and, immediately after giving effect to the Borrowings, the use of proceeds thereof, and the consummation of the Transactions, will be, Solvent.

Section 7.12. Subsidiaries. Except for the Securities Subsidiary, the Borrower has no direct or indirect Subsidiaries.

Section 7.13. Indebtedness and Liens. Set forth on Schedule 7.13A is a complete and correct list of all Permitted Indebtedness described in Section 9.01(b) of each Obligor on the date hereof. Set forth on Schedule 7.13B is a complete and correct list of all Permitted Liens described in Section 9.02(b) granted by the Borrower and other Obligors with respect to their respective Property and outstanding as of the date hereof.

Section 7.14. Material Agreements. Set forth on Schedule 7.14 (as such Schedule may be updated by the Borrower from time to time) is a complete and correct list of (i) each Material Agreement and (ii) each Contract creating or evidencing any Material Indebtedness, together with a summary reference to the Product or purpose of each such Material Agreement and such Contract, to which an Obligor is a party. Accurate and complete copies of each such Contract listed on such schedule have been made available to the Lenders. No Obligor is in material default under any such Material Agreement or such Contract creating or evidencing any Material Indebtedness listed on such schedule, and the Obligors have no knowledge of any material default by any counterparty to such Material Agreement or such Contract. Except as otherwise disclosed on Schedule 7.14 (as such Schedule may be updated by the Borrower from time to time), all material vendor purchase agreements and provider Contracts of the Obligors, and all Material Agreements including a grant of rights under any Intellectual Property to an Obligor, are in full force and effect without material modification from the form in which the same were disclosed to the Lenders.

Section 7.15. Restrictive Agreements. None of the Obligors is party to any Restrictive Agreement, except (i) those listed on Schedule 7.15 or otherwise permitted under Section 9.11, (ii) restrictions and conditions imposed by Law or by the Loan Documents, (iii) any stockholder agreement, charter, by laws or other organizational documents of an Obligor and (iv) limitations associated with Permitted Liens.

Section 7.16. Real Property. No Obligor or any of its Subsidiaries owns or leases (as tenant thereof) any real Property on the date hereof, except as described on Schedule 7.16.

Section 7.17. Pension and Other Plans. Schedule 7.17 sets forth, as of the date hereof, a complete and correct list of, and that separately identifies, (a) all Title IV Plans, (b) all Multiemployer Plans and (c) all material Benefit Plans. Each Benefit Plan, and each trust thereunder, intended to qualify for Tax exempt status under Section 401 or 501 of the Code or

other Requirements of Law so qualifies. Except for those that would not, in the aggregate, have a Material Adverse Effect, (i) each Benefit Plan is in compliance with applicable provisions of ERISA, the Code and other Requirements of Law, (ii) there are no existing or pending (or to the knowledge of any Obligor or Subsidiary thereof, threatened) claims (other than routine claims for benefits in the normal course), sanctions, actions, lawsuits or other proceedings or investigation involving any Benefit Plan to which any Obligor or Subsidiary thereof incurs or otherwise has or would have an obligation or any liability or Claim and (iii) no ERISA Event is reasonably expected to occur. The Borrower and each of its ERISA Affiliates has met all applicable requirements under the ERISA Funding Rules with respect to each Title IV Plan, and no waiver of the minimum funding standards under the ERISA Funding Rules has been applied for or obtained. As of the most recent valuation date for any Title IV Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is at least 60%, and neither the Borrower nor any of its ERISA Affiliates knows of any facts or circumstances that would reasonably be expected to cause the funding target attainment percentage to fall below 60% as of the most recent valuation date. As of the date hereof, no ERISA Event has occurred in connection with which obligations and liabilities (contingent or otherwise) remain outstanding. No ERISA Affiliate would have any Withdrawal Liability as a result of a complete withdrawal from any Multiemployer Plan on the date this representation is made.

Section 7.18. Collateral; Security Interest. Each Security Document is effective to create in favor of the Administrative Agent for the benefit of the Lenders a legal, valid and enforceable security interest in the Collateral subject thereto and each such security interest is perfected to the extent required by (and has the priority required by) the applicable Security Document, subject to Permitted Liens. The Security Documents collectively are effective to create in favor of the Administrative Agent for the benefit of the Lenders a legal, valid and enforceable security interest in the Collateral, which upon the filing of financing statements and other similar statements filed in the appropriate offices, such security interests are perfected security interests to the extent that such perfection may be obtained by such filing, subject only to Permitted Liens.

Section 7.19. Regulatory Approvals. (a) With respect to the Products, each Obligor and each of its Subsidiaries holds either directly or through licensees and agents, all Regulatory Approvals and Permits necessary or required for each Obligor and its Subsidiaries to conduct all Product Development and Commercialization Activities with respect to the Products.

(b) Set forth on Schedule 7.19(b) is a complete and accurate list as of the date hereof of all Regulatory Approvals referred to in clause (a) above, setting forth (on a per Product basis) the Obligor that holds such Regulatory Approval and identifying the Product related to such Regulatory Approval. All such Regulatory Approvals are (i) legally and beneficially owned exclusively by the Obligor identified on the Schedule, free and clear of all Liens other than Permitted Liens, (ii) validly registered and on file with the applicable Regulatory Authority, in material compliance with all registration, filing and maintenance requirements (including any fee requirements) thereof, and (iii) in good standing, valid and enforceable with the applicable Regulatory Authority. All required and material notices, registrations and listings, supplemental applications or notifications, reports (including annual reports, field alerts or other reports of adverse experiences) and all other required and material filings with respect to the Products or any related Product Development and Commercialization Activities have been filed with the FDA and all other applicable Governmental Authorities.

(c) (i) All material regulatory filings required by any Regulatory Authority or in respect of any Regulatory Approval or Product Authorization with respect to any Product or any Product Development and Commercialization Activities have been made, and all such filings are complete and correct in all material respects and have complied in all material respects with all applicable Requirements of Law, (ii) all clinical and pre-clinical trials, if any, of investigational Products have been and are being conducted by each Obligor according to all applicable Requirements of Law in all material respects along with required monitoring of clinical investigator trial sites for their compliance, and (iii) each Obligor has disclosed to the Lenders all such material regulatory filings and all material communications between representatives of each Obligor and any Regulatory Authority.

(d) Each Obligor and, to each Obligor's knowledge, each of its agents and Contract Manufacturers are in compliance in all material respects with all applicable statutes, rules and regulations (including all Regulatory Approvals and Product Authorizations) of all applicable Governmental Authorities, including the FDA and all other Regulatory Authorities, with respect to each Product and all Product Development and Commercialization Activities related thereto. Each Obligor and, to each Obligor's knowledge, each Contract Manufacturer has and maintains in full force and effect all the necessary and requisite Regulatory Approvals and Product Authorizations. Each Obligor is in compliance in all material respects with all applicable registration and listing requirements set forth in all applicable FDA Laws or equivalent regulation of each other Governmental Authority having jurisdiction over such Person. Each Obligor, and, to each Obligor's knowledge, each Contract Manufacturer adheres in all material respects to all applicable regulations of all Regulatory Authorities with respect to the Products and all Product Development and Commercialization Activities related thereto.

(e) (i) No Obligor and, to each Obligor's knowledge, no Contract Manufacturer has received from any Regulatory Authority any notice of adverse findings with respect to any Product or any Product Development and Commercialization Activities related thereto, including any FDA Form 483 inspectional observations, notices of violations, Warning Letters, criminal proceeding notices under Section 305 of the FD&C Act, or any other similar communication from any Regulatory Authority, (ii) there have been no seizures conducted or, to each Obligor's knowledge, threatened by any Regulatory Authority with respect to any Product, and no recalls, market withdrawals, field notifications, notifications of misbranding or adulteration or safety alerts conducted, requested or, to any Obligor's knowledge, threatened by any Regulatory Authority with respect to any Product, and no recalls, market withdrawals, field notifications, notifications of misbranding or adulteration or safety alerts have been conducted, requested or, to each Obligor's knowledge, threatened by any Regulatory Authority relating to any Products, and (iii) no Obligor and, to each Obligor's knowledge, no Contract Manufacturer has received any written notification that remains unresolved from the FDA or any other Regulatory Authority indicating any breach or violation of any applicable Product Authorization or Regulatory Approval, including that any of the Products is misbranded or adulterated as defined in the FD&C Act or the rules and regulations promulgated thereunder.

(f) Neither any Obligor nor, to any Obligor's knowledge, any officer, employee or agent thereof or Contract Manufacturer, has made an untrue statement of a material fact or fraudulent statements to the FDA or any other Regulatory Authority, failed to disclose a material fact required to be disclosed to the FDA or any other Regulatory Authority, or committed an act, made a statement, or failed to make a statement that, at the time such disclosure was made (or was not made), would reasonably be expected to provide a basis for the FDA or any other Regulatory Authority to invoke its policy respecting Fraud, Untrue Statements of Material Facts, Bribery and Illegal Gratuities, set forth in 56 Fed. Reg. 46191 (September 10, 1991) or any similar policy.

(g) No Obligor has received any written notice that the FDA or any other applicable Regulatory Authority has commenced or initiated, or, to the knowledge of any such Obligor, threatened to commence or initiate, any action to withdraw any Regulatory Approval or Product Authorization or requested the recall of any Products or commenced or initiated or, to the knowledge of such Obligor, threatened to commence or initiate, any action to enjoin any Product Development and Commercialization Activities of such Obligor or any Contract Manufacturer.

(h) The clinical, preclinical, safety and other studies and tests conducted by or on behalf of or sponsored by each Obligor, or in respect of which any Products or Product candidates under development have participated, were (and if still pending, are) being conducted materially in accordance with standard medical and scientific research procedures and all applicable Product Authorizations. Each Obligor has operated within, and currently is in compliance in all material respects with, all applicable Laws, Product Authorizations and Regulatory Approvals, as well as the rules and regulations of the FDA and each other Regulatory Authority. No Obligor has received any notices or other correspondence from the FDA or any other Regulatory Authority requiring the termination or suspension of any clinical, preclinical, safety or other studies or tests used to support regulatory clearance of, or any Product Authorization or Regulatory Approval for, any Product.

(i) No material debarment or exclusionary claims, actions, proceedings or investigations in respect of any Obligor's business is pending, or to such Obligor's knowledge, threatened in writing against such Obligor or its officers, employees or agents. No Obligor or, to such Obligor's knowledge, any officer, employee or agent of such Obligor, has been convicted of any crime or engaged in any conduct that would reasonably be expected to result in a debarment or exclusion under (i) Section 335a of the FD&C Act or (ii) any similar applicable Law.

Section 7.20. Capitalization. All of the issued and outstanding securities of each Obligor have been duly authorized, are validly issued, fully paid, and non-assessable. As of the Closing Date, except for the Warrants and except as set forth on Schedule 7.20, there are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, or other contracts or commitments that could require the Obligors to issue, sell, or otherwise cause to become outstanding any of their ownership interests. There are no outstanding or authorized stock appreciation, phantom stock, profit participation, or similar rights with respect to the Obligors. There are no voting trusts, proxies, or other agreements or understandings with respect to the voting of the ownership interests of the Obligors. None of the Equity Interests in the Obligors have been mortgaged, assigned or pledged in favor of any Person, other than pursuant to the Security Agreement.

Section 7.21. Insurance. Each Obligor has obtained (and is maintaining), insurance for its assets (including the Collateral) and business as required under the Loan Documents.

Section 7.22. Certain Fees. Except as described on Schedule 7.22, no broker's or finder's fee will be payable in connection with the execution and delivery of this Agreement.

Section 7.23. Sanctions Laws. Obligors and, to the knowledge of the Obligors, any director, officer or employee of an Obligor acting on behalf of the Obligors, are in compliance with the Sanctions Laws.

Section 7.24. Anti-Corruption Laws. No Obligor nor any of its Subsidiaries has, nor, to the knowledge of any Responsible Officer of any Obligor, has any director, officer, agent or employee of any Obligor acting on behalf of such Obligor (i) taken any action, directly or indirectly, that would result in a violation by such Persons of the Anti-Corruption Laws, (ii) made, offered to make, promised to make or authorized the payment or giving of, directly or indirectly, any Prohibited Payment or (iii) been subject to any investigation by any Governmental Authority with regard to any actual or alleged Prohibited Payment.

Section 7.25. Anti-Terrorism Laws. The Obligors (i) have taken reasonable measures to ensure compliance with applicable Economic Sanctions Laws and Anti-Terrorism Laws, (ii) are not Designated Persons and (iii) have not used any part of the proceeds from any advance on behalf of any Designated Person or has not used, directly by it or indirectly through any Subsidiary, such proceeds in connection with any investment in, or any transactions or dealings with, any Designated Person.

Section 7.26. Royalty and Other Payments. Except as set forth on Schedule 7.26, no Obligor, nor any of its Subsidiaries, is obligated to pay any royalty, milestone payment, deferred payment or any other contingent payment in respect of any Product.

ARTICLE 8

AFFIRMATIVE COVENANTS AND FINANCIAL COVENANTS

Each Obligor covenants and agrees with the Lenders that, until the Commitments have expired or been terminated and all Obligations (other than the Warrant Obligations and inchoate indemnity obligations) have been paid in full in cash:

Section 8.01. Financial Statements and Other Information. The Borrower will furnish to the Administrative Agent for distribution to the Lenders:

(a) as soon as available and in any event within thirty (30) days after the end of each month, the consolidated balance sheets of Borrower and its Subsidiaries as of the end of each such month, and the related consolidated statements of income and cash flows of Borrower and its Subsidiaries for such month, all in reasonable detail, together with a certificate of a Responsible Officer of Borrower stating that such financial statements fairly present in all material respects the financial condition of Borrower and its Subsidiaries as at such date and the results of operations of Borrower and its Subsidiaries for the period ended on such date and have been prepared substantially in accordance with GAAP consistently applied, subject to changes resulting from normal, quarterly or year-end adjustments and except for the absence of notes;

(b) commencing with the fiscal quarter ended June 30, 2020, as soon as available and in any event within forty-five (45) days after the end of the first three quarters of each fiscal year and sixty (60) days, in the case of the fourth fiscal quarter of each fiscal year, the consolidated balance sheets of the Borrower and its Subsidiaries as of the end of such quarter, and the related consolidated statements of income and cash flows of the Borrower and its Subsidiaries for such quarter and the portion of the fiscal year through the end of such quarter, all in reasonable detail and setting forth in comparative form the figures for the corresponding period in the preceding fiscal year, together with a certificate of a Responsible Officer of the Borrower stating that such financial statements fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as at such date and the results of operations of the Borrower and its Subsidiaries for the period ended on such date and have been prepared substantially in accordance with GAAP consistently applied, subject to changes resulting from normal quarterly or year-end adjustments and except for the absence of footnotes; *provided* that, if the Borrower is a Publicly Reporting Company, the Borrower's filing of a Quarterly Report on Form 10-Q with the SEC shall be deemed to satisfy the requirements of this Section 8.01(b) on the date on which such report is first available via the SEC's EDGAR system or a successor system related thereto;

(c) as soon as available and in any event within one hundred eighty (180) days after the end of each fiscal year, the consolidated balance sheets of the Borrower and its Subsidiaries as of the end of such fiscal year, and the related consolidated statements of income, shareholders' equity and cash flows of the Borrower and its Subsidiaries for such fiscal year, prepared substantially in accordance with GAAP consistently applied, all in reasonable detail and setting forth in comparative form the figures for the previous fiscal year, accompanied by (i) a report and opinion thereon of KPMG or another firm of independent certified public accountants of recognized national standing, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit and (ii) a management's discussion and analysis of the financial condition and results of operations, including the Obligors' liquidity and capital resources; *provided* that, if the Borrower is a Publicly Reporting Company, the Borrower's filing of a Yearly Report on Form 10-K with the SEC shall be deemed to satisfy the requirements of this Section 8.01(c) on the date on which such report is first available via the SEC's EDGAR system or a successor system related thereto;

(d) within thirty (30) days after the end of each month, a compliance certificate of a Responsible Officer of the Borrower as of the end of the applicable accounting period (which delivery may, unless a Lender requests executed originals, be by electronic communication including email and shall be deemed to be an original authentic counterpart thereof for all purposes) in the form of Exhibit D (a *"Compliance Certificate"*) which, for

purposes of clarification, shall (i) demonstrate the Borrower's compliance with Section 8.15 in respect of such month, (ii) state that the representations and warranties made by the Obligors in Article 7 are true in all material respects on and as of the date thereof; *provided* that to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; *provided further* that any representation and warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects, (iii) include details of any issues that are material that are raised by auditors and (iv) for each month end that coincides with the end of a fiscal year of the Borrower, provide updated Schedules to this Agreement (if any);

(e) promptly, and in any event within five (5) Business Days after receipt thereof by an Obligor thereof, copies of each notice or other correspondence received from any securities regulator or exchange to the authority of which an Obligor is subject concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of such Obligor;

(f) upon any renewal or replacement, the information regarding insurance maintained by Obligors as required under Section 8.05;

(g) promptly following the Lenders' written request at any time, proof of the Borrower's compliance with Section 8.15;

(h) within ten (10) days of delivery, copies of all periodic reports distributed by the Borrower to its shareholders generally; *provided* that (i) any such material may be redacted by the Borrower to exclude information relating to the Loan Documents or the Lenders and (ii) the Lenders shall not be entitled to receive statements, reports and notices relating to topics that (A) are subject to attorney-client privilege or (B) present a conflict of interest for the Lenders;

(i) a financial forecast for the Borrower and its Subsidiaries for each fiscal year, including forecasted balance sheets, statements of income and cash flows of the Borrower and its Subsidiaries, all of which shall be prepared on a consolidated basis and delivered not later than February 28 of such fiscal year (the *"Financial Forecast"*);

(j) promptly following any Lender's written request, certification that such Obligor is not a passive foreign investment company (*"PFIC"*) within the meaning of Sections 1291 through 1297 of the Code, or, if such Obligor determines that it is a PFIC, such information as would allow the Lender to make a qualified electing fund election with respect to the stock of the Obligor;

(k) such other information respecting the operations, properties, business or condition (financial or otherwise) of the Obligors (including with respect to the Collateral) as the Lenders may from time to time reasonably request; and

(l) promptly after the receipt thereof, a copy of any "management letter" received from its certified public accounts and the management's response thereto.

Section 8.02. Notices of Material Events. The Borrower will furnish to the Administrative Agent for distribution to the Lenders written notice of the following promptly after a Responsible Officer first learns of the existence of:

(a) the occurrence of any Default or Event of Default;

(b) the occurrence of any Casualty Event with respect to any Obligor's Property resulting in a Loss, to the extent not covered by insurance, aggregating $500,000 or more;

(c) (i) any proposed Acquisition by any Obligor that would reasonably be expected to result in environmental liability under Environmental Laws in excess of $750,000, and (ii) in each case, to the extent that any of the following would reasonably be expected to result in liability in excess of $750,000: (A) spillage, leakage, discharge, disposal, leaching, migration or release of any Hazardous Material required to be reported to any Governmental Authority under applicable Environmental Laws, and (B) all actions, suits, claims, notices of violation, hearings, investigations or proceedings pending, or threatened in writing against or affecting any Obligor or any of its Subsidiaries or with respect to the ownership, use, maintenance and operation of their respective businesses, operations or properties, relating to Environmental Laws or Hazardous Material;

(d) the assertion of any environmental matter by any Person in writing against, or with respect to the activities of, any Obligor or any of its Subsidiaries and any alleged violation of or non-compliance with any Environmental Laws or any permits, licenses or authorizations, in each case, which would reasonably be expected to involve damages in excess of $750,000 other than any environmental matter or alleged violation that, if adversely determined, would not (either individually or in the aggregate) have a Material Adverse Effect;

(e) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or directly affecting any Obligor or any of its Subsidiaries, in each case, that would reasonably be expected to result in a Material Adverse Effect;

(f) (i) on or prior to any filing by any ERISA Affiliate of any notice of intent to terminate any Title IV Plan, a copy of such notice and (ii) promptly, and in any event within ten (10) days, after any Responsible Officer of any ERISA Affiliate knows or has reason to know that a request for a minimum funding waiver under Section 412 of the Code has been filed with respect to any Title IV Plan or Multiemployer Plan, a notice (which may be made by telephone if promptly confirmed in writing) describing such waiver request and any action that any ERISA Affiliate proposes to take with respect thereto, together with a copy of any notice filed with the PBGC or the IRS pertaining thereto;

(g) within five (5) Business Days of obtaining written notice or knowledge thereof: (i) the termination of any Material Agreement; (ii) the receipt by any Obligor or any of its Subsidiaries of a written notice under any Material Agreement (and a copy thereof) asserting a default by such Obligor or any of its Subsidiaries where such alleged default would permit such counterparty to terminate such Material Agreement; (iii) the entering into any new Material Agreement by an Obligor (and a copy thereof); or (iv) any amendment to a Material Agreement that would be materially adverse to the Lenders (and a copy thereof) (which includes, but is not limited to, any amendments to provisions relating to pricing and term); *provided* that notices required under this subsection (g) may be delivered with monthly Compliance Certificate unless any of the foregoing events would reasonably be expected to have a Material Adverse Effect;

(h) any product recalls, safety alerts, corrections, withdrawals, marketing suspensions, removals or the like conducted, to be undertaken or issued by any Obligor or any of its Subsidiaries, whether or not at the request, demand or order of any Governmental Authority or otherwise with respect to any Product;

(i) within ten (10) Business Days of obtaining written notice or knowledge thereof, any infringement or other violation by any Person of any Obligor Intellectual Property that would reasonably be expected to result in a Material Adverse Effect;

(j) within five (5) Business Days of obtaining written notice or knowledge thereof, a material licensing agreement or arrangement entered into by any Obligor or any of its Subsidiaries in connection with any material infringement or alleged infringement of the Intellectual Property of another Person;

(k) within ten (10) Business Days of obtaining written notice or knowledge thereof, any written claim by any Person that the conduct of any Obligor's (or any Subsidiary thereof) business, including the development, manufacture, use, sale or other commercialization of any Product, infringes any Intellectual Property of such Person, except to the extent any such claim would not reasonably be expected to result in a Material Adverse Effect;

(l) the reports and notices as required by the Security Documents;

(m) within thirty (30) days of the date thereof, or, if earlier, on the date of delivery of any financial statements pursuant to Section 8.01, notice of any material change in accounting policies or financial reporting practices by the Obligors;

(n) promptly after the occurrence thereof, notice of any labor controversy resulting in or threatening to result in any strike, work stoppage, boycott, shutdown or other material labor disruption against or involving an Obligor (or any Subsidiary thereof);

(o) any other development that results in a Material Adverse Effect;

(p) concurrently with the delivery with Compliance Certificates pursuant to Section 8.01(d), the creation or other acquisition of any Intellectual Property by any Obligor or any Subsidiary after the date hereof and during such prior fiscal year which is registered or becomes registered or the subject of an application for registration with the United States Copyright Office or the United States Patent and Trademark Office, as applicable, or with any other equivalent foreign Governmental Authority; and

(q) any change to any Obligor's ownership of Deposit Accounts, Securities Accounts and Commodity Accounts, by delivering to the Lenders an updated Schedule 7 to the Security Agreement setting forth a complete and correct list of all such accounts as of the date of such change.

Each notice delivered under this Section 8.02 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth in reasonable detail the event or development requiring such notice and any action taken or proposed to be taken with respect thereto; *provided that*, if the Borrower is a Publicly Reporting Company, the Borrower's filing of notice of any such event with the SEC shall be deemed to satisfy the requirements of this Section 8.02 on the date on which such report is first available via the SEC's EDGAR system or a successor system related thereto.

Notwithstanding any contrary provision of the Agreement or any other Loan Document (including, without limitation, Sections 8.01 and 8.02), until such time as the Administrative Agent provides written notice to the Borrower that it no longer desires to receive information that constitutes material non-public information, the Borrower shall provide any information required pursuant to the terms hereof, including any information that may be material non-public information, to the Administrative Agent; *provided,* that notwithstanding the forgoing, the Borrower shall at all times comply with Section 8.01(d)(i)-(iv) and 8.02(a).

Section 8.03. Existence; Maintenance of Properties, Etc. (a) It will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence; *provided* that the foregoing shall not prohibit any merger, amalgamation, consolidation, liquidation or dissolution permitted under Section 9.03.

(b) It shall, and shall cause each of its Subsidiaries to, maintain and preserve all rights, licenses, permits, privileges and franchises material to the conduct of its business, and maintain and preserve all of its assets and properties, necessary to the conduct of its business in good working order and condition, ordinary wear and tear and damage from casualty or condemnation excepted.

(c) It shall, and shall cause each of its Subsidiaries to, use commercially reasonable efforts to cause each new employee and contractor to execute and deliver a customary confidentiality, non-disclosure and Intellectual Property assignment agreement that includes a waiver of moral rights.

Section 8.04. Payment of Obligations. It will, and will cause each of its Subsidiaries to, pay and discharge (i) all federal income and other material Taxes, fees, assessments and governmental charges or levies imposed upon it or upon its properties or assets prior to the date on which penalties attach thereto, and all lawful claims for labor, materials and supplies which, if unpaid, might become a Lien (other than a Permitted Lien) upon any properties or assets of any Obligor, except to the extent such Taxes, fees, assessments or governmental charges or levies, or such claims, are being contested in good faith by appropriate proceedings and are adequately reserved against substantially in accordance with GAAP, (ii) all lawful claims which, if unpaid, would by Law become a Lien upon its Property not constituting a Permitted Lien and (iii) all other obligations if the failure to discharge such obligation would reasonably be expected to result in a Material Adverse Effect.

Section 8.05. Insurance. At its own cost and expense, it will, and will cause each of its Subsidiaries, to obtain and maintain, with financially sound and reputable insurers, insurance of the kinds, and in the amounts, as are consistent with customary practices and standards of its industry in the same or similar locations, it being understood and agreed that the insurance held by the Obligors on the Closing Date is deemed to fulfill this requirement on the date hereof. All of the insurance policies required pursuant to this Section 8.05 will name the Administrative Agent as a "loss payee," "additional insured" or "mortgagee," as applicable and as its interests may appear. The Borrower will use its commercially reasonable efforts to ensure, or to cause others to ensure, that all insurance policies required pursuant to this Section 8.05 shall provide that they shall not be terminated or cancelled nor shall any policy be materially changed in a manner adverse to the insured Person without at least thirty (30) days' written notice to the Borrower and the Administrative Agent. Receipt of notice of termination or cancellation of any such insurance policies shall entitle the Administrative Agent to renew any such policies, all in accordance with the first sentence of this Section 8.05 or otherwise to obtain similar insurance in place of such policies, in each case at the expense of the Borrower (payable within three (3) Business Days of any Borrower's receipt of written demand therefor) and, unless an Event of Default has occurred and is continuing, with the prior written consent of the Borrower (such consent not to be unreasonably withheld). The amount of any such expenses shall accrue interest at the Default Rate if not paid when due and shall constitute "Obligations." All of the insurance policies required hereby will be evidenced by one or more certificates of insurance, together with appropriate loss payee or additional insured clauses or endorsements in favor of the Administrative Agent as required by this Section, delivered to the Administrative Agent on or before the Closing Date and at such other times as the Administrative Agent may request from time to time.

Section 8.06. Books and Records; Inspection Rights. It will, and will cause each of its Subsidiaries to, keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. It will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent, upon reasonable prior notice and at reasonable times, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during normal business hours and with reasonable advance notice as the Administrative Agent may request. It will, and will cause each of its Subsidiaries to, pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent of (a) so long as no Default has occurred and is continuing, one (1) such inspection each calendar year and (b) during a continuing Default, all such inspections.

Section 8.07. Compliance with Laws. (a) It will, and will cause each of its Subsidiaries to, (i) comply in all material respects with all Requirements of Law (including Healthcare Laws and Environmental Laws) and (ii) comply in all material respects with all terms of outstanding Indebtedness and all Material Agreements, except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(b) Each Obligor will maintain, and will cause each of its Subsidiaries to maintain, all records required to be maintained by a Governmental Authority or otherwise under any applicable Healthcare Law, except where failure to do so, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 8.08. Licenses. It will, and will cause each of its Subsidiaries to, obtain and maintain all licenses, authorizations, consents, filings, exemptions, registrations and other Governmental Approvals necessary in connection with the execution, delivery and performance of the Loan Documents, the consummation of the Transactions or the operation and conduct of its business and ownership of its properties, except where failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 8.09. Action under Environmental Laws. It will, and will cause each of its Subsidiaries to, upon a Responsible Officer becoming aware of the release of any Hazardous Materials or the existence of any environmental liability under applicable Environmental Laws with respect to their respective businesses, operations or properties, take all actions, at their cost and expense, as shall be required by applicable Law to investigate and clean up the condition of their respective businesses, operations or properties, including all required removal, containment and remedial actions, and restore their respective businesses, operations or properties to a condition, in each case in material compliance with applicable Environmental Laws.

Section 8.10. Use of Proceeds. The proceeds of the Term Loans will be used only as provided in Section 2.05. No part of the proceeds of the Term Loans will be used, whether directly or indirectly, for any purpose that violates any of the Regulations of the Board of Governors of the Federal Reserve System, including Regulations T, U and X.

Section 8.11. Certain Obligations Respecting Subsidiaries; Further Assurances; Intellectual Property.

(a) *Subsidiaries.* It will take such action, and will cause each of its Subsidiaries (other than the Securities Subsidiary) to take such action, from time to time as shall be necessary to ensure that all Subsidiaries (other than the Securities Subsidiary) are "Guarantors" hereunder. Without limiting the generality of the foregoing, in the event that the Borrower or any of its Subsidiaries shall form or acquire any new Subsidiary, it and its Subsidiaries will promptly and in any event within thirty (30) days (or such longer time as consented to by the Administrative Agent in writing) of the formation or Acquisition of such Subsidiary:

(i) cause such new Subsidiary to become a "Guarantor" hereunder, and a "Grantor" under the Security Documents, pursuant to a Guarantee Assumption Agreement;

(ii) take such action or cause such Subsidiary to take such action (including delivering such Equity Interests, together with undated transfer powers executed in blank and any intercompany notes with undated endorsements executed in blank) as shall be necessary to create and perfect valid and enforceable first priority (subject to Permitted Priority Liens) Liens on substantially all of the personal Property of such new Subsidiary as collateral security for the obligations of such new Subsidiary hereunder;

(iii) to the extent that the parent of such Subsidiary is not a party to the Security Documents or has not otherwise pledged Equity Interests in its Subsidiaries in accordance with the terms of the Security Documents and this Agreement, cause the parent of such Subsidiary to execute and deliver a pledge agreement in favor of the Lenders, in respect of all outstanding issued shares of such Subsidiary; and

(iv) deliver such proof of corporate action, incumbency of officers, opinions of counsel and other documents as is consistent with those delivered by each Obligor pursuant to Section 6.01 or as the Majority Lenders shall have requested.

(b) *Further Assurances.* It will, and will cause each of its Subsidiaries to, take such action from time to time as shall reasonably be requested in writing by the Majority Lenders to effectuate the purposes and objectives of this Agreement. Without limiting the generality of the foregoing, it will, and will cause each Person that is required to be a Guarantor to, take such action from time to time (including executing and delivering such assignments, security agreements, control agreements and other instruments) as shall be reasonably requested in writing by the Majority Lenders to create, in favor of the Lenders, perfected security interests and Liens (subject to Permitted Liens) in substantially all of the personal Property of such Obligor as collateral security for the Obligations; *provided* that any such security interest or Lien shall be subject to the relevant requirements of the Security Documents.

(c) *Intellectual Property*. In the event that the Borrower or any of its Subsidiaries creates, develops or acquires Obligor Intellectual Property during the term of this Agreement, then the provisions of this Agreement shall automatically apply thereto and any such Obligor Intellectual Property shall automatically constitute part of the Collateral under the Security Documents, without further action by any party, in each case from and after the date of such creation, development or acquisition (except that any representations or warranties of any Obligor shall apply to any such Obligor Intellectual Property only from and after the date, if any, subsequent to such acquisition that such representations and warranties are brought down or made anew as provided herein). In the event that the Borrower or any of its Subsidiaries holds or acquires Obligor Intellectual Property during the term of this Agreement, then, upon the request of the Administrative Agent, the Borrower or any such Subsidiary shall take any action as shall be reasonably necessary and reasonably requested by the Administrative Agent to ensure that the provisions of this Agreement and the Security Agreement shall apply thereto and any such Obligor Intellectual Property shall constitute part of the Collateral under the Security Documents.

Section 8.12. Termination of Non-Permitted Liens. In the event that any Responsible Officer of the Borrower shall become aware or be notified by the Lenders of the existence of any outstanding Lien against any Property of any Obligor, which Lien is not a Permitted Lien, such Obligor shall use its best efforts to promptly terminate or cause the termination of such Lien.

Section 8.13. Non-Consolidation. The Borrower will, and will cause each of its Subsidiaries to, (i) maintain entity records and books of account separate from those of any other entity (other than the Obligors) which is an Affiliate of such entity; and (ii) not commingle its funds or assets with those of any other entity (other than the Obligors) which is an Affiliate of such entity.

Section 8.14. Anti-Terrorism and Anti-Corruption Laws. No Obligor shall engage in any transaction that violates any of the applicable prohibitions set forth in any Economic Sanctions Law, Anti-Terrorism Law, or the *US Foreign Corrupt Practices Act of 1977* (15 USC. §§ 78dd-1 *et seq.*). None of the funds or assets of such Obligor or any Subsidiary that are used to repay the Term Loans shall constitute property of, or shall be beneficially owned by, any Designated Person or, to each Obligor's knowledge, be the direct proceeds derived from any transactions that violate the prohibitions set forth in any applicable Economic Sanctions Law, and no Designated Person shall have any direct or indirect interest in such Obligor insofar as such interest would violate any Economic Sanctions Laws applicable to such Obligor.

Section 8.15. Minimum Liquidity. The Borrower shall ensure that the Borrower shall have aggregate Unrestricted Cash of not less than $3,000,000 at all times (*"Minimum Liquidity"*).

Section 8.16. Maintenance of Regulatory Approvals, Contracts, Intellectual Property, Etc. With respect to each Product, such Obligor will, and will cause each of its Subsidiaries (to the extent applicable) to: (i) maintain in full force and effect all material Regulatory Approvals (including the Product Authorizations), Material Agreements, or other rights necessary for the current operations of such Obligor's or such Subsidiary's business, as the case may be, including in respect of all related Product Development and Commercialization Activities, (ii) maintain in full force and effect all material Intellectual Property owned or controlled by such Obligor or any such Subsidiary that is used in and necessary for related Product Development and Commercialization Activities and (iii) use commercially reasonable efforts to pursue and maintain in full force and effect legal protection for all new, material Intellectual Property developed or controlled by such Obligor or any of its Subsidiaries, as the case may be, that is used in and necessary in connection with any Product Development and Commercialization Activities relating to any such Product.

Section 8.17. Cash Management. The Obligors will, and will cause each of their Subsidiaries to:

(a) maintain all Deposit Accounts, Securities Accounts, Commodity Accounts and lockboxes (other than Excluded Accounts) with a bank or financial institution that has executed and delivered to the Administrative Agent an account control agreement, in form and substance reasonably acceptable to the Administrative Agent (each such Deposit Account, Securities Account, Commodity Account and lockbox, a *"Controlled Account"*); and

(b) deposit promptly, and in any event no later than five (5) Business Days after the date of receipt thereof, all cash, checks, drafts or other similar items of payment relating to or constituting payments made in respect of any and all accounts and other rights and interests into Controlled Accounts.

Section 8.18. Milestone. The Borrower shall:

(a) (i) file an IND with respect to a Specified Pipeline Target on or prior to [***] and (ii) dose the first patient in Phase I trial with respect to a Specified Pipeline Target on or prior to [***]; *provided* that the Borrower has the option to extend such date by up to an additional ninety (90) days by providing written notice of its intention to do so to the Administrative Agent at least five (5) Business Days prior to [***]; *provided, further* that the Borrower may extend such additional period by another ninety (90) days subject to the Administrative Agent's consent, such consent not to be unreasonably withheld or delayed.

(b) on or before [***], either (i) complete a Qualified Public Offering, (ii) issue at least $ [***] of new cash equity in the form of Series C Preferred Stock on terms reasonably satisfactory to the Administrative Agent or (iii) consummate an M&A Event; *provided* that the Borrower has the option to extend such date by up to an additional ninety (90) days by providing written notice of its intention to do so to the Administrative Agent at least five (5) Business Days prior to [***].

Section 8.19. Certain Post-Closing Obligations. The Obligors will, and will cause each of their Subsidiaries to provide the items set forth in Schedule 8.19 within the time periods set forth therein.

ARTICLE 9

NEGATIVE COVENANTS

Each Obligor covenants and agrees with the Lenders that, until the Commitments have expired or been terminated and all Obligations (other than the Warrant Obligations and inchoate indemnity obligations) have been paid in full in cash:

Section 9.01. Indebtedness. It will not, and will not permit any of its Subsidiaries to, create, incur, assume or permit to exist any Indebtedness, whether directly or indirectly, except:

(a) the Obligations;

(b) Indebtedness existing on the date hereof and set forth in Schedule 7.13A and Permitted Refinancings thereof;

(c) accounts payable to trade creditors for goods and services and current operating liabilities (not the result of the borrowing of money) incurred in the Ordinary Course of Business;

(d) Indebtedness consisting of guarantees resulting from endorsement of negotiable instruments for collection by it or any of its Subsidiaries in the Ordinary Course of Business;

(e) Indebtedness of any Obligor to any other Obligor;

(f) Guarantees by any Obligor of the Indebtedness of any other Obligor;

(g) Purchase money and capital lease financing; *provided* that (i) if secured, the collateral therefor consists solely of the assets being financed, the products and proceeds thereof and books and records related thereto, (ii) in the case of purchase money Indebtedness, such Indebtedness shall constitute not less than 75% of the aggregate consideration paid with respect to such asset and (iii) the aggregate outstanding principal amount of such Indebtedness does not exceed $750,000 at any time;

(h) unsecured workers' compensation claims, payment obligations in connection with health, disability or other types of social security benefits, unemployment or other insurance obligations, reclamation and statutory obligations, in each case incurred in the Ordinary Course of Business;

(i) Indebtedness under Hedging Agreements permitted pursuant to Section 9.05(f);

(j) Indebtedness approved in advance in writing by the Majority Lenders;

(k) Indebtedness of the Borrower and its Subsidiaries with respect to corporate credit cards not to exceed $500,000 at any time outstanding; and

(l) other unsecured Indebtedness in an aggregate principal amount not to exceed $500,000 at any time outstanding.

Section 9.02. Liens. It will not, and will not permit any of its Subsidiaries to, create, incur, assume or permit to exist any Lien on any Property now owned by it, except:

(a) Liens securing the Obligations;

(b) any Lien on any Property of any Obligor existing on the date hereof and set forth in Schedule 7.13B; *provided* that (i) no such Lien shall extend to any other Property of such Obligor and (ii) any such Lien shall secure only those obligations which it secures on the date hereof and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof;

(c) Liens securing Indebtedness permitted under Section 9.01(g); *provided* that such Liens are restricted solely to the collateral described in Section 9.01(g);

(d) Liens imposed by Law which were incurred in the Ordinary Course of Business, including (but not limited to) carriers', warehousemen's, landlords' and mechanics' liens, liens relating to leasehold improvements and other similar liens arising in the Ordinary Course of Business and which (i) do not in the aggregate materially detract from the value of the Property subject thereto or materially impair the use thereof in the operations of the business of such Person or (ii) are being contested in good faith by appropriate proceedings, which proceedings have the effect of preventing the forfeiture or sale of the Property subject to such liens and for which adequate reserves have been made if required substantially in accordance with GAAP;

(e) Liens, pledges or deposits made in the Ordinary Course of Business in connection with bids, contracts, leases, appeal bonds, workers' compensation, unemployment insurance or other similar social security legislation;

(f) Liens securing Taxes, assessments and other governmental charges, the payment of which is not yet due or is being contested in good faith by appropriate proceedings promptly initiated and diligently conducted and for which such reserve or other appropriate provisions, if any, as shall be required by GAAP shall have been made;

(g) servitudes, easements, rights of way, restrictions and other similar encumbrances on real Property imposed by applicable Laws and encumbrances consisting of zoning or building restrictions, easements, licenses, restrictions on the use of Property or minor imperfections in title thereto which, in the aggregate, are not material, and which do not in any case materially detract from the value of the Property subject thereto or interfere with the ordinary conduct of the business of any of the Obligors;

(h) banker's liens, rights of setoff and similar Liens incurred in the Ordinary Course of Business and arising in connection with the Obligors' deposit accounts or securities accounts held at financial institutions solely to secure payment of fees and similar costs and expenses of such financial institutions with respect to such accounts;

(i) Liens in connection with transfers permitted under Section 9.09;

(j) any judgment lien or lien arising from decrees or attachments not constituting an Event of Default;

(k) leases or subleases of real property granted in the Ordinary Course of Business, and leases, subleases, nonexclusive licenses or sublicenses of personal property (other than Intellectual Property) granted in the Ordinary Course of Business;

(l) Liens in favor of customs and revenue authorities arising as a matter of law to secure the payment of custom duties in connection with the importation of goods, not securing an amount in the aggregate in excess of $750,000 at any given time;

(m) Liens on a deposit account of the Obligors and the cash and cash equivalents therein, in each case, securing Indebtedness described in Section 9.01(k); and

(n) Permitted Licenses solely to the extent that such Permitted License would constitute a Lien;

provided that no Lien otherwise permitted under any of the foregoing Section 9.02 (excluding Section 9.02(a)) shall apply to any Material Intellectual Property.

Section 9.03. Fundamental Changes and Acquisitions. It will not, and will not permit any of its Subsidiaries to, (i) enter into or consummate any transaction of merger, amalgamation or consolidation, including without limitation, a reverse-triangular merger, or other similar transaction or series of related transactions, (ii) liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution) (including in connection with any division or plan of division under Delaware law or any comparable event under a different jurisdiction's laws), (iii) make or consummate any Acquisition, and (iv) make any public offering other than a Qualified Public Offering, except:

(a) Investments permitted under Section 9.05(e);

(b) Permitted Acquisitions for an aggregate consideration not to exceed $5,000,000 for the duration of this Agreement; and

(c) the merger, amalgamation or consolidation of any Obligor with or into any other Obligor, *provided* that (i) if the Borrower is a party to such merger, amalgamation or consolidation, the Borrower shall be the surviving entity and (ii) if a Domestic Subsidiary is a party to such merger, amalgamation or consolidation, a Domestic Subsidiary shall be the surviving entity.

Section 9.04. Lines of Business. It will not, and will not permit any of its Subsidiaries to, engage to any material extent in any business other than the business engaged in on the date hereof by such Obligor, or a business reasonably related, incidental or complementary thereto or reasonable extensions thereof.

Section 9.05. Investments. It will not, and will not permit any of its Subsidiaries to, make, directly or indirectly, or permit to remain outstanding any Investments except:

(a) Investments outstanding on the date hereof and identified in Schedule 9.05 and any modification, replacement, renewal or extension thereof to the extent not involving new or additional Investments;

(b) operating deposit accounts with banks;

(c) extensions of credit in the nature of accounts receivable or notes receivable arising from the sales of goods or services in the Ordinary Course of Business;

(d) Permitted Cash Equivalent Investments;

(e) (i) Investments consisting of 100% of the ownership of the Equity Interests of its Subsidiaries, (ii) Investments by the Borrower or any Subsidiary consisting of 100% of the ownership of the Equity Interests of the Person acquired in connection with a Permitted Acquisition and (iii) intercompany Investments by the Borrower or its Subsidiaries in a Subsidiary that is a Guarantor or by any Subsidiary of Borrower in Borrower;

(f) Hedging Agreements entered into in the ordinary course of any Obligor's financial planning solely to hedge interest rate risks (and not for speculative purposes) in respect of Permitted Indebtedness and in an aggregate amount for all such Hedging Agreements not in excess of $750,000;

(g) Investments consisting of prepaid expenses, negotiable instruments held for collection or deposit, security deposits with utilities, landlords and other like Persons, and deposits in connection with workers' compensation and similar deposits, in each case made in the Ordinary Course of Business;

(h) Investments received in connection with any Insolvency Proceedings in respect of any customers, suppliers or clients and in settlement of delinquent obligations of, and other disputes with, customers, suppliers or clients;

(i) Investments permitted pursuant to Section 9.03;

(j) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the Ordinary Course of Business; *provided* that this paragraph shall not apply to Investments of the Borrower in any Subsidiary;

(k) Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the Ordinary Course of Business, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of the Borrower or its Subsidiaries pursuant to employee stock purchase plans or agreements approved by the Borrower's board of directors in an aggregate amount not to exceed $500,000 for subclauses (i) and (ii) in any fiscal year;

(l) so long as no Event of Default has occurred and is continuing, Investments by any Obligor in another Obligor;

(m) so long as no Default Event of Default shall have occurred and is continuing at the time of such Investment, Investments by Borrower in the Securities Subsidiary, so long as the aggregate amount of cash and Permitted Cash Equivalent Investments held by Borrower is not less than (i) prior to the Tranche B Term Loan Borrowing Date, $12,500,000 and (ii) on and after the Tranche B Term Loan Borrowing Date, $20,000,000; and

(n) so long as no Default or Event of Default shall have occurred and is continuing at the time of such Investment, or after giving effect thereto, other Investments in an amount not to exceed $500,000 in any fiscal year.

Section 9.06. Restricted Payments. It will not, and will not permit any of its Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, other than:

(a) dividends with respect to any Equity Interests of the Borrower or any of its Subsidiaries payable solely in additional shares of its Qualified Equity Interests;

(b) any Restricted Payment by a Subsidiary to the Borrower;

(c) any purchase, redemption, retirement, or other Acquisition by the Borrower or any of its Subsidiaries of shares of its capital stock or other Equity Interests with the proceeds received from a substantially concurrent issue of new shares of its capital stock or other Equity Interests;

(d) any non-cash (other than cash in lieu of fractional shares) conversion or exercise requests in respect of any convertible securities, options or warrants of the Borrower into Qualified Equity Interests of the Borrower pursuant to the terms of such convertible securities, options or warrants or otherwise in exchange therefor;

(e) repurchases pursuant to the terms of employee stock purchase plans, employee restricted stock agreements, stockholder rights plans, director or consultant stock option plans, or similar plans in an aggregate amount not to exceed $250,000 in any fiscal year;

(f) the making of cash payments in lieu of the issuance of fractional shares upon the conversion of convertible securities (or in connection with the exercise of warrants or similar securities) not to exceed $25,000 in any fiscal year;

(g) cash payments made to redeem, purchase, repurchase or retire the Warrant Obligations in accordance with the terms of the Warrants; and

(h) dividends paid by any Guarantor to any other Obligor.

Section 9.07. Payments of Indebtedness. It will not, and will not permit any of its Subsidiaries to, make any payments in respect of any Material Indebtedness other than (i) payments of the Obligations, (ii) scheduled payments of other Permitted Indebtedness, and (iii) repayment of intercompany Indebtedness permitted in reliance upon Section 9.01(e).

Section 9.08. Change in Fiscal Year. It will not, and will not permit any of its Subsidiaries to, change the last day of its fiscal year from that in effect on the date hereof, without prior written notice to the Administrative Agent, except to change the fiscal year of a Subsidiary acquired in connection with an Acquisition to conform its fiscal year to that of the Borrower.

Section 9.09. Sales of Assets, Etc. It will not, and will not permit any of its Subsidiaries to, sell, lease, exclusively license (in terms of geography or field of use), as a licensor, transfer (including in connection with any division or plan of division under Delaware law or any comparable event under a different jurisdiction's laws) or otherwise dispose of any of its Property (including accounts receivable and Equity Interests of Subsidiaries), or forgive, release or compromise any amount owed to the Borrower or any of its Subsidiaries, in each case, in one transaction or series of transactions (any thereof, an *"Asset Sale"*), except:

(a) transfers of cash or Permitted Cash Equivalent Investments in the Ordinary Course of Business for equivalent value;

(b) sales or leases of inventory in the Ordinary Course of Business on ordinary business terms;

(c) the forgiveness, release or compromise of any amount owed to the Borrower or any of its Subsidiaries in the Ordinary Course of Business;

(d) entering into, or becoming bound, by a Permitted License to the extent not otherwise prohibited by this Agreement;

(e) development and other collaborative arrangements where such arrangements provide for the license or disclosure of Patents, Trademarks, Copyrights or other Intellectual Property rights of any Obligor in the Ordinary Course of Business and consistent with general market practices; *provided* that (i) such licenses must be true licenses that do not result in a legal transfer of title of the licensed Property or otherwise constitute sales transactions in substance, and (ii) the aggregate amount of such periodic payments to the Obligors in any fiscal year shall not exceed $500,000;

(f) a sale, lease, exclusive license, transfer or other disposition (including by way of abandonment or cancellation) of any Property that is obsolete, worn out, surplus or no longer used or useful in connection with the business of the Obligors;

(g) dispositions resulting from Casualty Events;

(i) any transaction permitted under Section 9.02, 9.03, 9.05 and 9.20;

(j) so long as no Default or Event of Default shall have occurred and is continuing at the time of such Asset Sale, or after giving effect thereto, Asset Sales of other Property not to exceed $500,000 in the aggregate per fiscal year; and

(k) transfers of Property between Obligors.

Section 9.10. Transactions with Affiliates. It will not, and will not permit any of its Subsidiaries to, sell, lease, license or otherwise transfer any assets to, or purchase, lease, license or otherwise acquire any assets from, or otherwise engage in any other transactions with, any of its Affiliates, except:

(a) transactions between or among the Obligors;

(b) customary compensation and indemnification of, and other employment arrangements with, directors, officers and employees of any Obligor in the Ordinary Course of Business;

(c) transactions upon fair and reasonable terms that are no less favorable to any Obligor than would be obtained in a comparable arm's-length transaction with a Person not an Affiliate;

(d) the transactions set forth on Schedule 9.10;

(e) any transaction permitted under Section 9.01, 9.05, 9.06 or 9.09; and

(f) equity investments by Borrower's investors in Borrower.

Section 9.11. Restrictive Agreements. It will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into, incur or permit to exist any Restrictive Agreement other than (i) restrictions and conditions imposed by Law or by the Loan Documents, (ii) Restrictive Agreements listed on Schedule 7.15, (iii) any stockholder agreement, charter, by laws or other organizational documents of an Obligor as in effect on the date hereof or (iv) limitations associated with Permitted Liens or with any transaction permitted under Section 9.01, 9.03, 9.05, 9.06 or 9.09.

Section 9.12. Organizational Documents, Material Agreements. (a) It will not, and will not permit any of its Subsidiaries to, enter into any amendment to or modification of any Organizational Document without the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) It will not, and will not permit any of its Subsidiaries to (i) enter into any material waiver, amendment or modification of any Material Agreement (including, but not limited to, any amendments to provisions relating to pricing and term) that would be reasonably expected to adversely affect the Lenders in any material respect and (ii) take or omit to take any action that results in the termination of, or permits any other Person to terminate, any Material Agreement or Material Intellectual Property that would be reasonably expected to adversely affect the Lenders in any material respect, without, in each case, the prior written consent of the Administrative Agent, such consent not to be unreasonably withheld or delayed.

Section 9.13. Operating Leases. It will not, and will not permit any of its Subsidiaries to, make any expenditures in respect of operating leases, except for:

(a) real estate operating leases entered into in the Ordinary Course of Business;

(b) operating leases between Obligors; and

(c) operating leases that would not cause the Borrower and its Subsidiaries, on a consolidated basis, to make payments exceeding $750,000 in any fiscal year.

Section 9.14. Sales and Leasebacks. Except as permitted by Section 9.01(g), it will not, and will not permit any of its Subsidiaries to, become liable, directly or indirectly, with respect to any lease, whether an operating lease or a Capital Lease Obligation, of any Property (whether real, personal, or mixed), whether now owned or hereafter acquired, (i) which the Borrower or such Subsidiary has sold or transferred or is to sell or transfer to any other Person and (ii) which the Borrower or such Subsidiary intends to use for substantially the same purposes as Property which has been or is to be sold or transferred.

Section 9.15. Hazardous Material. It will not, and will not permit any of its Subsidiaries to, use, generate, manufacture, install, treat, release, store or dispose of any Hazardous Material, except in compliance with all applicable Environmental Laws or where the failure to comply would not reasonably be expected to result in a Material Adverse Change.

Section 9.16. Accounting Changes. It will not, and will not permit any of its Subsidiaries to, make any significant change in accounting treatment, except as required or permitted by GAAP.

Section 9.17. Compliance with ERISA. No ERISA Affiliate shall cause or suffer to exist (a) any event that would result in the imposition of a Lien with respect to any Title IV Plan or Multiemployer Plan or (b) any other ERISA Event that would, in the aggregate, have a Material Adverse Effect. No Obligor or any Subsidiary thereof shall cause or suffer to exist any event that could result in the imposition of a Lien with respect to any Benefit Plan that would have a Material Adverse Effect.

Section 9.18. Deposit Accounts. It will not, and will not permit any of its Subsidiaries to, establish or maintain any bank account (other than an Excluded Account) that is not a Controlled Account and will not, and will not permit any of its Subsidiaries to, deposit proceeds in a bank account that is not a Controlled Account; *provided,* up to two months of payroll expenses may be on deposit in Excluded Accounts in the aggregate at any time.

Section 9.19. Outbound Licenses. It will not, and will not permit any of its Subsidiaries to, enter into or become bound by any outbound license or agreement unless such outbound license or agreement is a Permitted License.

Section 9.20. Inbound Licenses. It will not, and will not permit any of its Subsidiaries to, enter into or become bound by any inbound license or agreement (other than Permitted Licenses) unless (i) no Default has occurred and is continuing and (ii) such Obligor has taken such commercially reasonable actions as the Lenders may reasonably request to obtain the consent of, or waiver by, any Person whose consent or waiver is necessary for the Lenders to be granted a valid and perfected security interest in such license or agreement allowing the Lenders to fully exercise their rights under any of the Loan Documents in the event of a disposition or liquidation of the rights, assets or property that is the subject of such license or agreement; *provided* that the aggregate consideration paid for all such inbound licenses pursuant to this Section 9.20 shall not exceed an amount equal to $5,000,000 per fiscal year.

Section 9.21. Activities of Securities Subsidiary. Securities Subsidiary shall not incur any Indebtedness or Liens, not make any Investments and shall not engage in any business activities and shall not own any property other than (a) activities permitted by, and Investments made in accordance with, Massachusetts General Law, Chapter 63, Section 38B, (b) activities and contractual rights incidental to maintenance of its corporate existence, and (c) the performance of its obligations in its Organizational Documents.

ARTICLE 10

EVENTS OF DEFAULT

Section 10.01. Events of Default. Each of the following events shall constitute an *"Event of Default"*:

(a) the Borrower shall fail to pay any principal on the Term Loans when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise; or

(b) any Obligor shall fail to pay any Obligation (other than an amount referred to in Section 10.01(a)) when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three (3) Business Days; or

(c) any representation or warranty made by or on behalf of an Obligor or any of its Subsidiaries in or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof, shall: (i) prove to have been incorrect when made or deemed made to the extent that such representation or warranty contains any materiality or Material Adverse Effect qualifier; or (ii) prove to have been incorrect in any material respect when made or deemed made to the extent that such representation or warranty does not otherwise contain any materiality or Material Adverse Effect qualifier; or

(d) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in Section 8.01, 8.02, 8.03(a) (with respect to such Obligor's existence), 8.10, 8.11, 8.13, 8.15, 8.16, 8.17, 8.18, 8.19 or Article 9; or

(e) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in Section 10.01(a), (b) or (d)) or any other Loan Document, and, in the case of any failure that is capable of cure, such failure shall continue unremedied for a period of thirty (30) or more days; or

(f) any Obligor shall fail to make any payment in respect of any Material Indebtedness, when and as the same shall become due and payable after giving effect to any applicable grace or cure period as originally provided by the terms of such Indebtedness; or

(g) (i) any material breach of, or "event of default" or similar event under, the Contract governing any Material Indebtedness shall occur and such breach or "event of default" or similar event shall continue unremedied, uncured or unwaived after a period of ten (10) Business Days after the expiration of any cure period thereunder, or (ii) any event or condition occurs (A) that results in any Material Indebtedness becoming due prior to its scheduled maturity or (B) that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of such Material Indebtedness or any trustee or agent on its or their behalf to cause such Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; *provided* that this Section 10.01(g) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the Property securing such Material Indebtedness; or

(h) any Obligor or any of its Subsidiaries:

(i) ceases to be Solvent, or generally does not or becomes unable to pay its debts or meet its liabilities as the same become due, or admits in writing its inability to pay its debts generally, or declares any general moratorium on its indebtedness, or proposes a compromise or arrangement or deed of company arrangement between it and any class of its creditors; or

(ii) shall (A) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar Law now or hereafter in effect, (B) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in Section 10.01(i), (C) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for an Obligor or any Subsidiary or for a substantial part of its assets, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors or (F) take any action for the purpose of effecting any of the foregoing; or

(i) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of an Obligor or any Subsidiary or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for an Obligor or any Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(j) one or more judgments for the payment of money in an aggregate amount in excess of $750,000 (excluding any amounts covered by insurance as to which the applicable carrier has accepted coverage) shall be rendered against any Obligor or any combination thereof and the same shall remain undischarged for a period of forty-five (45) consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Obligor to enforce any such judgment; or

(k) an ERISA Event shall have occurred that, in the opinion of the Lenders, when taken together with all other ERISA Events that have occurred, would reasonably be expected to result in liability of the Obligors and their Subsidiaries in an aggregate amount exceeding (i) $250,000 in any year or (ii) $750,000 for all periods until repayment of all Obligations (other than the Warrant Obligations); or

(l) a Change of Control shall have occurred; or

(m) a Material Adverse Change shall have occurred; or

(n) (i) any Lien created by any of the Security Documents shall at any time not constitute a valid and perfected Lien in favor of the Administrative Agent on Collateral with an aggregate value in excess of $250,000, free and clear of all other Liens (other than Permitted Liens) except due to the action or inaction of the Administrative Agent or any Lender(s), (ii) except for expiration in accordance with its terms and except due to the action or inaction of the Administrative Agent or any Lender(s), the Security Documents or any Guarantee of any of the Obligations shall for whatever reason cease to be in full force and effect, or (iii) any of the Security Documents or any Guarantee of any of the Obligations, or the enforceability thereof, shall be repudiated or contested by any Obligor; or

(o) any injunction, whether temporary or permanent, shall be rendered against any Obligor that prevents the Obligors from selling or manufacturing the Product in the United States for more than one hundred twenty (120) consecutive calendar days; or

(p) (i) the FDA or any other Governmental Authority (A) issues a letter or other communication asserting that any Product lacks a required Product Authorization, or (B) initiates enforcement action against, or issues a warning letter with respect to, any Obligor, or any of their Products or the Contract Manufacturer therefor, that causes any Obligor or Subsidiary thereof to discontinue marketing or withdraw any of its material Products, or causes a delay in the manufacture of any of its material Products, which discontinuance, withdrawal or delay would reasonably be expected to last for more than ninety (90) days, (ii) there is a recall of any Product that has generated or is expected to generate an aggregate amount of revenue equal to at least $750,000 over any consecutive twelve (12) month period, or (iii) any Obligor or Subsidiary thereof enters into a settlement agreement with the FDA or any other Governmental Authority that results in aggregate liability as to any single or related series of transactions, incidents or conditions, in excess of $750,000; or

(q) any material Permit relating to any Product (including all Product Authorizations), or any of the Obligors' or their Subsidiaries' material rights or interests thereunder, is terminated, adversely amended or otherwise determined to be ineffective in any manner adverse to any of the Products or Obligors or Subsidiaries, in each case, for more than ninety (90) days; or

(r) a M&A Event shall have occurred.

Section 10.02. Remedies. (a) Upon the occurrence of any Event of Default, then, and in every such event (other than an Event of Default described in Section 10.01(h) or (i)), and at any time thereafter during the continuance of such event, the Majority Lenders may, by notice to the Borrower, take either or both of the following actions, at the same time or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Term Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Term Loans so declared to be due and payable, together with accrued interest thereon and all fees and other Obligations, shall become due and payable immediately (in the case of the Term Loans, at the Redemption Price therefor), without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Obligor.

(b) Upon the occurrence of any Event of Default described in Section 10.01(h) or (i), the Commitments shall automatically terminate and the principal amount of the Term Loans then outstanding, together with accrued interest thereon and all fees and other Obligations, shall automatically become due and payable immediately (in the case of the Term Loans, at the Redemption Price therefor), without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Obligor.

(c) If any Lender collects any money or property pursuant to this Article 10, they shall pay out the money or property in the order set forth in Section 4.01(b).

Section 10.03. Prepayment Fee and Redemption Price. For the avoidance of doubt, the Prepayment Fee (as a component of the Redemption Price) shall be due and payable at any time the Term Loans become due and payable prior to the Stated Maturity Date for any reason (a *"Premium Event"*), whether due to acceleration pursuant to the terms of this Agreement (in which case it shall be due immediately, upon the giving of notice to Borrower in accordance with Section 10.02(a), or automatically, in accordance with Section 10.02(b)), by operation of law or otherwise (including, without limitation, on account of any bankruptcy filing). In view of the impracticability and extreme difficulty of ascertaining the actual amount of damages to the Lenders or profits lost by the Lenders as a result of such acceleration, and by mutual agreement of the parties as to a reasonable estimation and calculation of the lost profits or damages of the Lenders, the Prepayment Fee shall be due and payable upon such date. Each Obligor hereby waives any defense to payment, whether such defense may be based in public policy, ambiguity, or otherwise. The Obligors and the Lenders acknowledge and agree that any Prepayment Fee due and payable in accordance with this Agreement shall not constitute unmatured interest, whether under Section 5.02(b)(3) of the Bankruptcy Code or otherwise. Each Obligor further acknowledges and agrees, and waives any argument to the contrary, that payment of such amount does not constitute a penalty or an otherwise unenforceable or invalid obligation.

ARTICLE 11

GUARANTEE

Section 11.01. The Guarantee. The Guarantors hereby jointly and severally guarantee to the Administrative Agent and each Lender, and their respective successors and assigns, the prompt payment in full when due (whether at stated maturity, by acceleration or otherwise) of the principal of and interest on the Term Loans, all fees and other amounts and Obligations from time to time owing to the Administrative Agent and the Lenders by the Borrower under this Agreement or under any other Loan Document and by any other Obligor under any of the Loan Documents, in each case strictly in accordance with the terms thereof (such obligations being herein collectively called the *"Guaranteed Obligations"*). The Guarantors hereby further jointly and severally agree that if the Borrower shall fail to pay in full when due (whether at stated maturity, by acceleration or otherwise) any of the Guaranteed Obligations, the Guarantors will promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

Section 11.02. Obligations Unconditional. The obligations of the Guarantors under Section 11.01 are absolute and unconditional, joint and several, irrespective of the value, genuineness, validity, regularity or enforceability of the obligations of the Borrower under this Agreement or any other agreement or instrument referred to herein, or any substitution, release or exchange of any other guarantee of or security for any of the Guaranteed Obligations, and, to the fullest extent permitted by applicable Law, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or Guarantor, it being the intent of this Section 11.02 that the obligations of the Guarantors hereunder shall be absolute and unconditional, joint and several, under any and all circumstances. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the Guarantors hereunder, which shall remain absolute and unconditional as described above:

(a) at any time or from time to time, without notice to the Guarantors, the time for any performance of or compliance with any of the Guaranteed Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of this Agreement or any other agreement or instrument referred to herein shall be done or omitted;

(c) the maturity of any of the Guaranteed Obligations shall be accelerated, or any of the Guaranteed Obligations shall be modified, supplemented or amended in any respect, or any right under this Agreement or any other agreement or instrument referred to herein shall be waived or any other guarantee of any of the Guaranteed Obligations or any security therefor shall be released or exchanged in whole or in part or otherwise dealt with; or

(d) any lien or security interest granted to, or in favor of, any Lender as security for any of the Guaranteed Obligations shall fail to be perfected.

The Guarantors hereby expressly waive diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against the Borrower under this Agreement or any other agreement or instrument referred to herein, or against any other Person under any other guarantee of, or security for, any of the Guaranteed Obligations.

Section 11.03. Reinstatement. The obligations of the Guarantors under this Article 11 shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of the Borrower in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and the Guarantors jointly and severally agree that they will indemnify the Administrative Agent and each Lender on demand for all reasonable costs and expenses (including reasonable fees of counsel) incurred by such Persons in connection with such rescission or restoration, including any such reasonable costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar Law.

Section 11.04. Subrogation. The Guarantors hereby jointly and severally agree that, until the payment and satisfaction in full of all Guaranteed Obligations (other than the Warrant Obligations) they shall not exercise any right or remedy arising by reason of any performance by them of their guarantee in Section 11.01, whether by subrogation or otherwise, against the Borrower or any other guarantor of any of the Guaranteed Obligations or any security for any of the Guaranteed Obligations.

Section 11.05. Remedies. The Guarantors jointly and severally agree that, as between the Guarantors, on one hand, and the Lenders, on the other hand, the obligations of the Borrower under this Agreement and under the other Loan Documents may be declared to be forthwith due and payable as provided in Article 10 (and shall be deemed to have become automatically due and payable in the circumstances provided in Article 10) for purposes of Section 11.01 notwithstanding any stay, injunction or other prohibition preventing such declaration (or such obligations from becoming automatically due and payable) as against the Borrower and that, in the event of such declaration (or such obligations being deemed to have become automatically due and payable), such obligations (whether or not due and payable by the Borrower) shall forthwith become due and payable by the Guarantors for purposes of Section 11.01.

Section 11.06. Instrument for the Payment of Money. Each Guarantor hereby acknowledges that the guarantee in this Article 11 constitutes an instrument for the payment of money, and consents and agrees that each Lender, at its sole option, in the event of a dispute by such Guarantor in the payment of any moneys due hereunder, shall have the right to proceed by motion for summary judgment in lieu of complaint pursuant to N.Y. Civ. Prac. L&R § 3213.

Section 11.07. Continuing Guarantee. The guarantee in this Article 11 is a continuing guarantee, and shall apply to all Guaranteed Obligations (other than the Warrant Obligations) whenever arising.

Section 11.08. Rights of Contribution. The Guarantors hereby agree, as between themselves, that if any Guarantor shall become an Excess Funding Guarantor (as defined below) by reason of the payment by such Guarantor of any Guaranteed Obligations, each other Guarantor shall, on demand of such Excess Funding Guarantor (but subject to the next sentence), pay to such Excess Funding Guarantor an amount equal to such Guarantor's Pro Rata Share (as defined below and determined, for this purpose, without reference to the properties, debts and liabilities of such Excess Funding Guarantor) of the Excess Payment (as defined below) in respect of such Guaranteed Obligations. The payment obligation of a Guarantor to any Excess Funding Guarantor under this Section 11.08 shall be subordinate and subject in right of payment to the prior payment in full of the obligations of such Guarantor under the other provisions of this Article 11 and such Excess Funding Guarantor shall not exercise any right or remedy with respect to such excess until payment and satisfaction in full of all of such obligations.

For purposes of this Section 11.08, (i) *"Excess Funding Guarantor"* means, in respect of any Guaranteed Obligations, a Guarantor that has paid an amount in excess of its Pro Rata Share of such Guaranteed Obligations, (ii) *"Excess Payment"* means, in respect of any Guaranteed Obligations, the amount paid by an Excess Funding Guarantor in excess of its Pro Rata Share of such Guaranteed Obligations and (iii) *"Pro Rata Share"* means, as of the date of determination, for any Guarantor, the ratio (expressed as a percentage) of (x) the amount by which the aggregate present fair saleable value of all properties of such Guarantor (excluding any shares of stock of any other Guarantor) exceeds the amount of all the debts and liabilities of such Guarantor (including contingent, subordinated, unmatured and unliquidated liabilities, but excluding the obligations of such Guarantor hereunder and any obligations of any other Guarantor that have been Guaranteed by such Guarantor) to (y) the amount by which the aggregate fair saleable value of all properties of all of the Guarantors exceeds the amount of all the debts and liabilities (including contingent, subordinated, unmatured and unliquidated liabilities, but excluding the obligations of the Borrower and the Guarantors hereunder and under the other Loan Documents) of all of the Guarantors, determined (A) with respect to any Guarantor that is a party hereto on the Closing Date, as of such date, and (B) with respect to any other Guarantor, as of the date such Guarantor becomes a Guarantor hereunder.

Section 11.09. General Limitation on Guarantee Obligations. In any action or proceeding involving any provincial, territorial or state corporate law, or any state or federal bankruptcy, insolvency, reorganization or other Law affecting the rights of creditors generally, if the obligations of any Guarantor under Section 11.01 would otherwise, taking into account the provisions of Section 11.08, be held or determined to be void, invalid or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 11.01, then, notwithstanding any other provision hereof to the contrary, the amount of such liability shall, without any further action by such Guarantor, the Administrative Agent, the Lenders or any other Person, be automatically limited and reduced to the highest amount that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding.

ARTICLE 12

ADMINISTRATIVE AGENT

Section 12.01. Appointment. Each of the Lenders hereby irrevocably appoints Perceptive Credit Holdings III, LP, a Delaware limited partnership, to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article 12 are solely for the benefit of the Administrative Agent and the Lenders, and neither the Borrower nor any other Obligor will have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead, such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 12.02. Rights as a Lender. The Person serving as the Administrative Agent hereunder will have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and the term "Lender" or "Lenders" will, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity to the extent such Person is a Lender. The Lenders acknowledge and agree that such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower, the other Obligors or any other Subsidiaries or Affiliates of the Obligors as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 12.03. Exculpatory Provisions. (a) The Administrative Agent will not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder are administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(i) will not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) will not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as will be expressly provided for herein or in the other Loan Documents); *provided* that the Administrative Agent will not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable Law, including any action that may be in violation of the automatic stay under any Insolvency Proceeding; and

(iii) will not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and will not be liable for the failure to disclose, any information relating to the Obligors or any of its Subsidiaries or Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent will not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as will be necessary, or as the Administrative Agent believes in good faith will be necessary, under the circumstances), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment. The Administrative Agent will be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent in writing by the Borrower or a Lender.

(c) The Administrative Agent will not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article 6 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 12.04. Reliance by Administrative Agent. The Administrative Agent will be entitled to rely upon, and will not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) reasonably believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and reasonably believed by it to have been made by the proper Person, and will not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of the Term Loans that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent has received notice to the contrary from such Lender prior to the making of such Term Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and will not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 12.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory provisions of this Article 12 will apply to any such sub-agent and to the Affiliates of the Administrative Agent and any such sub-agent, and will apply to their respective activities in connection with the syndication of the facility as well as activities as Administrative Agent. The Administrative Agent will not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 12.06. Resignation of Agent. (a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower, which notice shall set forth the effective date of such resignation (the *"Resignation Effective Date"*), such date not to be earlier than the thirtieth (30th) day following the date of such notice. The Majority Lenders and the Borrower shall mutually agree upon a successor to the Administrative Agent. If the Majority Lenders and the Borrower are unable to so mutually agree and no successor shall have been appointed within twenty-five (25) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may (but will not be obligated to), on behalf of the Lenders, appoint a successor Administrative Agent it shall designate (in its reasonable discretion after consultation with the Borrower and the Majority Lenders). Whether or not a successor has been appointed, such resignation will become effective in accordance with such notice on the Resignation Effective Date.

(b) With effect from the Resignation Effective Date (i) the retiring Administrative Agent will be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any Collateral held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent will continue to hold such Collateral until such time as a successor Administrative Agent is appointed) and (ii) except for any indemnity payments owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent will instead be made by or to each Lender directly, until such time, if any, as the Majority Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor will succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments owed to the retiring Administrative Agent), and the retiring Administrative Agent will be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent will be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article 12 and Sections 13.03 and 13.06 will continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Affiliates in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Section 12.07. Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Affiliates and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Affiliates and based on such documents and information as it will from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Section 12.08. Administrative Agent May File Proofs of Claim. In case of the pendency of any Insolvency Proceeding or any other judicial proceeding relative to the Borrower, the Administrative Agent (irrespective of whether the principal of the Term Loans will then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent has made any demand on the Borrower) will be entitled and empowered (but not obligated), by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Term Loans and all other Obligations that are owing and unpaid hereunder or under any other Loan Document and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under this Agreement or any other Loan Document) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same.

Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make any payments of the type described above in this Section 12.08 to the Administrative Agent and, in the event that the Administrative Agent consents to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under this Agreement or any other Loan Document.

Section 12.09. Collateral and Guaranty Matters; Appointment of Collateral Agent. (a) Without limiting the provisions of Section 12.08, the Lenders irrevocably agree as follows:

(i) the Administrative Agent is authorized, at its option and in its discretion, to release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (A) on the date when all Obligations have been satisfied in full in cash (other than Warrant Obligations and contingent obligations as to which no claims have been asserted), (B) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted under the Loan Documents, or (C) subject to Sections 13.01 and 13.04, if approved, authorized or ratified in writing by the Majority Lenders; and

(ii) the Administrative Agent is authorized, at its option and discretion, to release any Subsidiary Guarantor from its obligations hereunder if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents.

Upon request by the Administrative Agent at any time, each Lender will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of Collateral, or to release any Guarantor from its obligations under its guaranty pursuant to this Section 12.09.

(b) The Administrative Agent will not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Obligor in connection therewith, nor will the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

(c) Each Lender hereby appoints the Administrative Agent as its collateral agent under each of the Security Documents and agrees that, in so acting, the Administrative Agent will have all of the rights, protections, exculpations, indemnities and other benefits provided to the Administrative Agent under this Agreement, and hereby authorizes and directs the Administrative Agent, on behalf of such Lender and all Lenders, without the necessity of any notice to or further consent from any of the Lenders, from time to time to (i) take any action with respect to any Collateral or any Security Document which may be necessary to perfect and maintain perfected the Liens on the Collateral granted pursuant to any such Security Document or protect and preserve the Administrative Agent's ability to enforce the Liens or realize upon the Collateral, (ii) act as collateral agent for each Lender for purposes of acquiring, holding, enforcing and perfecting all Liens created by the Loan Documents and all other purposes stated therein, (iii) enter into intercreditor or subordination agreements, as the case may be, in connection with Indebtedness permitted pursuant to Section 9.01(e), (iv) enter into non-disturbance or similar agreements in connection with licensing agreements and arrangements permitted by this Agreement and the other Loan Documents and (v) otherwise to take or refrain from taking any and all action that the Administrative Agent shall deem necessary or advisable in fulfilling its role as collateral agent under any of the Security Documents.

ARTICLE 13

MISCELLANEOUS

Section 13.01. No Waiver. No failure on the part of the Administrative Agent or the Lenders to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under any Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under any Loan Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by Law.

Section 13.02. Notices. All notices, requests, instructions, directions and other communications provided for herein (including any modifications of, or waivers, requests or consents under, the Loan Documents) shall be given or made in writing (including by telecopy or electronic mail) delivered, if to the Borrower, another Obligor, the Administrative Agent or the Lenders, to its address specified on the signature pages hereto or its Guarantee Assumption Agreement, as the case may be, or at such other address as shall be designated by such party in a notice to the other parties. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given upon receipt of a legible copy thereof, in each case given or addressed as aforesaid. All such communications provided for herein by telecopy or electronic mail shall be confirmed in writing promptly after the delivery of such communication (it being understood that non-receipt of written confirmation of such communication shall not invalidate such communication).

Section 13.03. Expenses, Indemnification, Etc.

(a) *Expenses.* Each Obligor agrees to pay or reimburse (i) the Administrative Agent and the Lenders for all of their reasonable and documented out of pocket costs and expenses (including the reasonable documented out of pocket fees and expenses of Chapman and Cutler LLP, counsel to the Administrative Agent) in connection with (x) the negotiation, preparation, execution and delivery of this Agreement and the other Loan Documents and the making of the Tranche A Term Loan (exclusive of post-closing costs) (y) post-closing costs and (z) the negotiation or preparation of any amendment, modification, supplement or waiver of any of the terms of this Agreement or any of the other Loan Documents (whether or not consummated) and (ii) the Administrative Agent and the Lenders for all of their reasonable and documented out of pocket costs and expenses (including the reasonable and documented out of pocket fees and expenses of legal counsel) in connection with any enforcement or collection proceedings resulting from the occurrence of an Event of Default.

(b) *Indemnification.* Each Obligor hereby indemnifies the Administrative Agent, the Lenders, their respective Affiliates, and their respective directors, officers, employees, attorneys, agents and advisors (each, an *"Indemnified Party"*) from and against, and agrees to hold them harmless against, any and all Claims and Losses of any kind (including reasonable fees and disbursements of counsel), joint or several, that is incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or relating to any investigation, litigation or proceeding or the preparation of any defense with respect thereto arising out of or in connection with or relating to this Agreement or any of the other Loan Documents or the Transactions or any use made or proposed to be made with the proceeds of the Term Loans, whether or not such investigation, litigation or proceeding is brought by an Obligor, any of its shareholders or creditors, an Indemnified Party or any other Person, or an Indemnified Party is otherwise a party thereto, and whether or not any of the conditions precedent set forth in Article 6 are satisfied or the other transactions contemplated by this Agreement are consummated, except to the extent such Claim or Loss is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from any Indemnified Party's gross negligence or willful

misconduct. No Obligor shall assert any claim against any Indemnified Party, on any theory of liability, for consequential, indirect, special or punitive damages arising out of or otherwise relating to this Agreement or any of the other Loan Documents or any of the Transactions or the actual or proposed use of the proceeds of the Term Loans. No Lender shall assert any claim against any Obligor, any Obligor's Subsidiaries, or the directors, officers, employees, attorneys, agents and advisers of any Obligor or Obligor's Subsidiary, on any theory of liability, for consequential, indirect, special or punitive damages arising out of or otherwise relating to this Agreement or any of the other Loan Documents or any of the transactions contemplated hereby or thereby or the actual or proposed use of the proceeds of the Term Loans. This Section shall not apply to Taxes other than Taxes relating to a non-Tax Claim or Loss governed by this Section 13.03(b).

Section 13.04. Amendments, Etc. Except as otherwise expressly provided in this Agreement, any provision of this Agreement or any other Loan Document (except for the Warrant, which may be amended, modified, waived or supplemented in accordance with the terms thereof) may be amended, modified, waived or supplemented only by an instrument in writing signed by the Borrower, the Administrative Agent and the Majority Lenders; *provided* that:

(a) no amendment, waiver or consent shall, unless in writing and signed by all of the Lenders, do any of the following at any time:

(i) change the number of Lenders or the percentage of (x) the Commitments or (y) the aggregate unpaid principal amount of the Term Loans that, in each case, shall be required for the Lenders or any of them to take any action hereunder (including pursuant to any change to the definition of *"Majority Lenders"*);

(ii) release one or more Guarantors (or otherwise limit such Guarantors' liability with respect to the Obligations owing to the Lenders under the Guarantees) if such release or limitation is in respect of all or substantially all of the value represented by the Guarantees to the Lenders;

(iii) release, or subordinate the Lenders' Liens in, all or substantially all of the Collateral in any transaction or series of related transactions (other than in connection with any sale of Collateral permitted herein); or

(iv) amend any provision of this Section 13.04;

(b) no amendment, waiver or consent shall, unless in writing and signed by each Lender specified below for such amendment, waiver or consent:

(i) increase the Commitments of a Lender without the consent of such Lender;

(ii) reduce the principal of, or stated rate of interest on, or Prepayment Fee payable on, the Term Loans owed to a Lender or any fees or other amounts stated to be payable hereunder or under the other Loan Documents to such Lender without the consent of such Lender;

(iii) postpone any date scheduled for any payment of principal of, or interest on, the Term Loans, any date scheduled for payment or for any date fixed for any payment of fees hereunder (excluding the due date of any mandatory prepayment of a Term Loan), in each case payable to a Lender without the consent of such Lender;

(iv) change the order of application of prepayment of the Term Loans from the application thereof set forth in the applicable provisions of Section 4.01(b) or Section 4.01(c) in any manner that adversely affects the Lenders without the consent of holders of a majority of the Commitments or Term Loans outstanding or otherwise change any provision requiring the pro rata distributions hereunder among the Lenders without all Lenders' consent; or

(v) modify Section 2.02 without the consent of each Lender directly and adversely affected thereby.

Section 13.05. Successors and Assigns.

(a) *General.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) no Obligor may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by such Obligor without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (e) of this Section) and, to the extent expressly contemplated hereby, the Indemnified Parties of the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) *Amendments to Loan Documents; Majority Lender Vote.* Each of the Lenders and the Obligors agrees to enter into such amendments to the Loan Documents, and such additional Security Documents and other instruments and agreements, in each case in form and substance reasonably acceptable to the Lenders and the Obligors, as shall reasonably be necessary to implement and give effect to any assignment made by any Lender (or any direct or indirect assignee thereof) from time to time under this Section 13.05.

(c) *Assignments by Lenders*. (i) Subject to the conditions set forth in paragraph (c)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Assignee) all or a portion of its rights and obligations under the Loan Documents (including all or a portion of its Commitment and the Term Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of the Administrative Agent, provided that no consent of the Administrative Agent shall be required for an assignment of any Commitment or of all or any portion of a Term Loan to a Lender, an Affiliate of a Lender or an Approved Fund.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Term Loans, the amount of the Commitment or Term Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment Agreement with respect to such assignment is delivered to the Administrative Agent) shall not be less than $1,000,000, unless the Administrative Agent otherwise consents;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement and the other Loan Documents; and

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment Agreement in form and substance reasonably satisfactory to Administrative Agent.

For the purposes of this Section 13.05(c), the term "Approved Fund" and "Ineligible Assignee" have the following meanings:

"Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Ineligible Assignee" means (a) a natural person, (b) the Obligors or any of their respective Affiliates or (c) so long as no Event of Default has occurred and is continuing, a Competitor of any Obligor.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (d) of this Section, from and after the effective date specified in each Assignment Agreement, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment Agreement, have the rights and obligations of a Lender under the Loan Documents, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment Agreement, be released from its obligations under the Loan Documents (and, in the case of an Assignment Agreement covering all of the assigning Lender's rights and obligations under the Loan Documents, such Lender shall cease to be a party hereto). Any assignment or transfer by a Lender of rights or obligations under the Loan Documents that does not comply with this Section 13.05 shall be treated for purposes of the Loan Documents as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (e) of this Section.

(d) *Register.* The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and stated interest) of the Term Loans owing to, each Lender pursuant to the terms hereof from time to time (the "*Register*"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice. No assignment shall be effective for purposes of this Agreement unless (i) it has been recorded in the Register as provided in this paragraph and (ii) any written consent to such assignment required by paragraph (b) of this Section has been obtained.

(e) *Participations.* Any Lender may at any time, without the consent of, or notice to, the Borrower, sell participations to any Person (a "*Participant*"), other than a natural person, in all or a portion of such Lender's rights and obligations under the Loan Documents (including all or a portion of its Commitment and the Term Loans owing to it); *provided* that (i) such Lender's obligations under the Loan Documents shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower shall continue to deal solely and directly with such Lender in connection therewith.

(f) Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that would (i) increase or extend the term of such Lender's Commitment, (ii) extend the date fixed for the payment of principal of or interest on the Term Loans or any portion of any fee hereunder payable to the Participant, (iii) reduce the amount of any such payment of principal, or (iv) reduce the rate at which interest is payable thereon to a level below the rate at which the Participant is entitled to receive such interest. The Borrower agrees that each Participant shall be entitled to the benefits of Section 5.03 (subject to the requirements and limitations therein, including the requirements under Section 5.03(e) (it being understood that the documentation required under Section 5.03(e) shall be delivered to the Borrower and the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 13.05(c), *provided* that such Participant (A) agrees to be subject to the provisions of Section 5.03(g) as if it were an assignee under Section 13.05(c); and (B) shall not be entitled to receive any greater payment under Section 5.03, with respect to any participation, than its participating Lender would have been entitled to receive, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. To the extent permitted by Law, each Participant also shall be entitled to the benefits of Section 4.04(a) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the

principal amounts (and stated interest) of each Participant's interest in the Term Loans or other obligations under the Loan Documents (the *"Participant Register"*); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(g) *Certain Pledges.* Subject to Section 13.05(d), the Lenders may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement and any other Loan Document to secure obligations of the Lenders, including any pledge or assignment to secure obligations to a Federal Reserve Bank or another central bank; *provided* that no such pledge or assignment shall release the Lenders from any of their obligations hereunder or substitute any such pledgee or assignee for the Lenders as a party hereto.

Section 13.06. Survival. The obligations of the Borrower under Sections 5.01, 5.02, 5.03, 13.03, 13.05, 13.09, 13.10, 13.11, 13.12, 13.14, 13.15 and Article 11 (solely to the extent guaranteeing any of the obligations under the foregoing Sections) shall survive the repayment of the Obligations and the termination of the Commitments and, in the case of any Lender's assignment of any interest in the Commitments or the Term Loans hereunder, shall survive, in the case of any event or circumstance that occurred prior to the effective date of such assignment, the making of such assignment, notwithstanding that such Lenders may cease to be a "Lender" hereunder. In addition, each representation and warranty made, or deemed to be made by a notice of the Term Loans, herein or pursuant hereto shall survive the making of such representation and warranty.

Section 13.07. Captions. The table of contents and captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

Section 13.08. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed signature page of this Agreement by facsimile transmission, electronic transmission (in PDF format) or DocuSign shall be effective as delivery of a manually executed counterpart hereof.

Section 13.09. Governing Law. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER, AND ALL CLAIMS, DISPUTES AND MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED IN AND TO BE PERFORMED ENTIRELY WITHIN THAT STATE, WITHOUT REFERENCE TO CONFLICTS OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

Section 13.10. Jurisdiction, Service of Process and Venue.

(a) *Submission to Jurisdiction.* Each Obligor agrees that any suit, action or proceeding with respect to this Agreement or any other Loan Document to which it is a party or any judgment entered by any court in respect thereof shall be brought in the Supreme Court of the State of New York sitting in New York County or in the United States District Court for the Southern District of New York and irrevocably submits to the exclusive jurisdiction of each such court for the purpose of any such suit, action, proceeding or judgment.

(b) *Alternative Process.* Nothing herein shall in any way be deemed to limit the ability of the Lenders to serve any such process or summonses in any other manner permitted by applicable Law.

(c) *WAIVER OF VENUE, ETC.* EACH OBLIGOR IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND HEREBY FURTHER IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. A FINAL JUDGMENT (IN RESPECT OF WHICH TIME FOR ALL APPEALS HAS ELAPSED) IN ANY SUCH SUIT, ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY COURT TO THE JURISDICTION OF WHICH SUCH OBLIGOR IS OR MAY BE SUBJECT, BY SUIT UPON JUDGMENT.

Section 13.11. ***WAIVER OF JURY TRIAL*****. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.**

Section 13.12. WAIVER OF IMMUNITY. TO THE EXTENT THAT ANY OBLIGOR MAY BE OR BECOME ENTITLED TO CLAIM FOR ITSELF OR ITS PROPERTY OR REVENUES ANY IMMUNITY ON THE GROUND OF SOVEREIGNTY OR THE LIKE FROM SUIT, COURT JURISDICTION, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OF A JUDGMENT OR EXECUTION OF A JUDGMENT, AND TO THE EXTENT THAT IN ANY SUCH JURISDICTION THERE MAY BE ATTRIBUTED SUCH AN IMMUNITY (WHETHER OR NOT CLAIMED), SUCH OBLIGOR HEREBY IRREVOCABLY AGREES NOT TO CLAIM AND HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

Section 13.13. Entire Agreement. This Agreement and the other Loan Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Each Obligor acknowledges, represents and warrants that in deciding to enter into this Agreement and the other Loan Documents or in taking or not taking any action hereunder or thereunder, it has not relied, and will not rely, on any statement, representation, warranty, covenant, agreement or understanding, whether written or oral, of or with the Lenders other than those expressly set forth in this Agreement and the other Loan Documents.

Section 13.14. Severability. If any provision hereof is found by a court to be invalid or unenforceable, to the fullest extent permitted by applicable Law the parties agree that such invalidity or unenforceability shall not impair the validity or enforceability of any other provision hereof.

Section 13.15. No Fiduciary Relationship. The Borrower acknowledges that the Lenders have no fiduciary relationship with, or fiduciary duty to, the Borrower arising out of or in connection with this Agreement or the other Loan Documents, and the relationship between the Lenders and the Borrower are solely that of creditors and debtor. This Agreement and the other Loan Documents do not create a joint venture among the parties.

Section 13.16. USA Patriot Act. The Lenders hereby notify the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the *"Act"*), they are required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

Section 13.17. Treatment of Certain Information; Confidentiality. The Lenders agree to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed to (a) its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, advisors and representatives (collectively, *"Representatives"*) (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as FINRA or the National Association of Insurance Commissioners) or any exchange, (c) to the extent required by the applicable Laws or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those in this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower or any Guarantor and its obligation, (g) with the consent of the Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section 13.17 or (y) becomes available to the Lender, or any of its respective Representatives on a nonconfidential basis from a source other than the Borrower or any other Obligor. For purposes of this Section, *"Information"* means all information received from an Obligor relating to an Obligor or its Subsidiary or any of their respective businesses, except that the term "Information" shall not include, and the Lenders shall not be subject to any confidentiality obligation with respect to any information that (i) is or becomes available to the Lender or any of its Representatives on a nonconfidential basis prior to disclosure by an Obligor or its Subsidiary, (ii) becomes available to a Lender or any of its Representatives after disclosure by the Borrower or any other Obligor from a source that, to the knowledge of such Lender, is not subject to a confidentiality obligation to the Borrower or such other Obligor, (iii) is or becomes publicly available other than as a result of a breach by such Lender, or (iv) is developed by a Lender or any of its Representatives. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

In the case of any Lender that has elected to receive material non-public information pursuant to Section 8.02, such Lender acknowledges that (a) the Information may include material non-public information concerning an Obligor or its Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States federal and state securities Laws.

Section 13.18. Releases of Guarantees and Liens. (a) Notwithstanding anything to the contrary contained herein or in any other Loan Document, each Lender agrees, and the Administrative Agent is hereby irrevocably authorized by each Lender and given a limited power of attorney by each Lender to perform the actions described hereafter in this Section 13.18 (without requirement of notice to or consent of any Lender except as expressly required by Section 13.04) to take any action reasonably requested by the Borrower having the effect of releasing any Collateral or Obligations (i) to the extent necessary to permit consummation of any transaction not prohibited by any Loan Document or that has been consented to by the Lenders or (ii) under the circumstances described in paragraph (b) below.

(b) At such time as the Term Loans and the other Obligations (other than the inchoate indemnity obligations and the Warrant Obligations) under the Loan Documents shall have been paid in full in cash and the Commitments have been terminated, the Collateral shall be released from the Liens created by the Security Documents, and the Security Documents and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent and each Obligor under the Security Documents shall terminate, all without delivery of any instrument or performance of any act by any Person.

Section 13.19. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

[Remainder of the Page Intentionally Left Blank; Signature Pages Follow]

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

BORROWER:

C4 THERAPEUTICS, INC.

By: /s/ Marc Cohen
Name: Marc Cohen
Title: Chief Executive Officer

Address for Notices:

490 Arsenal Way, Suite 200
Watertown, MA 02472

with a copy to (which shall not constitute notice):

Goodman Procter LLP
100 Northern Avenue
Boston, MA 02210
Attention: Mark D. Smith
E-mail: marksmith@goodwinlaw.com

LENDERS:

PERCEPTIVE CREDIT HOLDINGS III, LP

By: Perceptive Credit Opportunities GP, LLC, its general partner

By: /s/ Sandeep Dixit
Name: Sandeep Dixit
Title: Chief Credit Officer

By: /s/ Sam Chawla
Name: Sam Chawla
Title: Portfolio Manager

Address for Notices:

Perceptive Credit Holdings III, LP
c/o Perceptive Advisors LLC
51 Astor Place
10th Floor
New York, New York 10003
Attention: Sandeep Dixit
E-mail: Sandeep@perceptivelife.com; PCOFReporting@perceptivelife.com

with a copy to:

Chapman and Cutler LLP
1270 Avenue of the Americas
30th Floor
New York, New York 10020-1708
Attention: Nicholas Whitney
E-mail: Whitney@chapman.com

ADMINISTRATIVE AGENT:

PERCEPTIVE CREDIT HOLDINGS III, LP

By: Perceptive Credit Opportunities GP, LLC, its general partner

By: /s/ Sandeep Dixit
Name: Sandeep Dixit
Title: Chief Credit Officer

By: /s/ Sam Chawla
Name: Sam Chawla
Title: Portfolio Manager

Address for Notices:

Perceptive Credit Holdings III, LP
c/o Perceptive Advisors LLC
51 Astor Place
10th Floor
New York, New York 10003
Attention: Sandeep Dixit
E-mail: Sandeep@perceptivelife.com; PCOFReporting@perceptivelife.com

with a copy to:

Chapman and Cutler LLP
1270 Avenue of the Americas
30th Floor
New York, New York 10020-1708
Attention: Nicholas Whitney
E-mail: Whitney@chapman.com

[Exhibits are Omitted.]

Exhibit 10.9

Execution Copy

LEASE

BY

480 ARSENAL GROUP LLC, LANDLORD

TO

C4 THERAPEUTICS, INC., TENANT

LINX Building
490 Arsenal Way
Watertown, Massachusetts 02472

TABLE OF CONTENTS

LEASE

ARTICLE 1: BASIC TERMS

The following terms used in this Lease shall have the meanings set forth below. Other terms are defined throughout this Lease and indexed on Schedule 1 attached hereto and made a part hereof.

Date of Lease:	As of July 5, 2017
Landlord:	480 Arsenal Group LLC, a Massachusetts limited liability company
Original Address of Landlord:	c/o Boylston Properties 800 Boylston Street, Suite 1390 Boston, Massachusetts 02199 Attention: Mark A. Deschenes With copies to: Sherin and Lodgen, LLP 101 Federal Street Boston Massachusetts 02110 Attention: Peter Friedenberg, Esq.
Tenant:	C4 Therapeutics, Inc., a Delaware corporation
Original Address of Tenant:	675 West Kendall Street Cambridge, Massachusetts 02142 Attention: President With copies to: Krokidas & Bluestein LLP Attention: Kathryn Murphy, Esq. 600 Atlantic Avenue, 19th Floor Boston, MA 02210 and: Goodwin Proctor LLP Attention: Lawrence S. Wittenberg 53 State Street Boston, MA 02109
Guarantor:	N/A
Address of Property:	490 Arsenal Way Watertown, Massachusetts 02472

Building and Property:	The building Known as and numbered 490 Arsenal Way, containing a total rentable area of approximately 185,015 rentable square feet ("**Building**"), in the City Known as the Town of Watertown, Massachusetts, situated on a parcel of land described in Exhibit A attached hereto (the Building and such parcel of land, together with all other improvements now or hereafter located thereon, are collectively referred to as the ("**Property**")).
Premises:	A total rentable area of 45,559 rentable square feet, consisting of 463 rentable square feet on the first floor of the West Wing of the Building and 45,096 rentable square feet on the second floor of the West Wing of the Building, as shown on Exhibit B attached hereto, as measured in accordance with the provisions of Section 2.01(e).
Tenant's Pro Rata Share:	24.62%. See Section 4.06.
Term Commencement Date:	The date on which both (a) this Lease is executed and unconditionally delivered by both Landlord and Tenant, and (b) the Letter of Credit is delivered to Landlord.
Term: **Initial Term:**	The period commencing on the Term Commencement Date and expiring on the day ("**Termination Date**") which is the last day of the tenth (10th) Lease Year.
Extension Term:	One (1) extension term of five (5) Lease Years. See Section 3.03(a).
Rent Commencement Date:	May 1, 2018.
Lease Year:	The first Lease Year begins at 12:01 a.m. on May 1, 2018 and ends at 11:59 p.m. on April 30, 2019. Each subsequent Lease Year ends at 11:59 p.m. 12 months after the preceding Lease Year.
Estimated Delivery Date:	July 1, 2017
Permitted Uses:	General office, laboratory, research and development, and any other lawful use, all to the extent permitted under the watertown Zoning Ordinance as in effect from time to time.
Landlord's Broker:	Cushman & Wakefield
Tenant's Broker:	Jones Lang LaSalle
Security Deposit:	Letter of Credit in the amount of $2,577,150.00.

Parking Allotment: Parking spaces at a ratio of 3.1 parking spaces per 1,000 rentable square feet in the Premises (initially, 141 parking spaces), including ten (10) reserved covered spaces initially located as shown on Exhibit A attached hereto. See Section 2.01(g).

Base Rent: The following amounts:

Initial Term:

Period	Rate per rentable s.f.	Monthly Amount	Annual Amount
Rent Commencement Date to 12/31/2019	$ 47.00	$178,439.42	$2,141,273.00
1/1/2020 -12/31/2020	$ 48.41	$183,792.60	$2,205,511.19
1/1/2021 -12/31/2021	$ 49.86	$189,297.65	$2,271,571.74
1/1/2022 - 12/31/2022	$ 51.36	$194,992.52	$2,339,910.24
1/1/2023 - 12/31/2023	$ 52.90	$200,839.26	$2,410,071.11
1/1/2024 - 12/31/2024	$ 54.49	$206,875.83	$2,482,509.91
1/1/2025 -12/31/2025	$ 56.12	$213,064.26	$2,556,771.08
1/1/2026 -12/31/2026	$ 57.80	$219,442.52	$2,633,310.20
1/1/2027 -12/31/2027	$ 59.53	$226,010.61	$2,712,127.27
1/1/2028 -Termination Date	$ 61.32	$232,806.49	$2,793,677.88

Extension Term: Fair Market Rent (as defined in Section 3.03(b).

Initial Tenant Work: As set forth in Exhibit C attached hereto.

Base Building Work: As set forth in Exhibit C attached hereto.

Exhibits:

Schedule 1:	Index of Defined Terms
Exhibit A (Art 1):	The Property
Exhibit B (Art. 1):	Building Floor Plan showing the Premises
Exhibit C (Sec. 3.01):	Work Letter
Exhibit C-1 (Sec. 2.01(e)):	List of Base ‘Building Plans and Specifications
Exhibit C-2:	Tenant’s Initial Test Fit Plan
Exhibit C-3:	Lab Shell Specifications Tenant Landlord Matrix of Responsibility
Exhibit C-4:	Preliminary Construction Schedule
Exhibit D:	Intentionally deleted
Exhibit E (Sec. 6.02):	Cleaning Specification for Common Areas and Landlord Services
Exhibit F (Sec. 6.02):	Shuttle Service
Exhibit G (Sec. 9.07):	Rules and Regulations
Exhibit H (Sec. 10.05(b)):	Construction Documents Requirements
Exhibit I (Sec. 10.05(c)):	Tenant Work Insurance Schedule
Exhibit J (Sec. 15.01):	Form of SNDA
Exhibit K (Sec. 15.04):	Form of Estoppel Certificate
Exhibit L (Sec. 9.05):	Exterior Signage
Exhibit M (Sec. 16.06):	Form of Notice of Lease

ARTICLE 2: PREMISES, APPURTENANT RIGHTS AND RIGHT OF FIRST OFFER

2.01. Lease of Premises; Appurtenant Rights.

(a) General. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, for the Term. Subject to Landlord's Rules and Regulations and the provisions of this Lease, Tenant shall have access to the Premises, the parking areas serving the Premises, and the common areas of the Building and the Property necessary for Tenant's use of, or access to and egress from, the Premises 24 hours a day, 7 days a week; *provided, however,* that in times of emergency as determined by Landlord, Landlord shall have the right to limit access to the Building by Tenant and all other tenants, provided that any such limits on access shall cease as soon as the emergency is resolved and Landlord shall use commercially reasonable efforts to limit interference with Tenant's business in connection with any exercise of its rights hereunder. For purposes of this Lease, an **"emergency"** shall mean an event, such as a natural disaster, fire or act of terrorism, not within the reasonable control of either party hereto, that poses an immediate threat to life or the Property.

(b) Exclusions. The Premises exclude the perimeter walls thereof (other than the inner surfaces thereof), as well as all common areas and facilities of the Property, including the common stairways and stairwells, entranceways and the main lobby, elevators and elevator wells, fan rooms, roofs, off-floor electric and off-floor telephone closets, freight elevators, and pipes, ducts, conduits, wires and appurtenant fixtures serving other parts of the Property (exclusively or in common) and other common areas and facilities from time to time designated as such by Landlord. If the Premises includes less than the entire rentable area of any floor, then the Premises also exclude the common corridors, elevator lobby, and toilets (with the exception of those restrooms located entirely within the Premises and for the exclusive use of Tenant) located on such floor, as well as common on-floor electric, telephone and janitor closets located on such floor.

(c) Appurtenant Rights. Tenant shall have, as appurtenant to the Premises, the right to use in common with others, and subject to Landlord's Rules and Regulations: (a) the common areas and facilities of the Building, including the common loading docks, lobbies, hallways, stairways and elevators of the Building serving the Premises in common with other portions of the Building, the bike repair and storage room on the first floor of the Building, showers and lockers located on the first floor of the Building and other Building amenities, (b) common sidewalks, walkways and roadways necessary for access to the Building, (c) if the Premises include less than the entire rentable area of any floor, the common toilets and other common facilities of such floor; and no other appurtenant rights or easements, (d) wireless internet access provided in the common areas of the Building, and (e) the risers, conduits and roof areas of the Building for Tenant's business, telecommunications and computer needs, which roof areas are subject to Section 9.12. All costs, charges and expenses associated with the commencement of the provision by a particular utility service provider or telecommunications service provider of service to Tenant or to the Premises at the request of Tenant (e.g., installation charges, service deposits) shall be the sole responsibility of Tenant.

(d) Reservations. In addition to other rights reserved herein or by law, Landlord reserves the right from time to time, without incurring any liability to Tenant or otherwise affecting Tenant's obligations under this Lease, provided that Landlord shall provide at least forty-eight (48) hours prior notice to Tenant (except in the case of an emergency, in which case notice shall be provided as soon as reasonably practicable) and shall use commercially reasonable efforts to avoid (except in emergency) interruption of Tenant's use and access to the Premises: (i) to make additions, alterations, improvements, repairs or replacements to the Building, including all common areas and facilities located therein; (ii) to install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building, or either, chases, shafts, pipes, ducts, conduits, wires and appurtenant fixtures wherever located in the Premises, the Building or elsewhere in the Property; (iii) to alter, eliminate or relocate any common area or facility, including the lobbies and entrances; and (iv) to grant easements and other rights with respect to the Property; *provided that* (a) to the maximum extent practicable, no such installations, replacements or relocations in the Premises shall be placed below ceiling surfaces, above floor surfaces or to the inside of perimeter walls, (b) Tenant's use of and access to the Premises, the common areas and its parking spaces shall not be adversely impacted by any such additions, alterations, improvements, repairs, installations, replacements or relocations, and Tenant shall continue to have rights to use a bike repair and storage room, showers, lockers, and wireless internet access in the Building and to the risers, conduits and roof areas of the Building for Tenant's business, telecommunications and computer needs, subject to the applicable provisions of this Lease, and (c) all such work necessitating entry into the Premises shall be subject to the provisions of Section 9.06.

This Lease, and Tenant's leasehold interest in the Premises, are subject to all rights, agreements, easements, restrictions and matters of record and all agreements applicable to the Property which have been executed as of the Date of Lease and which have been, prior to the Date of Lease, either provided to Tenant or recorded with the Middlesex South Registry of Deeds; and all permits and approvals for the construction and/or use of the Building.

(e) Measurement. The total rentable area of the Premises set forth in Article 1 has been determined by (i) measuring the usable area of the same based on the proposed location of the demising walls of the Premises as shown on Exhibit B attached hereto, using the BOMA International Standard Method of Measurement for Office Buildings (ANSI/BOMA Z65.1-2010) (the **"Measurement Standard")** and (ii) applying an add-on factor of 18.3% thereto. Landlord shall have the right to re-measure the Premises and re-calculate the rentable area of the Premises or any portion thereof in accordance with the foregoing methodology (and to re-calculate the Tenant's Pro Rata Share, Base Rent, and any other amount set forth in the Lease or the Work Letter which is dependent upon the rentable area of the Premises or any portion thereof) only at such time as (i) Tenant's Space Plan is approved by Landlord pursuant to the Work Letter, or (ii) Landlord determines the final size of the H3 Room and the portion thereof dedicated to Tenant's exclusive use, or (iii) Tenant leases ROFO Space pursuant to Tenant's ROFO Right. Upon request of either party, the parties shall promptly execute an amendment to this Lease confirming any such change in the rentable area of the Premises or any portion thereof and any corresponding change in Tenant's Pro Rata Share, Base Rent, and any other amount set forth in the Lease or the Work Letter which is dependent upon the rentable area of the Premises or any portion thereof.

(f) H3 Room; PH System; Control Areas; Bulk Tanks.

(i) As part of the Base Building Work, Landlord shall construct on the first floor of the Building (including fireproofing), at the location identified on Exhibit A attached hereto or in another location hereafter designated by Landlord in proximity to the loading dock and reasonably acceptable to Tenant, a common "Control Area" (as defined in the International Building Code and International Fire Code) for use by lab tenants of the Building for the temporary storage of Hazardous Materials to be used in the tenants' leased premises within the Building (the **"H3 Room").** The H3 Room shall be built to comply with H3 hazard use requirements. Landlord shall designate a portion of the H3 Room containing approximately 154 square feet of rentable area **("Tenant's H3 Space")** for Tenant's exclusive use (subject to remeasurement as provided in Section 2.01(e) above), which space shall be demised from the remainder of the H3 Room and shall constitute part of the Premises for all purposes of this Lease.

(ii) Tenant shall construct as part of the Initial Tenant Work pursuant to the Work Letter, an acid neutralization system within the portion of the Premises situated on the first floor of the Building as shown on Exhibit B attached hereto or in another location within the Premises agreed upon by the parties.

(iii) The parties have agreed that there will be two "Control Areas" within the Premises on the second floor of the Building, and one "Control Area" (the H3 Room) on the first floor of the Building. Landlord shall pay all costs of installing the required fireproofing for such "Control Areas," in addition to (and not as part of) providing the Landlord Allowance.

(iv) In addition, Landlord shall make available to Tenant, in a mutually agreeable location near the loading dock within which Landlord can fit this facility (see the proposed location shown on Exhibit A, Detail Page 2 as "Common Inert Gas Tank Enclosure (approx. location)"), exterior space for the installation of tanks to accommodate the storage of bulk nitrogen and carbon dioxide, which storage space may be included within a common storage space also used by other tenants of the Building for similar tank storage.

(g) Parking.

(i) During the Term, Tenant shall have the appurtenant right to use, at no additional charge, the total number of parking spaces (such amount, the "**Parking Allotment**") set forth in Article 1 in the garage (the "**Parking Garage**") and/or surface parking areas (collectively, with the Parking Garage, the "**Parking Facilities**") serving the Building, in common with all persons now or hereafter entitled to use the same. These parking spaces shall be used only by Tenant and Tenant's employees and business invitees for the parking of passenger vehicles only. At no time may Tenant use more parking spaces in the Parking Facilities than the Parking Allotment.

(ii) Subject to the provisions of clause (iii) below, use of the parking spaces in the Parking Facilities shall be on a non-exclusive, non-reserved basis. The provisions of this Lease, including Landlord's Rules and Regulations, shall apply to the Parking Facilities and Tenant's use thereof. Landlord shall have the right to alter the Parking Garage or any other portion of the Parking Facilities, or the operation thereof, from time to time, and to temporarily close portions thereof for maintenance, repair or improvement, as necessary; *provided, however,* that (i) Landlord shall provide at least two weeks' prior notice (except in the case of an emergency, in which event notice shall be provided as soon as reasonably practicable) to Tenant of any such closure, and (ii) Landlord shall use reasonable efforts to minimize interference with Tenant's use and access to the Premises during any such closure, (iii) if such closure reduces the number of usable parking spaces in the Parking Facilities by twenty percent (20%) or more, Landlord shall provide alternative parking for Tenant in the amount of at least the portion of the Parking Allotment not available to Tenant at the Parking Facilities during any such closure and, if such parking is not within a reasonable walking distance from the Premises, shall provide regular shuttle service between the Building and the alternative parking area, during the hours of 6:00 am to 10:00 am and 4:00 pm to 7:00 pm Monday through Friday, and (iv) to the extent that the closure lasts for a period of ten (10) consecutive Business Days or more, Tenant shall have the right to consent to any such closure.

(iii) Tenant's employees and visitors shall have the right to use, as part of the Parking Allotment, up to ten (10) designated parking spaces situated in the Garage initially at the location identified on Exhibit A attached hereto. Landlord shall have the right to relocate such spaces from time to time provided that such relocated spaces are in reasonably comparable proximity to the Building entrance and exit nearest to the Premises. Landlord, at Landlord's sole expense, shall install signage identifying the designated spaces as devoted to Tenant's exclusive use. Promptly following receipt of notice from Tenant that an unauthorized vehicle is parked in one of the parking spaces designated for Tenant's exclusive use, Landlord shall arrange for the removal of such vehicle.

(iv) None of Tenant's rights under this Section may be assigned, subleased or otherwise transferred except in connection with a Transfer or Related Party Transfer effected in accordance with the provisions of Article 12 below. Neither Landlord nor any operator of the Parking Facilities shall be responsible for any loss or damage due to fire or theft or otherwise to any automobile parked in the Parking Facilities or to any personal property therein.

(v) Tenant acknowledges receipt of copies of (i) that certain License Agreement dated as of April 7, 2017 by and between Landlord and the Armenian Cultural and Educational Center, Inc. pursuant to which the owner' of the property at 47 Nichols Avenue, Watertown, Massachusetts has the right to use a portion of the parking spaces in the Parking Facilities on Monday through Friday between the hours of 6:00 p.m. and midnight, on Saturday between the hours of 8:00 a.m. and 2:00 a.m. (Sunday morning), and on Sunday between the hours of 8:00 am and midnight, to which this Lease is subject, and (ii) that certain License Agreement dated May 2016 by and between Landlord and the Commonwealth of Massachusetts, acting by and through the Department of Conservation and Recreation, concerning the land owned by the Commonwealth adjacent to the Property (collectively, the **"Agreements").**

2.02. Right of First Offer.

(a) If at any time during the Term of this Lease, any space on the second floor of the West Wing of the Building (the **"ROFO Space")** becomes available for occupancy upon the expiration or earlier termination of the lease therefor between Landlord and a third party tenant (and provided that both (i) Tenant is not then in default hereunder beyond all applicable notice and grace periods (if any), and (ii) the Tenant named in Article 1 above is then occupying at least ninety percent (90%) of the Premises for the conduct of the Permitted Uses), Tenant shall have the right of first offer to lease any such ROFO Space subject to and in accordance with the terms and conditions set forth in this Section 2.02 **("Tenant's ROFO Right").** If at any time any ROFO Space shall become available for occupancy, Landlord shall notify Tenant thereof in writing **("Landlord's ROFO Space Notice"),** which notice shall include (i) the anticipated estimated date upon which such ROFO Space shall become available for occupancy by Tenant (the **"ROFO Commencement Date"),** (ii) a floor plan showing the approximate rentable square footage thereof, and (iii) Landlord's determination of the Fair Market Rent for such ROFO Space for a period coterminous with the Term of this Lease. Tenant shall have the right only to lease all such ROFO Space described in Landlord's ROFO Space Notice (and not less than all of such ROFO Space) by giving written notice to Landlord **("Tenant's ROFO Acceptance Notice")** within fifteen (15) days after Tenant receives Landlord's ROFO Space Notice, time being of the essence. If Tenant so elects to lease the subject ROFO Space, such ROFO Space shall be leased by Landlord to Tenant upon the same terms and conditions contained in this Lease, except that: (A) Base Rent for the subject ROFO Space shall be equal to the Fair Market Rent therefor determined in accordance with Section 3.03(c) below (made applicable hereto by such changes and modifications as are required given the application hereof), (B) the subject ROFO Space shall be and become part of the Premises hereunder upon the delivery of such ROFO Space to Tenant, and (C) it is understood and agreed that, unless otherwise expressly provided in Landlord's ROFO Notice, the subject ROFO Space shall be leased by Tenant in its then "as-is", "where-is" condition, without warranty or representation by Landlord and Landlord shall have no obligation to complete any work to prepare the applicable ROFO Space for Tenant's use and occupancy or provide any allowance or contribution therefor. Following such election by Tenant, and effective as of the delivery of the applicable ROFO Space and for the balance of the Term of this Lease and any

extension thereof: (x) the “Premises”, as used in this Lease, shall include the applicable ROFO Space; (y) any Additional Rent, charges and expenses due under this Lease and the number of parking spaces to which Tenant shall be entitled in the Parking Facilities shall be re-calculated to reflect the inclusion of the ROFO Space; and (z) the Base Rent shall equal the sum of the then current Base Rent provided for in this Lease plus the Base Rent for the applicable ROFO Space as determined herein. The foregoing provisions of this Section 2.02(a) shall be self-executing, but the parties

agree that for purposes of confirming the foregoing, Landlord shall prepare, and Tenant and Landlord shall promptly execute and deliver, an amendment to this Lease in form reasonably acceptable to both parties reflecting the foregoing terms and the incorporation of any ROFO Space. For the purposes hereof, space shall be deemed **"available for occupancy"** when (1) any lease or occupancy agreement (including extension periods thereunder) for such ROFO Space has expired or is due to expire within not less than six (6) months, (2) any expansion options, expansion rights or other rights to lease with respect to such ROFO Space which are set forth in any other lease or leases entered into prior to the date hereof have expired or been waived, and (3) Landlord is free to, and intends to, lease such space to third parties without restriction.

(b) If Tenant fails to timely exercise any of its rights hereunder, the right(s) granted hereunder as to the applicable ROFO Space shall be deemed waived for the period set forth in this subsection (b) with respect to such ROFO Space, and Landlord may lease the applicable ROFO Space during such time to any party and upon terms substantially similar to the terms offered to Tenant in Landlord's ROFO Space Notice (including that the effective rental rate under such lease is at least ninety percent (90%) of the effective Rent offered to Tenant), free of any rights of Tenant. Tenant, following such waiver and within seven (7) Business Days of Landlord's request therefor, shall execute and deliver to Landlord a certification, in recordable form, confirming the waiver of such right (or if Tenant in good faith disputes that it has so waived such right, Tenant shall so notify Landlord in writing within such 7-Business Day period). Provided that Landlord's request specifies, in capitalized, boldfaced type in the first paragraph thereof, that Tenant's failure to so execute and deliver such certification (or to send notice of such dispute) shall (without limiting Landlord's remedies on account thereof) entitle Landlord to execute and deliver to any third party, and record, an affidavit confirming such waiver, then such failure to respond by Tenant shall entitle Landlord to do so, in which event such affidavit shall be binding on Tenant and may be conclusively relied on by third parties. Notwithstanding the foregoing, if Landlord fails to execute a lease of such ROFO Space within twelve (12) months following the expiration of the 15-day period referenced in Section 2.02(a) above, or if Landlord intends on accepting an offer to lease the ROFO Space at an effective rental rate that is less than ninety (90%) percent of the effective Rent offered to Tenant, then Landlord shall be required to again offer to lease the ROFO Space to Tenant in accordance with the terms hereof prior to leasing the same to a third party.

(c) The foregoing Tenant's ROFO Right may only be exercised by the Tenant named in Article 1 above or a Related Party Transferee (in which latter case all references in this Section 2.02 to "Tenant" shall be deemed to refer to such Related Party Transferee). Tenant acknowledges and agrees that its rights under this Section are and shall be subject and subordinate to any extension rights granted in (i) the initial lease by Landlord to a third party of each portion of the ROFO Space, and (ii) any lease thereafter entered into by Landlord with a third party with respect to any portion of the ROFO Space in accordance with the provisions of this Section 2.02.

ARTICLE 3: LEASE TERM

3.01. Lease Term; Construction. The Initial Term of this Lease is set forth in Article 1. The Base Building and the Premises shall be constructed as provided in the Work Letter (the **"Work Letter")** attached hereto as Exhibit C.

3.02. Hold Over. If Tenant (or anyone claiming by, through or under Tenant) shall remain in occupancy of the Premises or any part thereof after the expiration or early termination of the Term without a written agreement therefor executed and delivered by Landlord, then without limiting Landlord's other rights and remedies the person remaining in possession shall be deemed a tenant at sufferance, and Tenant shall thereafter pay a monthly use and occupancy charge (pro-rated for such portion of any partial month as Tenant (or anyone claiming by, through or under Tenant) shall remain in possession) at a rate equal to the greater of (a) the Fair Market Rent for the Premises (which, notwithstanding anything to the contrary contained in this Lease, shall be deemed the rent then being quoted by Landlord for the Premises (or any portion thereof) or comparable space in the Building, if the Premises (or any portion thereof) or any such space is then being marketed by Landlord), or (b) one hundred and fifty percent (150%) of the monthly amount payable as Base Rent for the 12-month period immediately preceding such expiration or termination, and in either case with all Additional Rent also payable as provided in this Lease. No acceptance by Landlord of any payment by Tenant pursuant to this Section shall constitute Tenant (or anyone claiming by, through or under Tenant) as a tenant at will, but Tenant or such other person or entity shall remain a tenant at sufferance subject to all of the provisions of this Lease. If Landlord desires to regain possession of the Premises at any time Tenant (or anyone claiming by, through or under Tenant) is holding over, Landlord may, at its option, forthwith re-enter and take possession of the Premises or any part thereof by any lawful, means. In any case, and notwithstanding the provisions of Section 16.10(b) to the contrary, Tenant shall be liable to Landlord for all claims, liabilities, damages, losses or costs (including reasonable attorneys' fees and costs) resulting from any failure by Tenant (or anyone claiming by, through or under Tenant) to vacate the Premises or any portion thereof when required hereunder, and shall hold Landlord, its agents and employees, harmless and defend and indemnify Landlord, its agents and employees, from and against any and all claims, liabilities, damages, losses or costs (including reasonable attorneys' fees and costs) which Landlord may pay, incur or suffer on account of any such hold-over in the Premises after the expiration or earlier termination of the Term.

3.03 Right to Extend.

(a) Extension Term. Provided that, as of both the time Tenant gives the Extension Notice (as defined below) and the first day of the Extension Term, (i) Tenant is not in default hereunder beyond all applicable notice and grace periods (if any), and (ii) the Tenant named in Article 1 above (or a Related Party Transferee) is then occupying at least seventy-five percent (75%) of the Premises for the conduct of the Permitted Uses, then Tenant may extend the Term of this Lease for the Extension Term stated in Article 1 by giving unconditional written notice (an **"Extension Notice")** to Landlord at least twelve (12) months but not more than eighteen (18) months before the end of the Initial Term, time being of the essence. The Extension Notice shall be sufficient to extend the Term for the Extension Term, subject to all of the terms of this Lease except for the change in Base Rent as set forth below, and no additional writing or further action by the parties shall be required for such purpose (but upon the request of either party, the parties shall promptly execute and deliver an amendment to this Lease reflecting such extension of the Term). If Tenant fails to give the Extension Notice in strict accordance with the provisions of this Section 3.03(a), Tenant shall be deemed to have waived all rights to extend the Term of this Lease. All references in this Lease to the "Term" shall mean the Initial Term as it may be extended by the Extension Term.

(b) Extension Term Base Rent. Base Rent for the Extension Term(s) shall be the Fair Market Rent of the Premises (as defined below). Fair market rent of the Premises (the **"Fair Market Rent")** for the Extension Term shall be based upon leases or agreements to lease then being negotiated or executed with respect to comparable first-class office/laboratory space in the Building or in comparable buildings in Watertown and other comparable inner suburban and suburban lab markets (excluding Kendall Square but including the Alewife section of Cambridge) with walkable urban amenities. In determining Fair Market Rent, all relevant factors shall be taken into account, including size, location and condition of premises, lease term (including renewal options), tenant's obligations with respect to operating expenses and taxes, tenant improvement allowances, other inducements then being offered by landlords, condition of building, and services and amenities provided by the landlord. Fair Market Rent shall include provisions for increases or other adjustments during the Extension Term for which such determination is being made.

(c) Determination of Fair Market Rent. Fair Market Rent shall be determined as follows: Landlord shall give Tenant written notice **("Landlord's Fair Market Rent Notice")** of Landlord's determination of Fair Market Rent for the Extension Term within thirty (30) days of Tenant's giving to Landlord the Tenant's Extension Notice. Tenant shall thereafter notify Landlord within thirty (30) days of Landlord's giving to Tenant Landlord's Fair Market Rent Notice of its agreement with or objection to Landlord's determination of the Fair Market Rent, whereupon in the case of Tenant's objection, Fair Market Rent shall be determined by arbitration conducted in the manner set forth below. If Tenant does not notify Landlord within such 30-day period of Tenant's agreement with or objection to Landlord's determination of the Fair Market Rent, then the Fair Market Rent for the Extension Term shall be deemed to be Landlord's determination of the Fair Market Rent as set forth in Landlord's Fair Market Rent Notice to Tenant. If Tenant does notify Landlord within such 30-day period of Tenant's objection to Landlord's determination of the Fair Market Rent, then within ten (10) days of Tenant's giving such notice of objection to Landlord, each of Tenant and Landlord shall choose an MAI real estate appraiser or commercial real estate broker with at least ten (10) years of professional experience dealing with properties similar to the Property in the vicinity of the Property (each a **"Real Estate Professional")** and notify the other party of the person so selected. The Real Estate Professionals so selected shall each determine and promptly report (in no event later than the thirtieth (30^{th}) day following the giving of the notice of appointment of the second Real Estate Professional) to both Landlord and Tenant in writing his or her determination of the Fair Market Rent. If the higher of the Fair Market Rents reported by the two Real Estate Professionals is no more than ten (10%) percent more than the lower rate, then the Fair Market Rent will be an average of such amounts. However, if the higher amount is more than one hundred ten (110%) percent of the lower amount, then within ten (10) days after receipt of both reports, Landlord and Tenant will jointly appoint a third Real Estate Professional meeting the aforesaid criteria, and the third Real Estate Professional will determine the Fair Market Rent by selecting either Landlord's Fair Market Rent determination or Tenant's Fair Market Rent determination according to whichever of the two valuations as set forth in the reports from Landlord's Real Estate Professional or Tenant's Real Estate Professional, respectively, is closer to the actual Fair Market Rent in the opinion of such third Real Estate Professional. The third Real Estate Professional shall have no discretion other than to select one of the determinations of Fair Market Rent made by the first two Real Estate Professionals as aforesaid. Landlord and Tenant shall each pay the Real Estate Professional that it appoints, and shall share equally the cost of the third Real Estate Professional.

(d) Rent Continuation. For any part of the Term for which the amount of Base Rent has not finally been determined, Tenant shall make payment on account of Base Rent at the rate last paid under this Lease, and the parties shall adjust for any overpayments or underpayments upon the final determination of Fair Market Rent. The failure by the parties to complete the processes contemplated under this Section 3.03 prior to the commencement of the Extension Term shall not affect the continuation of the Term or the parties' obligation to make any adjustments for any overpayments or underpayments for the Base Rent due for the applicable period promptly after the determination thereof is made.

ARTICLE 4: RENT

4.01. Base Rent. Commencing as of the Rent Commencement Date and continuing thereafter on the first day of each month during the Term, Tenant shall pay Landlord the monthly installment of Base Rent and the monthly installment of Tenant's Pro Rata Share of Operating Costs required by Section 4.02, in advance, without notice or demand.

4.02. Additional Rent

(a) General. **"Rent"** means, collectively, Base Rent and all other amounts payable by Tenant under this Lease other than Base Rent, including Tenant's Pro Rata Share of Taxes (Article 5) and Operating Expenses (Article 7) , regardless of whether or not such amount is expressly described as "Additional Rent" in this Lease (collectively, **"Additional Rent").** Landlord shall reasonably estimate in advance (i) all Taxes under Article 5 and (ii) all Operating Expenses under Article 7 (the items in clauses (i) and (ii), collectively, being **"Operating Costs")** and Tenant shall pay one-twelfth (1/l2th) of Tenant's Pro Rata Share of such reasonably estimated Operating Costs monthly in advance together with Base Rent. Landlord may reasonably adjust its estimates of Operating Costs at any time based upon its experience and reasonable anticipation of costs. Such adjustments shall be effective as of the next Rent payment date occurring at least fifteen (15) days after notice to Tenant. Within one hundred eighty (180) days after the end of each calendar year (or portion thereof) included within the Term, Landlord shall give Tenant a reasonably detailed statement (an **"Annual Operating Statement")** of the Operating Costs paid or incurred by Landlord during the preceding calendar year (pro-rated for partial calendar years included within the Term) and Tenant's Pro Rata Share of such expenses; *provided, however,* that Landlord may bill Tenant for any items omitted or underbilled with respect to the calendar year in question for a period of time not to exceed one (1) year from the last day of such calendar year. Within thirty (30) days after Landlord's delivery of an Annual Operating Statement to Tenant, Tenant shall pay Landlord any underpayment, or Landlord shall credit Tenant with any overpayment (which credit shall be applied to any Rent due under this Lease next coming due after the delivery of the Annual Operating Statement (or if the Term has ended, Landlord shall pay Tenant the amount of any overpayment as provided below)), of Tenant's Pro Rata Share of such Operating Costs.

If Tenant wishes to dispute the determination of the Operating Costs charged to Tenant under this Lease, Tenant may do so provided (i) Tenant shall give Landlord written notice of such dispute within one hundred twenty (120) days after its receipt of the Annual Operating Statement being disputed and (ii) Tenant shall pay any overpayment due based on the Annual Operating Statement as provided in the foregoing paragraph, pending resolution of the dispute. If Landlord provides a revised Annual Operating Statement within the one-year period described in the preceding grammatical paragraph in response to a previously omitted or underbilled item of Operating Costs, Tenant shall have the same 120-day period from its receipt of such revised Annual Operating Statement within which to give Landlord written notice that it disputes one or more of the revised items contained in such revised Annual Operating Statement (which shall be the only items then subject to dispute by Tenant). Promptly after the giving of such notice in either such case, Landlord shall allow Tenant's representatives to examine and audit in Landlord's offices (or the office of its managing agent) Landlord's books and records with respect to the subject matter of the dispute, which review or audit shall be completed within ninety (90) days after Tenant gave such notice of dispute. Tenant agrees that the party selected by Tenant to perform such review or audit shall be compensated on the basis of hourly fees and not on a contingency or percentage basis. Tenant agrees to keep the results of any such review or audit conducted by Tenant confidential except for disclosures to its employees, attorneys, consultants, accountants and owners and except to the extent required to enforce Tenant's rights hereunder. The cost of such audit shall be borne by Tenant; provided, however, in the event it is finally determined (by mutual agreement or other resolution of such dispute) that Tenant was overcharged by more than five percent (5%) for the immediately preceding calendar year, then, in such event, Landlord shall pay for Tenant's reasonable

out-of-pocket cost for the audit. If it is finally determined (by mutual agreement or other resolution of such dispute) that Landlord's determination of any of the Operating Cost is (i) overstated, or (ii) understated, then in the case of (i) Landlord shall credit the difference against monthly installments of Rent next thereafter coming due (or refund the difference if the Term has ended and Tenant has no further obligation to Landlord), or in the case of (ii) Tenant shall pay to Landlord the amount of such excess. Landlord's obligation under this Paragraph shall survive the expiration of the Term or earlier termination of this Lease.

If the Term expires or the Lease is terminated as of a date other than the last day of a calendar year, Tenant's payment of Additional Rent pursuant to this Section for such partial calendar year shall be based on Landlord's good faith estimate of the items otherwise includable in Operating Costs and Landlord shall provide such estimate to Tenant no later than thirty (30) days after the expiration or termination of the Term. Tenant's payment of Additional Rent shall be made on or before ten (10) Business Days after Landlord delivers such estimate to Tenant, with an appropriate payment or refund to be made upon Tenant's later receipt of Landlord's Annual Operating Statement for such calendar year. This Section shall survive the expiration or earlier termination of the Term.

This Lease requires Tenant to pay directly to suppliers, vendors, carriers, contractors, and other parties certain utility costs, personal property taxes, maintenance and repair costs and other expenses. If Tenant fails to make any such payments when due and Landlord thereafter receives notice of such failure on the part of Tenant, Landlord shall have the right (but no obligation) to do so on its behalf, and if Landlord so pays any of these amounts in accordance with this Lease, Tenant shall reimburse such costs in full, together with interest thereon at the Default Rate, to Landlord, as Additional Rent, within ten (10) Business Days of demand.

(b) Allocation of Certain Operating Costs. If at any time during the Term, Landlord provides services **("Limited Landlord Services")** only with respect to particular portions of the Building or Property, or incurs any other Operating Costs allocable to particular portions of the Building or Property, then: (i) such Operating Costs shall be charged entirely to those tenants, including Tenant, if applicable, of such portions, and the amounts so charged to such particular tenant or tenants shall be excluded from Operating Costs otherwise charged under Section 4.06(A), and (ii) Tenant's Pro Rata Share for any such Limited Landlord Services shall be as defined in Section 4.06(B). If, during any period for which Landlord's Operating Costs are being computed, less than ninety-five (95%) percent of the rentable area of the Building was leased and occupied by tenants: (x) Operating Costs that are allocable to the entire Building or the portion thereof in question and which vary by level of occupancy shall be reasonably estimated and extrapolated by Landlord to determine the Operating Costs that would have been incurred if the Building or such portion in question were ninety-five (95%) leased and occupied by tenants for such year and such services were being supplied to all tenants, and such estimated and extrapolated amount shall be deemed to be the Operating Costs for such period, and (y) Tenant's Pro Rata Share with respect to such Operating Costs shall be as defined in Section 4.06(A) or (B) as applicable; *provided, however,* that Landlord shall not collect from Tenant and other tenants in the Building in the aggregate more than one hundred percent of Taxes and such Operating Costs actually incurred by Landlord.

4.03. Late Charge. Tenant acknowledges that if it pays Rent late, Landlord will incur unanticipated costs which will be extremely difficult to ascertain exactly. Such costs include processing and accounting charges, and late charges that may be imposed on Landlord under a mortgage on the Property. Accordingly, if Landlord does not receive any such payment within five (5) days following its due date, Tenant shall pay Landlord a late charge equal to five (5%) percent of the overdue amount as an administrative charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs Landlord shall incur by reason of Tenant's payment default. Payment of the late charge shall not cure Tenant's payment default or prevent Landlord from exercising any other rights and remedies.

4.04. Interest. Any late Rent payment shall bear interest from the date due (without regard to the 5-day grace period provided in Section 4.03) until paid at a rate equal to the Prime Rate plus 4% per annum (the **"Default Rate"),** except to the extent such interest would cause the total interest to be in excess of that legally permitted (and then interest will be at the maximum rate legally permitted). The **"Prime Rate"** shall mean the prime lending rate per annum published in The Wall Street Journal from time to time, and the Default Rate shall be adjusted effective upon each change in the Prime Rate.

Payment of interest shall not cure Tenant's payment default or prevent Landlord from exercising any other rights and remedies.

4.05. Method of Payment. Tenant shall make a pro rata payment of Base Rent and Additional Rent for any period of less than a month at the beginning or end of the Term. All payments of Base Rent, Additional Rent and other sums due shall be paid in current U.S. exchange by check drawn on a Boston clearinghouse bank to the Original Address of Landlord or such other place as Landlord may from time to time direct (or if requested by Landlord in the case of Base Rent, by electronic fund transfer) without demand (except to the extent notice or demand is expressly required herein), abatement (except to the extent expressly provided herein), set-off or other deduction.

Without limiting the foregoing, except as expressly otherwise set forth in this Lease, Tenant's obligation so to pay Rent shall be absolute, unconditional, and independent and shall not be discharged or otherwise affected by any law or regulation now or hereafter applicable to the Premises, or any other restriction on Tenant's use, or any casualty or taking or any failure by Landlord to perform or other occurrence.

It is intended that Base Rent payable hereunder shall be a net return to Landlord throughout the Term, free of expense, charge, offset, diminution or other deduction whatsoever on account of the Premises (excepting Landlord's financing expenses, federal and state income taxes of general application, and those expenses that this Lease expressly makes the responsibility of Landlord and excepting any expense or charge incurred as a result of Landlord's acts or omissions), and all provisions hereof shall be construed in terms of such intent.

4.06. Tenant's Pro Rata Share. The term **"Tenant's Pro Rata Share"** shall have different definitions depending upon the circumstances in which such term is used.

(A) Entire Building. With respect to any Operating Costs and benefits that are allocable to the entire Building and with respect to Tenant's Parking Allotment, Tenant's Pro Rata Share shall be defined as a fraction, the numerator of which is the total rentable area of the Premises, and the denominator of which is the total rentable area of the Building, as of the date of the computation. As of the date hereof, the parties agree that the total rentable area of the Building is 185,015 square feet, and that Tenant's Pro Rata Share is 24.62% (subject to adjustment as provided in Section 2.0l(e) above.

(B) Costs that are only incurred for portions of the Building. With respect to any Operating Costs and benefits that are allocable to only a portion of the Building which includes the Premises, Tenant's Pro Rata Share shall be defined as a fraction, the numerator of which is the total rentable area of the Premises, and the denominator of which is equal to the sum of the rentable square foot area of (i) the Premises and (ii) all other premises to which such cost is allocable.

Tenant's Pro Rata Share with respect to the entire Building is initially as set forth in Article 1 and Tenant's Pro Rata Share is subject to adjustment only if the total rentable area of the Premises changes on account of any amendment to the Lease as may be set forth in such amendment, or if the Building changes on account of any reconstruction after a casualty event, expansion or contraction thereof.

ARTICLE 5: TAXES

5.01. Taxes. Commencing as of the Rent Commencement Date and continuing thereafter throughout the Term of the Lease, Tenant covenants and agrees to pay to Landlord as Additional Rent, Tenant's Pro Rata Share of Taxes for each fiscal tax period, or ratable portion thereof, included in the Term. If Landlord receives a refund of any such Taxes, Landlord shall pay to Tenant Tenant's Pro Rata Share of the refund after deducting Landlord's reasonable costs and expenses incurred in obtaining the refund, to the extent such costs and expenses were not previously included in, and actually paid as, Taxes pursuant to Section 5.02 below. Tenant shall make estimated payments on account of Taxes in monthly installments on the first day of each month, in amounts estimated from time to time by Landlord pursuant to Section 4.02(a). As of the Date of Lease, Landlord's estimate of Taxes for the first Lease Year is $4.75 per rentable square foot of the Premises, but such amount is only an estimate and shall not govern over the actual amount of Taxes for the first Lease Year as determined in accordance with the provisions of this Article.

5.02. Definition of "Taxes". "Taxes" shall mean all taxes, assessments, betterments, excises, user fees imposed by governmental authorities, and all other governmental charges and fees of any kind or nature, or impositions or agreed payments in lieu thereof, or voluntary payments made in connection with the provision of governmental services or improvements of benefit to the Building or the Property (including any so-called linkage, impact or voluntary betterment payments), assessed or imposed against the Premises, the Building or the Property (including any personal property taxes levied on such property or on

fixtures or equipment used in connection therewith). Furthermore, notwithstanding anything to the contrary herein, Taxes shall exclude (a) any interest and/or penalties for late payments to the extent relating to a period in which Tenant was not in default (beyond any applicable notice and cure periods) of its obligations to pay Base Rent, Tenant's Pro Rata Share of Operating Costs or other payments under this Lease, and (b) federal, state or local income or profit taxes, franchise, rental, capital, inheritance, estate, conveyance, transfer, gift, or corporate excise taxes or levies. The amount of any special taxes, special assessments, and agreed or governmentally imposed "in lieu of tax" or similar charges, shall be included in Taxes for any year but shall be limited to the amount of the installment (plus any interest, other than penalty interest, payable thereon) of such special tax, special assessment or such charge required to be paid during or with respect to the year in question. Landlord agrees that if any special taxes, special assessments, and agreed or governmentally imposed "in lieu of tax" or similar charges shall be levied against the Building, to elect to pay such assessment over the longest period of time permitted by law or applicable agreement with the governmental authority. Betterments and assessments, whether or not paid in installments, shall be included in Taxes in any tax year as if the betterment or assessment were paid in installments over the longest period permitted by law, together with the interest thereon charged by the assessing authority for the payment of such betterment or assessment in· installments.

Notwithstanding the foregoing, if during the Term the present system of ad valorem taxation of property shall be changed so that, in lieu of or in addition to the whole or any part of such ad valorem tax there shall be assessed, levied or imposed on the Premises, the Building or the Property, or on Landlord, any kind or nature of federal, state, county, municipal or other governmental capital levy, income, sales, franchise, excise or similar tax, assessment, charge or fee (as distinct from the federal and state income tax in effect on the Date of Lease) measured by or based in whole or in part upon Building valuation, mortgage valuation, rents, services or any other incidents, benefits or measures of real property or real property operations, then any and all of such taxes, assessments, levies, charges and fees shall be included within the term "Taxes", but only to the extent that the same would be payable if the Property were the only property of Landlord. Taxes shall also include expenses, including reasonable fees of attorneys, appraisers and other consultants, incurred in connection with any efforts to obtain abatements or reduction of Taxes for any year wholly or partially included in the Term, whether or not successful and whether or not such efforts involved filing of actual abatement applications or initiation of formal proceedings.

5.03. Personal Property Taxes. Tenant shall pay directly all taxes (if any) charged against Tenant's Property (as defined in Section 10.06). Tenant shall use commercially reasonable efforts to have Tenant's Property taxed separately from the Property. Landlord shall notify Tenant if any of Tenant's Property is taxed with the Property, and Tenant shall pay such taxes to Landlord within fifteen (15) days of such notice.

ARTICLE 6: BUILDING SERVICES AND SPECIAL BUILDING FACILITIES

6.01. Utility Services.

(a) Tenant shall make all arrangements for, and shall provide and pay all charges and deposits required by the provider for, water, sewer, gas, boiler water, electricity, telephone and any other utilities or services used or consumed on the Premises (collectively, **"Utility Services"**), whether called use charge, tax assessment, fee, or otherwise, as the same become due. As part of the Base Building Work, Landlord will (i) install Oncom BTU metered taps for reheat hot water from the main Building loop to the Premises (if additional taps from the main loop are required, Tenant shall install them at its own cost and expense, and any meters installed as part of such work shall be compatible with the Building equipment and the Building BMS system); (ii) provide space for a Tenant meter on the utility gas manifold so that Tenant can install (at its sole cost and expense) any gas service necessary to service the exclusive needs of Tenant's Premises; and (iii) provide a connection to the Building potable water service to the Premises (Tenant shall provide and install a water meter at this connection with a remote reader to record Tenant's use of domestic water within the Premises). Tenant shall install, as part of its electrical service switchgear, a CT cabinet with an electrical usage meter as required by the Utility Service Provider. If the Utility Service Provider will not allow individual direct metering for Tenant's service, this meter shall be used to measure Tenant's direct usage of electricity within the Premises, (including the electricity consumed in providing HVAC service to the Premises), for which Tenant shall reimburse Landlord at the direct billing rates charged to Landlord by the Utility Service Provider. Landlord shall bill Tenant monthly for such electrical consumption and hot water consumption as a recurring charge, and Tenant shall pay each such invoice, as Additional Rent, within thirty (30) days after receipt of an invoice therefor.

(b) Tenant shall timely pay all costs and expenses associated with any directly and separately metered utilities (such as telephone) provided exclusively to the Premises directly to the applicable service provider. Tenant shall pay all costs and expenses associated with utility charges that are based on sub-metering or check metering directly to Landlord, without mark-up by Landlord on account of Landlord's administration of such charges, within thirty (30) days of invoice therefor by Landlord. With respect to any Utility Services that are not either separately metered or measured by a check meter or submeter, Tenant shall pay the cost of the same

as part of Operating Costs payable hereunder. Tenant may, no more than once per calendar year, conduct an engineering survey at its sole cost and expense to determine whether the submeters and/or check meters are accurately measuring the particular services to be measured thereby and, if Tenant discovers any metering inaccuracies as a result of such survey and such inaccuracies result in an error in the amount billed to Tenant, Landlord shall promptly refund the overpayment within ten (10) Business Days after receipt of notice from Tenant of such inaccuracy. If requested by Landlord, Tenant and the persons conducting the engineering survey for Tenant shall enter into a reasonable confidentiality agreement prior to inspecting such meters, which shall permit Tenant to disclose the results of such survey to the extent required to enforce its rights hereunder. If the survey shows any errors resulting in any underpayment for such services, Tenant shall reimburse Landlord for Tenant's share of such underpayment, as Additional Rent, within ten (10) Business Days of demand. In no event shall Tenant engage any person in connection with such engineering survey whose fees or costs are payable, in whole or part or directly or indirectly, in a contingent manner or by means of any commission depending on the survey outcome. Any dispute regarding amounts due, or accuracy of the meters, under this paragraph shall be resolved in accordance with Section 16.17 of this Lease at the request of Landlord or Tenant, which request shall be made with respect to disputes regarding amounts due, no later than one hundred eighty (180) days after Tenant receives Landlord's Annual Operating Statement for the fiscal year in question (any bill not disputed within such 180-day period shall be deemed final and conclusive). Except as expressly set forth in Section 6.03, Landlord shall not be liable for any interruption or failure in the supply of any utilities or Utility Services.

(c) To the maximum extent permitted by law, Landlord shall have the right at any time and from time to time during the Term to contract for or purchase one or more Utility Services from any reputable company or third party providing Utility Services **("Utility Service Provider")** to the Building, provided that the rates charged by such Utility Service Provider are competitive with the current market rates. In exercising its rights hereunder, Landlord shall make commercially reasonable efforts to avoid any interruption to Tenant's business operations in connection with the change from one Utility Service Provider to another. Subject to Section 9.06, Tenant agrees reasonably to cooperate with Landlord and such Utility Service Providers and at all times as reasonably necessary, and on reasonable advance notice of not less than forty-eight (48) hours (except in the event of emergency), shall allow Landlord and the Utility Service Providers reasonable access to any utility lines, equipment, feeders, risers, ducts, shafts, fixtures, wiring and any other such machinery or personal property within the Premises and associated with the delivery of Utility Services.

(d) Except for the Initial Tenant Work and the equipment and appliances being installed in connection therewith, Tenant agrees that it will not make any material alteration or material addition to the electrical equipment and/or appliances in the Premises which would require increased electrical service to the Premises or modifications to the structure of the Building, without the prior written consent of Landlord in each instance, which consent will not be unreasonably withheld, conditioned or delayed, and using contractor(s) reasonably approved by Landlord, and will promptly advise Landlord of any other alteration or addition to such electrical equipment and/or appliances (as to which Landlord's prior written consent shall not be required). Landlord agrees to respond to any request for approval made by Tenant pursuant to this subsection (c) within ten (10) Business Days after its receipt of such request.

6.02. Building Services and Building Systems.

(a) In addition to the services described in Section 6.01, Landlord shall provide the following services to Building common areas, the costs of which are included within Operating Expenses:

(i) Janitorial services for the Building common areas as described in Exhibit E attached hereto.

(ii) Building security consistent with similar "first-class" laboratory and office buildings in the vicinity of the Property as described in Exhibit E attached hereto.

(iii) Landlord shall arrange for and provide (as defined below) to the common areas of the Building those services as set forth in Exhibit E attached hereto.

(iv) Landlord shall provide HVAC service to the common areas of the Building by means of the Building mechanical system, during Normal Business Hours, at such temperatures and in such amounts as are reasonably deemed by Landlord to be in keeping with the first-class standards of the Building.

Tenant acknowledges that Landlord has not made any warranty or representation to Tenant as to the efficacy of the security services that Landlord is required to provide under this Lease.

(b) Landlord shall provide to the common areas of the Building the janitorial services as described in Exhibit E attached hereto, the costs of which are included within Operating Expenses. Tenant shall, at its sole cost and expense, provide janitorial services to the Premises on each Business Day during the Term. In addition, Tenant shall arrange for the removal and disposal of its lab-related refuse by a licensed vendor, all at Tenant's sole cost and expense, such removal and disposal to be accomplished in accordance with all applicable Legal Requirements.

(c) Tenant shall have the ability to control the provision of heat, ventilation or air conditioning to the portions of the Premises served by the Building mechanical systems (as opposed to being provided by means of any HVAC equipment or system installed by or on behalf of Tenant and serving only the Premises). The electricity consumed in providing HVAC service to the Premises through the Building mechanical system shall be measured by a submeter and charged back to Tenant by Landlord at Landlord's actual cost, without mark-up. The hot water consumed in providing HVAC service to the Premises through the Building mechanical system shall be metered to Tenant. Landlord shall bill Tenant monthly for such electrical consumption and hot water consumption as a recurring charge, and Tenant shall pay each such invoice, as Additional Rent, within thirty (30) days after receipt of an invoice therefor. Tenant agrees to lower and close the blinds or drapes when necessary because of the sun's position, whenever the air conditioning system is in operation, and to cooperate fully with Landlord with regard to, and to abide by all the reasonable regulations and requirements which Landlord may prescribe for, the proper functioning and protection of the air conditioning system of general applicability to all occupants of the Building and provided such regulations and requirements are provided in writing to Tenant thirty (30) days in advance.

(d) If Tenant desires HVAC service to a common area of the Building outside of Normal Business Hours, Landlord will use reasonable efforts, upon not less than twenty-four (24) hours' prior written notice from Tenant of its requirements in that regard, to furnish additional heat or air conditioning services to such common area during such requested times. Tenant will pay to Landlord Landlord's actual hourly cost (including equipment depreciation), without markup, as the same may be adjusted from time to time by Landlord, for any such additional heat or air conditioning service required by Tenant.

Excluding any equipment to be installed as part of the Initial Tenant Work, in the event Tenant requires additional air conditioning for business machines, meeting rooms or other special purposes, or because of occupancy or excess electrical loads, any additional air conditioning units, chillers, condensers, compressors, ducts, piping and other equipment, such additional air conditioning equipment will be installed, but only if, in Landlord's reasonable judgment, the same will not cause damage or injury to the Building or create a dangerous or hazardous condition. At Landlord's sole election, such equipment will either be installed:

(i) by Landlord at Tenant's expense and Tenant shall reimburse Landlord within thirty (30) days of demand (to the extent that such equipment will serve portions of the Property other than the Premises, Tenant shall only be obligated to pay its proportionate share of such cost), as Additional Rent, in such an amount as will compensate it for the cost incurred by it in operating, maintaining, repairing and replacing, if necessary, such additional air conditioning equipment. At Landlord's election, such equipment shall be maintained, repaired and replaced by Tenant at Tenant's sole cost and expense, and throughout the term of this Lease, Tenant shall, at Tenant's sole cost and expense, purchase and maintain a service contract for such equipment from a service provider reasonably approved by Landlord (to the extent that such equipment will serve portions of the Property other than the Premises, Tenant shall only be obligated to pay its proportionate share of such costs). Tenant shall obtain Landlord's prior written approval of both the form of service contract and of the service provider, which approval shall not be unreasonably withheld, conditioned or delayed; or

(ii) only if the additional equipment will exclusively serve the Premises, by Tenant, subject to Landlord's prior reasonable approval of Tenant's plans and specifications for such work. In such event: (i) such equipment shall be maintained, repaired and replaced by Tenant at Tenant's sole cost and expense, and (ii) throughout the term of this Lease, Tenant shall, at Tenant's sole cost and expense, purchase and maintain a service contract for such equipment from a service provider approved by Landlord. Tenant shall obtain Landlord's prior written approval of both the form of service contract and of the service provider, which approval shall not be unreasonably withheld, conditioned or delayed.

(e) Pursuant to Section 10.03, Landlord shall repair, maintain in good condition and order, and replace all Building Systems (including the HVAC, plumbing, electrical, mechanical and other systems) to the extent to which the same were installed as part of the Base Building Work, subject to casualty, condemnation and matters described in Section 16.09, the cost of which shall be included in Operating Expenses to the extent provided in Section 7.01. Tenant shall be solely responsible, at its sole cost and expense, for repairing, maintaining and replacing all equipment which services solely the Premises, whether the same were initially installed by Landlord or Tenant, and whether the same were installed prior to the Rent Commencement Date or thereafter, except to the extent the need for such repair results from Landlord's negligence or willful misconduct or the negligence or willful misconduct of its agents, employees, contractors, and/or invitees. In no event shall Landlord be liable for any interruption or delay in providing any of the services described in this Section or in Exhibit E attached hereto by reason of any accident, the making of repairs, alterations or improvements, labor difficulties, trouble in obtaining fuel, electricity, service or supplies from the sources from which they are usually obtained for such Building, governmental restraints, or any cause beyond Landlord's control.

(f) Notwithstanding anything to the contrary contained in this Article 6 or elsewhere in this Lease, Landlord may institute, and Tenant shall comply with, such policies, programs and measures as may reasonably be necessary, required, or expedient for the conservation and/or preservation of energy or energy services, or as may be necessary or required to comply with applicable Legal Requirements, provided the same do not materially interfere with Tenant's use of the Premises or Tenant's business or cause the Tenant to incur additional costs.

(g) Tenant acknowledges that it has been provided with an opportunity to confirm that the electric current serving the Premises will be adequate to supply its proposed permitted uses of the Premises. If, however, Tenant subsequently determines that it will require electric current for use in the Premises in excess of the quantity which, in Landlord's reasonable judgment, Landlord's facilities are capable of providing, then Landlord, upon written request and at the sole cost and expense of Tenant, will furnish and install such additional wire, conduits, feeders, switchboards and appurtenances as reasonably may be required to supply such additional requirements of Tenant if current therefor be available to Landlord, provided that the same shall be permitted by applicable Legal Requirements and Insurance Requirements, and shall not cause damage to the Building or the Premises or cause or create a dangerous or hazardous condition or entail excessive or unreasonable alterations or repairs.

(h) Tenant shall have the right to install, at its sole cost and expense, a security system for its Premises provided that (i) such security system is compatible with any security system installed by Landlord with respect to the Building as a whole, and (ii) Tenant shall provide Landlord with access cards, keys or codes as required to gain entry into all parts of the Premises, subject to the provisions of Section 9.06. On or prior to the date hereof, Landlord shall provide Tenant with schematics and plans with the location of cameras and all security access points in and around the Premises.

(i) For the Term of this Lease, Landlord shall contract for the provision of scheduled shuttle private bus service or other vehicular transportation for employees of Tenant and other tenants at the Property to and from the Property and the Harvard Square MBTA Red Line Station, as more particularly provided in Exhibit F attached hereto.

(j) Landlord shall, at its sole cost and expense, construct a loading area and install a freight elevator, all as more particularly provided in the Work Letter attached hereto as Exhibit C, at the location identified on Exhibit A attached hereto or as otherwise agreed upon by the parties. Tenant shall have the right to use such loading dock and freight elevator, in common with other tenants of the Building, on a 24/7 basis at no additional charge.

6.03. Service Interruptions. When necessary by reason of accident or emergency, or for repairs, alterations, replacements or improvements which in the reasonable judgment of Landlord are desirable or necessary to be made, or by reason of event(s) of Force Majeure, Landlord reserves the right to interrupt, curtail, stop or suspend (i) the furnishing of heating, elevator, air conditioning, and cleaning services and (ii) the operation of the plumbing and electric systems. Landlord shall exercise reasonable diligence to eliminate the cause of any such interruption, curtailment, stoppage or suspension, but there shall be no diminution or abatement of rent or other compensation due from Landlord to Tenant hereunder, nor shall this Lease be affected or any of the Tenant's obligations hereunder reduced, and the Landlord shall have no responsibility or liability for any such interruption, curtailment, stoppage, or suspension of services or systems, except as provided herein. Landlord shall schedule all non-emergency interruptions, curtailments, stops or suspensions of services or systems in advance after consultation with Tenant, and shall make commercially reasonable efforts to avoid the same interfering with Tenant's business.

Notwithstanding the foregoing, Tenant shall be entitled to a proportionate abatement of Base Rent in the event of a Landlord Service Interruption (as defined below). For the purposes hereof, a "Landlord Service Interruption" shall occur in the event (i) the Premises shall lack any service which Landlord is required to provide hereunder thereby rendering at least fifty (50%) percent of the usable area of the Premises untenantable for the entirety of the Landlord Service Interruption Cure Period (as defined below), (ii) such lack of service was not caused by the act or omission of Tenant or any Tenant Party; (iii) Tenant in fact ceases to use at least fifty (50%) percent of the Premises for the entirety of the Landlord Service Interruption Cure Period; and (iii) such interruption of service was the result of causes, events or circumstances within the Landlord's reasonable control and the cure of such interruption is within Landlord's reasonable control. During such Landlord Service Interruption Period, Landlord will, if reasonably practical, cooperate with Tenant to arrange for the provision of any interrupted services on an interim basis via temporary measures until final corrective measures can be accomplished and Tenant will permit Landlord the necessary access to the Premises to remedy such lack of service, subject to the provisions of Section 9.06. For the purposes hereof, the "Landlord Service Interruption Cure Period" shall be defined as seven (7) consecutive Business Days after Landlord's receipt of written notice from Tenant of the Landlord Service Interruption. This Section 6.03 shall be Tenant's sole and exclusive remedy on account of an interruption of services or Landlord default resulting in an interruption of services other than Tenant's right to obtain affirmative injunctive relief. This Section 6.03 shall not apply to any interruption or failure of services required to be provided by Landlord under Section 6.02(a) or Exhibit E attached hereto, which is caused in whole or in part by any act or omission of Tenant or any Tenant Party, or by any occurrence described in Section 16.09, or by any cause whatsoever other than those set forth in the first sentence of this Section 6.03. Notwithstanding the foregoing, if either Landlord or Tenant disputes in good faith whether, or the extent to which, an event is subject to the provisions of this Section 6.03, or the amount of Tenant's abatement of Base Rent hereunder, such dispute shall be resolved in accordance with Section 16.17 of this Lease; provided, however, that in the event that it is ultimately determined that there was a Landlord Service Interruption, then Tenant shall have the right to a retroactive equitable abatement of Base Rent for the period as set forth above, provided that, if the Term expires before Tenant's entire retroactive abatement has been effected, then Landlord shall immediately refund to Tenant any overpayment of Rent due under the Lease not yet received on account of the retroactive abatement.

ARTICLE 7: OPERATING EXPENSES

7.01. Operating Expenses.

(a) **"Operating Expenses"** shall mean all costs and expenses of whatever nature associated with the ownership, operation, management, cleaning, maintenance or repair of the Property, and of all Building Systems. Operating Expenses include the costs and expenses incurred in connection with the following (subject to the limitations and exclusions set forth in this Section 7.01): compliance with Landlord's obligations under Sections 6.01, 6.02 and 10.03; planting and landscaping; snow removal; utility, water and sewage services (in each case to the extent not metered to and payable by specific tenants of the Building); maintenance of signs; supplies, materials and equipment purchased or rented; total wage and salary costs paid to, and all contract payments made on account of, all persons engaged in the management, operation, maintenance, security, cleaning and repair of the Property, including Social Security, old age and unemployment taxes and so-called "fringe benefits"; services generally furnished to tenants of the Property; maintenance, repair and replacement of Building equipment and components; utilities consumed and expenses incurred in the operation, maintenance and repair of the Property; costs incurred by Landlord in the performance of its obligations under the Agreements; costs incurred by Landlord to comply with the terms and conditions of any governmental approvals affecting operations of the Property; workers' compensation insurance and property, liability and other insurance premiums; personal property taxes; rental or lease payments paid by Landlord for rented or leased personal property used in the operation or maintenance of the Property (provided that any such payments made to Affiliates of Landlord shall not exceed the amount otherwise payable in an arm's length transaction); rental or license payments paid by Landlord for parking areas to be made available for use by tenants of the Property; fees for required licenses and permits; routine maintenance and repair of Parking Facilities (whether situated on or off of the Property) and paving, including sweeping, striping, repairing, repaving and resurfacing; refuse removal; security; shuttle and other transportation services operated or contracted for by Landlord to provide transportation for employees of tenants of the Property between the Property and mass transit locations (which shuttle may service other locations owned or controlled by Landlord, in which case Landlord shall equitably allocate the costs of such shuttle between the various properties); and property management fees *(provided, however,* that for purposes of calculating Operating Expenses under this Lease, no property management fee in excess of two (2%) percent of Base Rent shall be included). Landlord may use third parties or Affiliates to perform any of these services, and the cost thereof shall be included in Operating Expenses, so long as such third parties are professional and such costs are comparable to market rate costs. Costs referred to in this Section shall be ascertained in accordance with generally accepted accounting principles and allocated to appropriate fiscal periods on the accrual method of accounting. As of the Date of Lease, Landlord's estimate of Operating Expenses for the first Lease Year is $5.52 per rentable square foot of the Premises, but such amount is only an estimate and shall not govern over the actual amount of Operating Expenses for the first Lease Year as determined in accordance with the provisions of this Article.

(b) Operating Expenses shall only include capital expenditures that (A) are for the primary purpose of reducing Operating Expenses (and then only to the extent that the amount of any annual amortization amount otherwise calculated pursuant to this subsection (b) does not exceed the amount of such savings on an annual basis, as reasonably determined by Landlord), or (B) are required by changes in Legal Requirements or Insurance Requirements occurring after the Delivery Date. Any capital expenditures not excluded from Operating Expenses pursuant to this paragraph shall be amortized over the useful life of the item in question as reasonably determined by Landlord in accordance with the relevant provisions of the Internal Revenue Code and the regulations promulgated thereunder, as amended from time to time, together with interest at Landlord's actual interest rate incurred in financing such capital expenditures, or, if no part of such expenditure is financed, at an imputed interest rate equal to the Prime Rate plus 2%.

(c) Notwithstanding anything contained herein to the contrary, in no event shall Operating Expenses include any of the following:

(1) expenses incurred by Landlord to lease space to new tenants or to retain existing tenants including marketing costs, brokerage commissions and concessions and leasehold improvement costs, finders' fees, attorneys' fees and expenses, entertainment costs and travel expenses;

(2) debt service;

(3) attorneys' fees incurred in connection with lease negotiations or disputes with individual tenants, and other expenses and attorneys' fees to resolve disputes, enforce or negotiate lease terms with prospective or existing tenants or in connection with any financing, sale or syndication of the Property;

(4) accountants' fees incurred in connection with disputes with individual tenants and/or the existence, maintenance or non-Property related operations of the legal entity or entities of which Landlord is comprised. Without limitation, the foregoing shall not exclude the costs of preparing financial statements for Operating Expenses;

(5) the cost of any special work or service performed for any tenant (including Tenant) or licensee, such as after-hours HVAC service, which is billable to such tenant or licensee, or any costs in connection with services or benefits that are provided to or for the particular benefit of specific (but less than all of) the tenants and billable to them, and expenses for any item or service not provided to Tenant but to certain other tenant(s) in the Building;

(6) the cost of any items for which Landlord is reimbursed by insurance, condemnation, licensees, tenants (other than through general operating expense provisions) or otherwise;

(7) the cost of any additions, changes, replacements, painting, decorating, renovations and other items that are made solely in order to prepare tenant space for a new tenant's occupancy, or the cost of any other work in any space leased to an existing or prospective tenant or other occupant of the Building or the Property;

(8) interest, principal, points and fees, amortization or other costs and expenses associated with any debt or amortization payments on any mortgage or deed to secure debt and rental under any ground lease, master space lease or other underlying lease;

(9) any expenses for repairs or maintenance to the extent reimbursed due to warranties and service contracts;

(10) any cost that Tenant pays for directly (either to Landlord or a third party);

(11) any cost for which Landlord is reimbursed by a warranty that Landlord is required to obtain in connection with the Property pursuant to this Lease or that Landlord otherwise obtains in connection with the Property;

(12) any amounts paid to an Affiliate of Landlord for the performance of services that is in excess of the amount that would have been paid on an arm's length basis in the absence of such relationship;

(13) depreciation and amortization of the Property or any part thereof (except as otherwise provided in Section 7.01(b) above);

(14) salaries and bonuses and benefits of officers, executives of Landlord and administrative employees above the grade of property manager or building supervisor, and if a property manager or building supervisor or any personnel below such grades are shared with other buildings or has other duties not related to the building containing the Premises, only the allocable portion of such person's or persons' salary, bonuses, and benefits shall be included in Operating Expenses;

(15) Landlord's general overhead and administrative expenses;

(16) any capital expenditures, except to the extent expressly permitted pursuant to this Section 7.01;

(17) expenses incurred by Landlord to the extent the same are chargeable to any other tenant or occupant of the Property, or to any third party;

(18) management fees in excess of two percent (2%) of Base Rent;

(19) any cost incurred by the negligence or willful misconduct of Landlord, its agents and employees;

(20) penalties, fines and other costs incurred due to violation by Landlord of any lease or any Legal Requirements applicable to the Building, and any interest or penalties due for late payment by Landlord of any of the Operating Expenses;

(21) Taxes;

(22) reserves;

(23) cost of alterations, capital improvements, equipment replacement and other items which under generally accepted accounting principles are properly classified as capital expenditures except as provided in Section 7.01(b);

(24) payments for rented equipment, the cost of which equipment would constitute a capital expenditure of the equipment were purchased;

(25) costs and expenses incurred by Landlord in connection with the repair of damage to the Building or Property caused by fire or other casualty, insured or required to be insured against hereunder, other than the deductible amount under such insurance policies;

(26) the cost of correcting defects in the initial construction of the Building;

(27) the cost of any item for which Landlord is reimbursed through condemnation awards;

(28) insurance premiums to the extent any unusual tenant activity causes Landlord's existing insurance premiums to increase or requires Landlord to purchase additional insurance, but only to the extent such additional cost can be identified by the insurer and are not passed through by Landlord to a specific tenant;

(29) the costs of all purchases of supplies for the Building or Property which create a larger than 90-day inventory;

(30) intentionally deleted;

(31) costs and expenses of investigating, monitoring and remediating hazardous materials which were present on or beneath the surface of the Property as of the Date of Lease; and

(32) intentionally deleted.

Tenant shall pay Tenant's Pro Rata Share of Operating Expenses in accordance with Section 4.02.

ARTICLE 8: INSURANCE

8.01. Coverage. Tenant shall maintain throughout the Term, at its sole cost and expense, insurance for the benefit of Tenant and Landlord (as their interests may appear) from insurers licensed to do business in the state in which the Property is located, rated at least "A:IX" by A.M. Best, with terms and coverages reasonably satisfactory to Landlord, and with such increases in limits as Landlord may from time to time require (provided that such limits are the same as those then being provided by similar types of tenants in the greater Boston area under leases of similar types of premises). Initially, Tenant shall maintain the following on an occurrence basis (except as otherwise expressly provided below):

(A) Commercial general liability insurance on an occurrence basis naming Landlord, Landlord's managing agent and Landlord's mortgagee(s) of which Tenant has received prior written notice from time to time as additional insureds, insuring against all claims and demands for personal injury liability (including bodily injury, sickness, disease, and death) or damage to property, with combined single limits of not less than $5,000,000 per occurrence and $5,000,000 in the aggregate, which coverages may be effected by primary or excess coverage. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Tenant's indemnity obligations under this Lease. Such insurance shall be primary and not contributing to any insurance available to Landlord, and Landlord's insurance (if any) shall be in excess thereto;

(B) Property insurance covering property damage and business interruption. Covered property shall include all Tenant improvements in the Premises other than the Initial Tenant Work, but including all other Tenant Work, and Tenant's Property. Such insurance, with respect only to Tenant Work, shall name Landlord and Landlord's mortgagees of which Tenant has received written notice from time to time as additional loss payees as their interests may appear. Such insurance shall be written on an "all risk" of physical loss or damage basis including the perils of fire, extended coverage, windstorm, vandalism, malicious mischief, sprinkler leakage, and such other risks Landlord may from time to time designate (provided that insurance for such risks is then commercially available at commercially reasonable rates and is being carried by similar tenants for research and laboratory facilities in the vicinity of the Property), for the full replacement cost of the covered items and in amounts that meet any co-insurance clause of the policies of insurance, with a deductible amount not to exceed a then-commercially reasonable deductible, which initially shall be no greater than $50,000;

(C) Workers' compensation insurance with statutory benefits and employers liability insurance in the following amounts: each accident, $1,000,000; disease (policy limit), $1,000,000; disease (each employee), $1,000,000;

(D) Pollution legal liability insurance covering first and third party claims for clean-up costs, personal injury and property damage on an on-site and off-site basis, with a single claim and aggregate claim amount of Three Million Dollars ($3,000,000.00), naming Landlord, Landlord's managing agent and Landlord's mortgagee(s) from time to time as additional insureds. The parties acknowledge and agree that the insurance required by this paragraph (D) shall not include coverage for pre-existing environmental conditions at the Property as of the Date of Lease; and

(E) During all construction by Tenant, Tenant shall maintain with respect to the Premises and Property adequate builder's risk insurance, in form and amount reasonably satisfactory to Landlord based upon the scope of work, (and Landlord, its mortgagees of which Tenant has received written notice, and any ground or master lease lessors of which Tenant has received written notice shall be named as an additional insured party as their interest may appear).

Tenant shall give Landlord certificate(s) evidencing (i) the coverages required by **Sections 8.1(A), (B)** and (C) on or before the Date of Lease, which coverages shall be effective as of such date, (ii) the coverage required by **Section 8.1(D)** not later than thirty (30) days prior to the earlier of either (x) the first delivery of Hazardous Materials to the Property for Tenant's use or (y) Tenant's occupancy of any portion of the Premises for the conduct of business therein, which coverage shall be effective not later than the earlier of the dates set forth in the foregoing clauses (x) and (y), and (iii) the coverage required by **Section 8.1(E)** not later than thirty (30) days prior to the date on which Tenant anticipates that Tenant's Contractor will commence its on-site mobilization for the performance of the Initial Tenant Work, which coverage shall be effective not later than the date on which Tenant's Contractor actually commences such on-site mobilization. Thereafter, Tenant shall provide

certificates of each insurance coverage required by this Section not less than thirty (30) days before the expiration of such insurance coverage. All insurance certificates required to be provided by Tenant shall state that such coverages may not be canceled or amended so as to materially adversely affect Landlord's interest without at least ten (10) days' prior written notice to Landlord and Tenant for cancellation due to non-payment and thirty (30) days' prior written notice to Landlord and Tenant for other cancellations or amendments. All deductible amounts or self-insured retentions shall be subject to Landlord's prior written approval (which shall not be unreasonably withheld, conditioned or delayed), and shall be the sole responsibility of Tenant. In addition, Tenant shall cause Tenant's Contractor to provide to Tenant on or before the Date of Lease certificates evidencing the coverages required by **Sections 8.1(A), (B)** and (C) maintained by Tenant's Contractor, and naming as additional insureds Landlord, Landlord's managing agent and Landlord's mortgagee(s) of which Tenant has received prior written notice from time to time, which coverages shall be effective as of such date, and thereafter to provide to Landlord certificates of each such insurance coverage not less than thirty (30) days before the expiration of such insurance coverage.

If Tenant does not procure the insurance required pursuant to this Section, or keep the same in full force and effect, Landlord may, but shall not be obligated to, take out the necessary insurance and pay the premium therefor after notice thereof to Tenant, and Tenant shall repay to Landlord, as Additional Rent, the amount so paid (together with interest thereon at the Default Rate) within ten (10) days of demand. In addition, Landlord may recover from Tenant, as Additional Rent, any and all reasonable expenses (including reasonable attorneys' fees) and damages which Landlord may sustain by reason of the failure by Tenant to obtain and maintain such insurance, it being expressly declared that the expenses and damages of Landlord shall not be limited to the amount of the premiums thereon. The foregoing rights and remedies of Landlord shall not be deemed to waive any default or Event of Default under this Lease resulting from any such failure by Tenant to procure or to maintain in full force and effect any insurance required by this Section.

8.02 Avoid Action Increasing Rates. Tenant shall not use or permit any use of the Premises beyond the Permitted Use that in any way that will make voidable any insurance on the Property, or on the contents of the Property, or which shall be contrary to any requirements from time to time established or made by Landlord's insurer, or which increases the cost of Landlord's insurance or requires additional insurance. Tenant shall cure any breach of this Section within ten (10) days after notice from Landlord or Tenant otherwise learning of such by (i) stopping any use that jeopardizes any insurance coverage or increases its cost or (ii) paying the increased cost of insurance. Tenant shall have no further notice or cure right under Article 13 for any such breach. Tenant shall reimburse Landlord within ten (10) days of demand, as Additional Rent, for all of Landlord's costs reasonably incurred in providing any insurance that is attributable to any special endorsement or increase in premium resulting from the business or operations of Tenant other than those customarily associated with laboratory use for the type of medical research conducted by Tenant, and any special or extraordinary risks or hazards resulting therefrom, including any risks or hazards associated with the generation, storage and disposal of Hazardous Materials.

8.03. Waiver of Subrogation. Landlord and Tenant each waive any and every claim for recovery from the other for any and all loss of or damage to the Property or any part of it, or to any of its contents, which loss or damage is covered by valid and collectible property insurance (or which would have been covered had the insurance policies required to be maintained by Tenant or Landlord under this Lease been in force, to the extent that such loss or damage would have been recoverable under such policies). This mutual waiver precludes the assignment of any such claim by subrogation (or otherwise) to an insurance company (or any other person), and Landlord and Tenant each agree to give written notice of this waiver to each insurance company that has issued or shall issue any property insurance policy to it, and to have such policies properly endorsed, if necessary, to prevent invalidation of the insurance coverage because of this waiver. In consideration of the foregoing, each of the parties hereto agrees with the other party that such insurance policies as it may have in effect during the Term of this Lease shall include a clause or endorsement which provides in substance that the insurance company waives any right of subrogation which it might otherwise have against Landlord, Landlord's managing agent, or Tenant.

8.04. Landlord's Insurance. Landlord may, in its sole and absolute discretion, but shall not be obligated to, purchase and maintain during the Term with insurance companies qualified to do business in the state where the Property is located, such insurance as Landlord deems appropriate, which insurance may include the following: (i) commercial general liability insurance for incidents occurring in the common areas, with coverage for premises/operations, personal and advertising injury, products/completed operations and contractual liability for bodily injury and property damage, with limits and deductibles as determined by Landlord, and (ii) property insurance covering property damage to the Building, including the Initial Tenant Work but excluding any other Tenant Work. Throughout the Term, Landlord shall maintain, with responsible companies qualified to do business in the Commonwealth of Massachusetts, insurance on the Building covering the same against fire and other casualty covered in an "all-risk" policy, at its full replacement cost. As set forth in Section 4.02, the cost of any such insurance shall be borne by Tenant and other tenants as part of Operating Costs.

ARTICLE 9: USE OF PREMISES

9.01. Permitted Uses. Tenant shall use the Premises only for the Permitted Uses described in Article **1** and for no other use. Tenant shall keep the Premises equipped with appropriate safety appliances to the extent required by applicable Legal Requirements or Insurance Requirements. Tenant shall not cause or permit any potentially harmful air emissions, or other objectionable odors or emissions exceeding those typically emitted from normal laboratory operations similar to those conducted by Tenant, to emanate from or permeate the Premises. Tenant shall not conduct or permit any auctions or sheriff's sales at the Property.

9.02. Indemnification. Tenant is responsible for the Premises and any Tenant's improvements, equipment, facilities and installations, wherever located on the Property and all liabilities, including tort liabilities, incident thereto, except to the extent caused by the negligence or willful misconduct of Landlord, Landlord's agents, employees, contractors or invitees, or the Indemnitees. Except to the extent caused by the negligence or willful misconduct of Landlord, Landlord's agents, employees, contractors or invitees, or the Indemnitees, Tenant shall indemnify, save harmless and defend Landlord and Landlord's partners, shareholders, members, managers, owners, officers, mortgagees, ground lessors, agents, employees, independent contractors, Landlord's managing agent and other persons acting under them (collectively, **"indemnitees")** from and against all liability, claim, damage, loss or cost (including reasonable attorneys' fees) to the extent arising from (i) any alleged or actual injury, loss, theft or damage to any person or property while on the Premises; (ii) any alleged or actual injury, loss, theft or damage to any person or property while on the Property or in the Building (other than within the Premises) to the extent arising from the acts or omissions of Tenant or persons claiming by, through or under Tenant, or any of their respective officers, employees, agents, servants, contractors or invitees (collectively, **"Tenant Parties");** (iii) failure of Tenant or any Tenant Party to comply with any provision of this Lease; or (iv) the use of the Premises, the Property or the Building by Tenant or any Tenant Party, in each case under (i) through (iv) above paying any cost to Landlord on demand as Additional Rent.

Except to the extent caused by the negligence or willful misconduct of Tenant or Tenant Parties, Landlord shall indemnify, save harmless and defend Tenant and Tenant Parties from and against all liability, claim, damage, loss or cost (including reasonable attorneys' fees) to the extent arising from (i) the negligence or willful misconduct of Landlord, Landlord's agents, employees, contractors or invitees, or the Landlord Indemnitees, or (ii) the failure of Landlord, Landlord's agents, employees, contractors or invitees, or the Indemnitees, to comply with any provision of this Lease.

The provisions of this Section shall survive the expiration or earlier termination of this Lease.

9.03. Compliance With Legal Requirements.

(a) Tenant shall not permit the Premises, or cause the Premises or the Property or the Building, to be used in any way that violates any applicable law, code, ordinance, restrictive covenant or other encumbrance of record, governmental regulation, order, permit, approval or any other governmental consent (each a **"Legal Requirement"),** or that unreasonably interferes with the use of other portions (i.e., other than the Premises) of the Property by other tenants of the Property, or constitutes a nuisance or waste. Tenant shall, at its sole cost and expense, be responsible for material compliance with all Legal Requirements applicable to the Premises (or to the Property by reason of Tenant's use and occupancy of the Premises) or to Tenant's use thereof. The foregoing notwithstanding, Landlord, and not Tenant, shall be responsible for making all improvements and alterations to the common areas of the Building which are required to cause the same to comply with all present and future Legal Requirements (the cost of which shall be included in Operating Expenses pursuant to Section 7.01(b). Furthermore, Tenant shall not be responsible for any violation of a Legal Requirement or Environmental Law (i) that occurred prior to the Delivery Date, (ii) that occurred in connection with the Base Building Work or (iii) to the extent that such violation was caused by the negligence or willful misconduct of Landlord or Landlord's agents, employees, contractors or invitees.

(b) Tenant shall be responsible, at its sole cost and expense, for procuring and maintaining in full force and effect, and complying at all times with, any and all necessary permits, certifications, permissions and the like and complying with any reporting requirements directly relating or incident to the conduct of its activities on the Premises. Within ten (10) Business Days of a request by Landlord, which request shall be made not more than once during each period of twelve (12) consecutive months during the Term hereof, unless otherwise requested by any mortgagee of Landlord or prospective purchaser of the

Property, Tenant shall furnish Landlord with copies of all such permits that Tenant has obtained together with a certificate certifying that Tenant is in material compliance with all Legal Requirements and Environmental Laws applicable to its use and occupancy of the Premises, or, if applicable, identifying any violations of which Tenant is aware and which are Tenant's obligation to cure under the terms hereof, and setting forth the steps which Tenant is taking to cure such violations. Tenant shall promptly give notice to Landlord of any written warnings or violations resulting from Tenant's use or occupancy of, or any condition within, the Premises (including building code violations, fire safety code violations, wastewater management violations, OSHA violations, or violations of Legal Requirements (including Environmental Laws)) received from any federal, state, or municipal agency or any court of law within ten (10) Business Days after Tenant's receipt of such notice and, to the extent that the cure of such violation is Tenant's obligation hereunder, shall promptly cure the conditions causing any such violations. Tenant shall not be deemed to be in default of its obligations under the preceding sentence to promptly cure any condition causing any such violation in the event that, in lieu of such cure, Tenant shall contest the validity of such violation, or apply for a variance or permission to allow such use by appellate or other proceedings permitted under applicable Legal Requirements, provided that: (i) any such contest is made reasonably and in good faith, (ii) Tenant makes provisions reasonably acceptable to Landlord, including posting bond(s) or giving other security reasonably acceptable to Landlord, to protect Landlord and its mortgagees, the Building and the Property from any liability, costs, damages or expenses arising in connection with such violation and failure to cure, (iii) Tenant agrees to indemnify, defend (with counsel reasonably acceptable to Landlord) and hold Landlord and its mortgagees harmless from and against any and all liability, costs, damages, or expenses arising in connection with such condition and/or violation, except to the extent to which such condition was caused by the negligence or willful misconduct of Landlord or Landlord's employees, agents, contractors or invitees, (iv) Tenant shall promptly cure any violation in the event that its appeal of such violation is overruled or rejected, (v) Tenant shall certify to Landlord's and its mortgagees' reasonable satisfaction that Tenant's decision to delay such cure shall not result in any actual or threatened bodily injury or property damage to Landlord, any tenant or occupant of the Building or the Property or any other person or entity, and (vi) this Lease is in full force and effect and no Event of Default has occurred and is then continuing.

9.04. Hazardous Materials.

(a) **"Environmental Law"** shall mean all statutes, laws, rules, regulations, codes, ordinances, standards, guidelines, authorizations and orders of federal, state or local public authorities now in force or hereafter enacted, modified, or amended pertaining to the protection of the environment or to health or safety risks arising therefrom, including, but not limited to, control of air pollution, water pollution, groundwater pollution, and the generation, manufacture, management, handling, use, sale, transportation, delivery, discharge, emission, treatment, storage, disposal, release or threatened release of Hazardous Materials. To the extent applicable, such laws include, but are not limited to: (1) the Clean Air Act, 42 U.S.C. § 7401, et seq.; (2) the Clean Water Act, 33 U.S.C. § 1251, et seq.; (3) the Safe Drinking Water Act, 42 U.S.C. § 300f, et seq.; (4) the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq.; (5) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq.; (6) the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq.; (7) Title III of the Superfund Amendments and Reauthorization Act, also known as the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001; (8) the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq.; (9) federal regulations promulgated pursuant to any of the foregoing statutes; (10) Massachusetts laws and regulations enacted in order to implement federal environmental statutes and regulations; (11) the Massachusetts Hazardous Waste Management Act, M.G.L. c. 21C; (12) the Massachusetts Oil and Hazardous Materials Release Prevention and Response Act, M.G.L. c. 21E; (13) the Hazardous Substances Disclosure by Employers Act, M.G.L. c. 111F; (14) Massachusetts regulations promulgated pursuant to the authority of applicable state environmental laws; and (15) local ordinances and regulations.

"Hazardous Materials" shall mean, but shall not be limited to, any products, hazardous substances, hazardous waste, toxic substances, environmental, biological, pathological, chemical, radioactive materials, waste or substances, oil or petroleum products and any material, waste or substance, which because of its quantitative concentration, chemical, biological, radioactive, flammable, explosive, infectious, or other characteristics, constitutes or may reasonably be expected to constitute or contribute to a danger or hazard to public health, safety or welfare or to the environment, including any asbestos (whether or not friable) and any asbestos-containing materials, lead paint, waste oils, solvents and chlorinated oils, polychlorinated biphenyls (PCBs), toxic metals, etchants, pickling and plating wastes, explosives, reactive metals and compounds, pesticides, herbicides, radon gas, urea formaldehyde foam insulation and chemical, biological and radioactive wastes, or any other materials or substances that are mentioned under or regulated by any Environmental Law; and including any other products or materials subsequently found by an authority of competent jurisdiction (excluding the U.S. Food & Drug Administration) to have adverse effects on the environment or the health and safety of persons.

(b) Tenant, at its sole cost and expense, shall comply with all Environmental Laws pertaining to the transportation, use, storage, generation, disposal, release or discharge of Hazardous Materials to, from or at the Property by Tenant or any Tenant Party, including obtaining all required permits and approvals. Provided that the same is performed at all times in accordance with the provisions of this Lease, Tenant may generate, produce, bring upon, use, store or treat Hazardous Materials in the Premises which are (a) typically found in commercial construction sites (which shall apply only during such time as Tenant is performing construction at the Property as provided for in this Lease), (b) cleaning products or office supplies typically used in laboratory/office space, and (c) materials otherwise used in the ordinary course of Tenant's operations and typically found in other leased laboratory space used for comparable purposes, as reasonably needed for Tenant's operations and research activities, and strictly in accordance with Environmental Laws. In all events Tenant shall comply with all applicable provisions of the standards of the U.S. Department of Health and Human Services as further described in the USDHHS publication Biosafety in Microbiological and Biomedical Laboratories (5th Edition, December 2009) as it may be further revised, or such nationally recognized new or replacement standards as may be reasonably selected by Landlord. Except as otherwise set forth above, Tenant shall not cause or permit any Hazardous Materials to be generated, produced, brought upon, used, stored, treated or disposed of to, from, or in or about the Property by Tenant or any Tenant Party without Landlord's prior written consent, which may be withheld in Landlord's sole discretion. Any Hazardous Materials permitted to be stored on the Premises pursuant to this paragraph shall be stored in areas of the Premises exclusively designated by Tenant for such purpose to the extent required by Legal Requirements (including the areas described in Section 2.01(f). In no event shall any Hazardous Materials be generated, stored, used or disposed of outside of the Premises except for the portions of the Property described in Section 2.01(f). Tenant shall not dispose of Hazardous Materials from the Premises to any other location except in strict compliance with all applicable Environmental Laws, nor permit any persons acting under it to do so. Notwithstanding the foregoing, Tenant shall not, in any event, be responsible for any Hazardous Materials to the extent such Hazardous Materials are introduced to the Property by anyone other than Tenant or any Tenant Party.

(c) Within ten (10) Business Days after taking initial occupancy of the Premises, Tenant shall provide to Landlord a list of all Hazardous Materials used, stored or generated by Tenant in the Premises, including quantities of each anticipated to be used, together with the material safety data sheet **("MSDS")** for each such Hazardous Material. Thereafter, within ten (10) Business Days of Landlord's request (which request shall not be made more than two (2) times per 12-month period), Tenant shall provide Landlord with an updated list of all Hazardous Materials used, stored or generated by Tenant in the Premises, including quantities of each used, together with the MSDS for each such Hazardous Material. From time to time at Landlord's request, Tenant shall execute affidavits, certifications and the like, in form reasonably acceptable to Tenant, to the best of Tenant's knowledge and belief, regarding the presence or absence of Hazardous Materials on the Premises, the Property or the Building used, stored, generated, disposed of or released by Tenant or any Tenant Party. Furthermore, within fifteen (15) days after Landlord's request, Tenant shall make available to Landlord at the Premises, for review and audit by Landlord, all of Tenant's books and records relating to the types and amounts of all Hazardous Materials being generated, produced, brought upon, used, stored or disposed of by or on behalf of Tenant at, on or from the Premises, together with copies of any federal, state or municipal filings or compliance reports made by Tenant with respect to such Hazardous Materials that are required by applicable Environmental Law. Tenant agrees to pay the cost of any environmental inspection or assessment requested by any governmental agencies, mortgagees of the Property, or by any insurance carrier to the extent that such inspection or assessment pertains to any release, threat of release, contamination, claim of contamination, loss or damage or deterioration of condition in the Premises caused by or alleged to be caused by Tenant or any Tenant Party (collectively, **"Environmental Incidents").** Notwithstanding anything to the contrary contained in this **Section 9.04,** to the extent that any disclosure, affidavit or similar document to be provided to Landlord under this **Section 9.04** would otherwise be required to disclose proprietary information concerning chemicals, substances or materials synthesized by Tenant from constituent Hazardous Materials, such disclosure may exclude such proprietary information provided that the constituent Hazardous Materials (but not the manner, quantities or concentrations in which they are combined to form such chemicals, substances or materials) are identified therein.

(d) Landlord shall not be liable to Tenant or any Tenant Party or to any person or governmental authority whatsoever for any release of Hazardous Materials brought to the Premises by or on behalf of Tenant at any time during the Term, except to the extent caused by the negligence or willful misconduct of Landlord or its employees, agents, contractors or invitees. Landlord shall have the right, from time to time during the Term, but not more than once in any 12-month period unless either Tenant is in default of its obligations under this Section 9.04 or Landlord has reason to believe that a release of Hazardous Materials has occurred on, at or from the Premises caused by Tenant or a Tenant Party, to enter upon the Premises upon reasonable prior notice to Tenant to perform environmental audits relating to the operations of Tenant and all those claiming through Tenant on the Premises, including (i) reviewing records relating to compliance with Environmental Laws and industry standards applicable to the generation, handling, use, storage and disposal of Hazardous Materials, (ii) observing techniques for handling, storing, using and disposing of Hazardous Materials, (iii) reviewing documentation relating to the off-Premises disposal of Hazardous Materials from the Premises, and (iv) conducting such tests as Landlord reasonably deems appropriate, all such work to be performed at Landlord's sole expense except as otherwise provided in the next sentence. In addition to, and not in limitation of the rights provided in the immediately preceding sentence, if required by any governmental agency or if Landlord reasonably believes that a release of Hazardous Materials has

occurred on or from the Premises by Tenant or any Tenant Party or a threat of release exists arising from Hazardous Materials not being handled, stored, used or disposed of by Tenant or any Tenant Party in accordance with the requirements of this Lease and all applicable Environmental Laws, then Landlord may, but need not, perform appropriate testing and the reasonable costs thereof shall be reimbursed to Landlord by Tenant within ten (10) Business Days of demand, as Additional Rent, except that Landlord shall bear the cost of such testing if (i) Landlord (rather than a governmental agency) requested such testing and (ii) such testing determines that no such release has occurred as a result of the actions of Tenant or any Tenant Party and that Hazardous Materials are being handled, used, stored and disposed of in compliance with the terms of this Lease and all applicable Environmental Laws. Tenant shall cooperate with Landlord in connection with any environmental audits or other inspections or testing performed by Landlord pursuant to this Section. Landlord and any third parties conducting such audits and/or inspecting Tenant's books and records shall enter into reasonable non-disclosure and confidentiality agreements with Tenant, in form reasonably acceptable to Landlord and Tenant.

(e) If any transportation, generation, storage, use or disposal of Hazardous Materials on or about the Premises, the Building or the Property by Tenant or any Tenant Party, results in the threat of release, release onto, or other contamination of any portion of the Property or adjacent areas, including building or parking areas, soil or surface or ground water, or any loss or damage to person(s) or property, Tenant agrees to: (a) notify Landlord immediately, once Tenant has knowledge or has received notice, of any release, threat of release, contamination, claim of contamination, loss or damage, and (b) after consultation with Landlord, clean up the release, threat of release, or contamination in compliance with all applicable Environmental Laws or Legal Requirements. In the event of such contamination, Tenant agrees to cooperate fully with Landlord and to provide such documents, affidavits and information as may be reasonably requested by Landlord (1) to comply with any Environmental Law or Legal Requirement, (2) to comply with the request of any lender, purchaser or tenant, and/or (3) for any other reason reasonably deemed necessary by Landlord. Tenant shall notify Landlord promptly in the event of any spill or other release of any Hazardous Material at, in, on, under or about the Premises or the Property by Tenant or any Tenant Party that is required to be reported to a governmental authority under any Environmental Law or Legal Requirement, shall promptly forward to Landlord copies of any written notices received by Tenant relating to alleged violations of any Environmental Law or Legal Requirement and shall promptly pay when due any fine or assessment against Landlord, Tenant, the Premises or the Property relating to any violation of any Environmental Law or Legal Requirement by Tenant or any Tenant Party, to the extent that compliance with such Environmental Law or Legal requirement is Tenant's obligation. If any governmental authority files a lien against the Premises or the Property due to any act or omission, intentional or unintentional, of Tenant or any Tenant Party that results or has resulted in the releasing, spilling, leaking, leaching, pumping, emitting, pouring, emptying or dumping of any Hazardous Material, Tenant shall, within ten (10) Business Days from the date that Tenant is first given notice of such lien (or within such shorter period of time as may be specified by Landlord if such governmental authority takes steps to enforce such lien) either (A) pay the claim and remove the lien or (B) furnish a cash deposit bond or such other security as is reasonably satisfactory in all respects to Landlord and sufficient to discharge the lien completely.

(f) Any increase in the premium for necessary insurance on the Premises or the Property which arises from Tenant's use and/or storage of Hazardous Materials beyond those typically found in office and laboratory space used for comparable purposes shall be solely at Tenant's expense. Tenant shall procure and maintain at its sole expense such additional insurance as may be required to comply with any requirement of any federal, state or local government agency with jurisdiction.

(g) Except to the extent caused by the negligence or willful misconduct of Landlord, its employees, agents, contractors and/or invitees or the Indemnitees, Tenant shall indemnify, defend with counsel reasonably acceptable to Landlord and hold the Indemnitees fully harmless from and against any and all liability, loss, suits, claims, actions, causes of action, proceedings, judgments, demands, costs, penalties, damages, fines and expenses, including reasonable attorneys' fees (including reasonable attorneys' fees of Landlord's counsel and costs of litigation), consultants' fees, laboratory fees and clean-up costs, and the costs and expenses of investigating and defending any claims or proceedings, resulting from, or attributable to (i) the presence of any Hazardous Materials on or in the Premises, the Building or the Property arising from the act, omission or negligence of Tenant or any Tenant Party, or arising out of the generation, storage, treatment, handling, transportation, disposal or release by Tenant or any Tenant Party of any Hazardous Materials at or near the Premises or the remainder of the Property from and after such time, and which require remedial action under applicable Environmental Laws, (ii) any violation(s) by Tenant or any Tenant Party of any Environmental Laws, (iii) any Environmental Incidents (as defined above) and (iv) any breach by Tenant of its covenants and obligations under this Section 9.04 or Section 10.07.

(h) Landlord shall indemnify, defend with counsel reasonably acceptable to Tenant and hold Tenant fully harmless from and against any and all liability, loss, suits, claims, actions, causes of action, proceedings, judgments, demands, costs, penalties, damages, fines and expenses, including reasonable attorneys' fees (including reasonable attorneys' fees of Tenant's counsel and costs of litigation), consultants' fees, laboratory fees and clean-up costs, and the costs and expenses of investigating and defending any claims or proceedings, resulting from, or attributable to the presence of any Hazardous Materials on or in the Premises, the Building or the Property (i) which were present prior to the Delivery Date and which require remedial action under applicable Environmental Laws, or (ii) which are generated, stored, treated, handled, transported, disposed of or released by Landlord or any employee, agent, contractor or invitee of Landlord at any time and which require remedial action under applicable Environmental Laws.

(i) The provisions of this Section 9.04 shall survive the expiration of the Term or the earlier termination of this Lease.

(j) Reference is made to Section 10.07 for provisions relating to the decommissioning of the Premises by Tenant upon the expiration of the Term or the earlier expiration of this Lease.

9.05. Signs. Except as expressly otherwise provided in this Section and except for the Initial Tenant Work, no sign, antenna or other structure or thing shall be erected or placed on the Premises or any part of the exterior of the Building or erected so as to be visible from the exterior of the Building, without first securing the written consent of Landlord. Landlord, at Landlord's cost, shall provide building standard signage within the Building lobby identifying Tenant. Landlord shall also provide to Tenant Tenant's Pro Rata Share of entries on any Building directory maintained by Landlord within the Building from time to time within the Building. Tenant shall have the right to install one (1) sign on the Building facade, at a location approved in advance by Landlord, subject to (i) the approval of Landlord as to the size, shape, color, method of illumination and method of installation of such sign (which approval shall not be unreasonably withheld, delayed or conditioned), and (ii) the issuance to Tenant of all licenses, permits and approvals required from any governmental authority in connection with the installation or maintenance of such sign. Landlord hereby approves the drawing of a Building façade sign attached hereto as **Exhibit L,** as to the approximate size, design and location of the sign, and that the sign may be illuminated (all subject to Tenant's obligation as to licenses, permits and approvals with respect to such sign as set forth in this Section). The final size, design and location and the method of illumination of such Building façade sign shall be subject to Landlord's approval, not to be unreasonably withheld, conditioned or delayed. Tenant shall not have the right to install any monument sign or any name or logo plate on any monument sign which is from time to time installed by Landlord. Tenant shall be solely responsible, at its sole cost and expense, for (A) obtaining and maintaining in full force and effect all licenses, permits and approvals required from any governmental authority in connection with the installation or maintenance of all exterior signage, and (B) the installation, maintenance and repair of all exterior signage, and shall maintain the same in good condition at all times. Tenant shall further be required, at its sole cost and expense, upon the expiration or earlier termination of the Term, to remove Tenant's signage installed on the Building facade and to repair all damage caused by such removal to Landlord's reasonable satisfaction.

9.06. Landlord's Access. Subject to the provisions of this Section, Landlord or its agents may enter the Premises at all reasonable times to show the Premises to potential buyers, investors, tenants (but with respect to potential tenants, only in the final twelve (12) months of the Term) or other parties; to inspect and conduct tests in order to monitor Tenant's compliance with Legal Requirements governing Hazardous Materials; for purposes described in Sections 2.01, 9.04, 10.03 and/or 10.04(b); or for any other purpose Landlord reasonably deems necessary. No prospective lender, purchaser, or tenant claiming through Landlord shall be permitted access to the Premises without a representative of Landlord present. Except in the event of an emergency posing an imminent threat of personal injury or damage to the Property (in which event notice shall be provided as soon as reasonably practicable), Landlord shall give Tenant at least one (1) Business Day's prior notice (which may be oral) of any entry by Landlord into the Premises. Unless otherwise authorized by Tenant in advance, any entry into the following secured areas within the Premises: laboratory space and areas identified in Section 2.01(f) for the storage of Hazardous Materials, other than in case of emergency shall occur only with a representative of Tenant or its authorized designee present and Tenant agrees to make a representative available for such purpose during Normal Business Hours, Monday through Friday; *provided, however,* if Tenant's representative fails to appear for a scheduled inspection or access by Landlord, Landlord may nevertheless proceed with such scheduled inspection or access. Notwithstanding the foregoing, in case of emergency, Landlord may enter any part of the Premises without prior notice to Tenant provided that Landlord provides Tenant with notice of such entry as soon as reasonably possible thereafter. Landlord shall use reasonable efforts not to interfere with Tenant's use and occupancy of the Premises when exercising Landlord's rights under this paragraph. Landlord agrees to comply with Tenant's reasonable requirements (including without limitation requirements in connection with access, health, safety, and/or security checks) in connection with non-emergency access to the Premises to the extent to which the same are consistent with the provisions of this Section and have been provided to Landlord in writing prior to any such entry. Upon request by Tenant, Landlord and any parties who are given access to the above-described secured areas shall enter into reasonable confidentiality agreements with Tenant, in form reasonably acceptable to both Landlord and Tenant, prior to such access (except in the event of an emergency).

9.07. Landlord's Rules and Regulations. Tenant and all Tenant Parties shall observe Landlord's rules and regulations (the **"Rules and Regulations")** promulgated (and amended from time to time) with respect to the occupation and use of the Building and the Property and of general applicability to all tenants of the Building and the Property (as well as all Rules and Regulations which are applicable only to all tenants which are using their leased premises for purposes similar to Tenant), provided that (i) Tenant receives reasonable prior written notice of such Rules and Regulations, and (ii) the same are not inconsistent with the provisions of this Lease. All of Landlord's Rules and Regulations shall be administered in an even handed manner among all occupants of the Building using their leased premises for similar purposes. Landlord's initial Rules and Regulations are set forth in Exhibit G attached hereto. The Rules and Regulations may also include, if any portion of the Building is being used as an animal facility at any time, provisions specifically relating thereto. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce the terms, covenants or conditions in any other lease as against any other tenant and Landlord shall not be liable to Tenant for violation of the same by any other tenant or such other tenant's servants, employees, agents, contractors, visitors, invitees or licensees.

9.08. Compliance With Insurance Requirements. Tenant and all Tenant Parties shall at all times comply with the terms of any policy of insurance maintained by Landlord or Tenant and applicable to the Property or the Premises or any portion of either, and all requirements of the issuer of any such policy (in each case, with respect to insurance policies maintained by Landlord, to the extent Landlord has provided written notice to Tenant of the requirements of such policy(is) or issuer(s)), and all orders, rules, regulations and other requirements of the National Board of Fire Underwriters (or any other body exercising similar functions) (collectively, **"Insurance Requirements").**

9.09. Floor Load; Heavy Machinery. Tenant shall not place a load upon any floor of the Premises exceeding the floor load per square foot of area which such floor was designed to carry and which is allowed by law. Tenant acknowledges receipt from Landlord of the foregoing floor load information. Landlord reserves the right to prescribe the weight and position of all heavy machinery and mechanical equipment, which shall be placed so as to distribute the weight. Heavy machinery and mechanical equipment shall be placed and maintained by Tenant at Tenant's expense in settings sufficient in Landlord's reasonable judgment to absorb and prevent vibration, noise and annoyance. Tenant shall not move any heavy machinery, heavy equipment, freight, bulky matter, or fixtures into or out of the Building without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. If such machinery, equipment, freight, bulky matter or fixtures requires special handling, Tenant agrees to employ only persons holding a Master Rigger's License to do said work, and that all work in connection therewith shall comply with applicable Legal Requirements. Any such moving shall be at the sole risk and hazard of Tenant and Tenant will defend, indemnify and save Landlord harmless against and from any liability, loss, injury, claim or suit resulting directly or indirectly from such moving, except to the extent caused by the negligence or willful misconduct of Landlord or its employees, agents or contractors. Proper placement of all such heavy machinery, etc., in the Premises shall be Tenant's responsibility.

9.10. LEED/Energy Conservation Measures . Tenant acknowledges that Landlord intends to pursue certification at either a Gold or Silver level in the Leadership in Energy and Environmental Design Core & Shell program **("LEED-CS"),** and has designed and constructed the Building to achieve that goal. Tenant further acknowledges and agrees that such certification will require Tenant to comply with the following requirements in connection with the design, construction, use and operation of its Premises:

(1) **Mandatory Leadership in Energy and Environmental Design (LEED) Tenant Compliance.** Tenant shall meet the following design and construction requirements in support of and in compliance with the LEED-CS prerequisites and credits attempted within the base-building LEED-CS certification application:

a. EAp3 Fundamental Refrigerant Management: Any additional HVAC & Refrigeration equipment and/or systems installed by Tenant must comply with the following: *"zero use of chlorofluorocarbon (CFC)-based refrigerants in new heating, ventilating, air conditioning and refrigeration (HVAC&R) systems. Small HVAC units (defined as containing less than 0.5 pounds (228 grams) of refrigerant) and other equipment, such as standard refrigerators, small water coolers and any other equipment that contains less than 0.5 pounds (228 grams) of refrigerant, are not subject to the requirements of this prerequisite".*

b. **IEQp1 Minimum Air Quality Performance:** All mechanical ventilation systems installed by Tenant must *"meet the minimum requirements of Sections 4 through* 7 *of ASHRAE Standard 62.1-2007, Ventilation for Acceptable Indoor Air Quality. Mechanical ventilation systems must be designed using the ventilation rate procedure or the applicable local code, whichever is more stringent."* Compliance must be demonstrated through calculations performed in alignment with the Ventilation Rate Procedure methodology as per section 6.2 of the ASHRAE 62.1-2007 standard.

c. **IEQp2 Environmental Tobacco Smoke Control (ETS):** Tenant is required to *"Prohibit smoking in the building. Prohibit on-property smoking within 25 feet (8 meters) of entries, outdoor air intakes and operable windows. Provide signage to allow smoking in designated areas, prohibit smoking in designated areas or prohibit smoking on the entire property."*

(2) **Mandatory Tenant Energy Conservation Measures (ECMs).** Tenant shall adhere to the following performance requirements to support and align with the Energy Conservation Measures incorporated in the base-building Core and Shell building systems and building envelope design and the LEED-CS whole building energy model:

a. **Lighting Power Density:** The installed interior lighting power in the Premises must be designed to be equal to or less than 0.75 Watts/SF using the Building Area Calculation Method as referenced in ASHRAE 90.1-2007.

b. **Lighting Controls:** Office tenants are required to provide the following lighting controls:

- **Daylight dimming:** The Premises shall be designed to meet the following daylight dimming requirements:
  - Automatic daylight harvesting controls must be provided in all tenant spaces that are within 15 ft of the exterior walls.
  - All lighting in these areas must be automatically controlled based on available daylight and is dimmed from 100% to 30% of the light output with a proportional power input reduction (from 100% to 30% of the power input).
  - The light level setpoint shall be 50 fc at a horizontal plane that is 2.5 ft above the floor.
- **Occupancy Sensors on Lighting:** Occupancy sensors must be provided for light control in all tenant spaces.

Beyond adhering to the requirements of the above listed LEED-CS prerequisites and credits, Tenant, at its option and at its own cost and expense, may elect to pursue third party certification under the LEED 2009 program for Commercial Interiors. Even if third-party certification is not pursued, Tenant shall be required to comply with the aforementioned LEED prerequisites and credits.

9.11. Emergency Generator.

(a) Subject to Landlord's prior written approval of the design and specifications therefor (which approval shall not be unreasonably withheld, conditioned or delayed), Tenant shall have the right, at its sole cost and expense (except to the extent to which the installation cost thereof is paid through the Landlord's Allowance), to install, operate, repair, maintain and replace a back-up generator reasonably necessary for Tenant's requirements including natural gas or fuel supply and tank therefor reasonably necessary for Tenant's requirements (not to exceed applicable code requirements), and all reasonably necessary cabling and related appurtenances (collectively, the **"Generator")** to serve the Premises at the location identified on Exhibit A attached hereto or in a location in or around the Building or the Parking Facilities as otherwise agreed upon by the parties, if Tenant elects to install the Generator.

(b) No Rent shall be charged to Tenant for the area to be occupied by the Generator and the areas required to connect the Generator to the appropriate locations within the Premises (but if the Generator occupies any parking spaces in the Parking Facilities, such spaces shall reduce the required Parking Allotment by the number of such occupied spaces). Tenant will be solely responsible for all utility charges incurred with respect to the Generator, as separately metered (at Tenant's expense).

(c) Except to the extent the Generator is installed as part of the Initial Tenant Work in accordance with the provisions of the Work Letter, installation of the Generator and any related cabling, conduit and appurtenances will be governed by the applicable provisions of this Lease relating to Tenant Work. Tenant will submit to Landlord at least thirty (30) days prior to the proposed installation date(s) Tenant's proposed plans and specifications relating to the installation, operation and use of the Generator and all associated lines. Except to the extent the Generator is installed as part of the Initial Tenant Work in accordance with the provisions of the Work Letter, Tenant may not commence any work to install a Generator until it has received Landlord's prior written approval (not to be unreasonably withheld, delayed or conditioned) of such plans and specifications. Tenant, at its sole cost and expense, shall comply with all applicable Legal Requirements and restrictive covenants affecting the Property and Landlord's reasonable directives relating to the installation, operation, maintenance and repair of the Generator, including, but not limited to (i) obtaining and maintaining (or causing to be obtained and maintained) and complying with the provisions of all applicable permits required for the installation, operation, maintenance and repair of the Generator, (ii) implementing spill prevention control and countermeasures and containment plan(s) (as required by federal, state, or local regulations) or best management practices plan(s), (iii) providing evidence of insurance covering such facilities, and (iv) maintaining and inspecting such facilities and related equipment and keeping records related thereto. Tenant will maintain and repair the Generator in good operating condition throughout the Term, at Tenant's sole cost and expense. Any replacement (excluding insured casualty), all maintenance and repair of the Generator and all governmental compliance required in connection with the Generator will be Tenant's sole responsibility and Tenant's sole cost and expense; provided, however, if Tenant fails to commence such maintenance and repair within thirty (30) days (unless an emergency exists, in which event Tenant shall promptly commence such curative work and thereafter diligently prosecute the same to completion) after written notice from Landlord and thereafter diligently prosecutes the same to completion, then Landlord may elect to perform such maintenance at Tenant's sole cost and expense. Upon Landlord's request, Tenant will promptly provide Landlord with copies of all records relating to the installation, operation, maintenance and repair of the Generator.

(d) Tenant may not use the Generator for any purpose other than solely in connection with Tenant's occupancy of the Premises for the Permitted Use and in accordance with any applicable permit(s) pertaining to the Generator. Tenant may not use the Generator to serve other occupant(s) of the Property. This provision does not modify Tenant's permitted use of the Premises, and does not relieve Tenant of any environmental liability under this Lease.

(e) At any time within ninety (90) days prior to the expiration of the Lease, or earlier termination of the Lease, Landlord may, at Tenant's cost and expense, cause a qualified environmental consultant reasonably acceptable to Landlord and Tenant to perform an environmental investigation to determine whether a release of any Hazardous Materials has occurred during the Term of this Lease with respect to the Generator. Within thirty (30) days following the expiration or earlier termination of this Lease, Tenant may elect (but shall not be required) to remove the Generator, but if Tenant elects to do so, Tenant shall promptly (i) remove the Generator (and any related fuel tanks, conduit, fuel lines, cabling and other appurtenances associated therewith), (ii) restore the affected areas to their original condition prior to the installation of the Generator, in accordance with plans and specifications reasonably acceptable to Landlord and all applicable Legal Requirements, and (iii) repair any damage to the Premises or the Property caused by the removal of the Generator. Tenant shall perform any required environmental remediation for the release of any Hazardous Materials in connection with the Generator caused by Tenant or any Tenant Party during the Term of this Lease in accordance with applicable Legal Requirements, all at Tenant's sole cost and expense. If the environmental investigation performed by the environmental consultant as provided above confirms the release of any Hazardous Materials caused by Tenant or any Tenant Party in connection with the Generator, Tenant must thereafter perform any clean up or remediation required by applicable Legal Requirements and in accordance with applicable Legal Requirements, and document with a report prepared by a qualified environmental consultant reasonably approved by Landlord, evidencing either no impact to soil and groundwater exceeding state cleanup criteria for the use of the site, or that any impacted soil or groundwater has been remediated in a manner and to a level meeting the applicable state cleanup criteria, together with any applicable state assurance or closure.

(f) Tenant will promptly report to Landlord any spill or release and any written citations or notices of violation of any Legal Requirements received by Tenant in connection with the Generator, and will provide Landlord with copies thereof. Such notification to Landlord will not relieve Tenant from its obligations to notify governmental agencies. Any cleanup or remediation will be completed by Tenant in accordance with applicable Environmental Laws and in a manner and to a level meeting the applicable state cleanup criteria, together with any applicable state assurance or closure.

(g) Tenant shall make annual inspections, at Tenant's expense, to ensure regulatory compliance and the proper operation, maintenance and repair of the Generator, and will forward copies of such inspection reports to Landlord promptly following receipt of Landlord's written request(s) therefor.

9.12. Rooftop Rights.

(a) Tenant shall be permitted, in locations on the roof of the West Wing of the Building as approved by Landlord in writing in advance, to install, operate, maintain, repair and remove, or Landlord may install on behalf of Tenant, all at Tenant's sole cost and expense and for use solely by Tenant in connection with its business operations conducted in the Premises and not for use by non-occupant third parties, (i) telecommunications and data processing equipment (including but not limited to satellite dishes, generators, cell boosters and antennae), and related wiring from the roof to the interior portions of the Premises to the extent reasonably necessary (collectively, the **"*Rooftop Communications Equipment")*,** and (ii) such supplementary HVAC and other equipment serving solely the Premises, consistent with Tenant's use of the Premises (collectively, with the Rooftop Communications Equipment, the **"*Rooftop Equipment")*,** provided the same complies with all Legal Requirements. The Rooftop Equipment shall be screened from exterior view in a manner reasonably acceptable to Landlord. During the Term, Tenant shall not be required to pay any monthly rental or license fee with respect to Tenant's Rooftop Space or any of the Rooftop Equipment. Tenant shall be responsible for all costs and expenses associated with or relating to the Rooftop Equipment, including installation, operation, maintenance, use, removal and insuring of the Rooftop Equipment (same being deemed Tenant's personal property for purposes of this Lease), and shall reimburse Landlord any reasonable, actual out-of-pocket costs incurred by Landlord in connection therewith, including, but not limited to any costs for electric power and HVAC (if any) that Tenant uses in the Building for the Rooftop Equipment, as separately metered. Landlord shall have the right to permit other tenants of the Building to lease space on the roof of the Building for such other party's own rooftop antennae, satellite dishes and other telecommunications equipment to be used in the conduct of such tenant's business operations in the Building and not elsewhere, provided that (i) Tenant shall continue to have full access to the Rooftop Equipment, (ii) Tenant's right to install, use, improve, add to and replace Rooftop Equipment shall be non-exclusive and shall be shared on a pro rata

basis with any such rights granted to other tenant(s) in the Buildings, (iii) Landlord shall not install, and shall prohibit the installation and/or operation by any other party of, any additional microwave dishes/earth satellite disks, antennae, towers and/or other structures on the Roof which would, in Tenant's reasonable judgment, interfere with Tenant's use of the Rooftop Equipment which is then in place.

(b) Prior to installing any Rooftop Equipment, Tenant shall submit to Landlord for its approval (which approval shall not be unreasonably withheld, delayed or conditioned) plans and specifications that (i) specify in detail the design, location, size (and, with respect to Rooftop Communications Equipment, the frequency) of the Rooftop Equipment and (ii) are sufficiently detailed to allow for the installation of the Rooftop Equipment in a good and workmanlike manner and in accordance with all Legal Requirements. Following Landlord's approval of such plans, Tenant shall obtain all permits required for the installation and operation, thereof, and copies of all such permits must be submitted to Landlord before Tenant begins to install the Rooftop Equipment. Tenant shall be permitted to select a contractor of its choice to undertake the installation of the Rooftop Equipment, subject to Landlord's approval (which approval shall not be unreasonably withheld, delayed or conditioned). Tenant shall install all Rooftop Equipment in a good and workmanlike manner, and shall maintain and use the Rooftop Equipment in accordance with all applicable Legal Requirements. Tenant shall also have the right to install reasonably necessary conduit and sleeving from the roof to the points of connection within the Premises. Tenant shall be responsible for all costs of installation (including structural reinforcing or modifications required to be made to the roof in order to support Tenant's Rooftop Equipment), repair, maintenance and removal with respect to the Rooftop Equipment. Tenant shall thereafter maintain all permits necessary for the maintenance and operation of the Rooftop Equipment while it is on the Property. Tenant shall maintain the Rooftop Equipment in good repair and condition and in such a manner so as not to interfere in any material respect with any other satellite, antennae or other transmission facility on the roof or elsewhere in the Building which was installed and operating prior to Tenant's installation of the Rooftop Equipment which is claimed to be causing such interference. Tenant shall repair any damage to the Building caused by or relating to the Rooftop Equipment, including that which is caused by its installation, maintenance, use or removal, and Tenant shall reimburse Landlord for any out-of-pocket costs and expenses incurred by Landlord for any actual damage to the Property, including any damage resulting from penetrations of the Roof with respect to such installation, maintenance or use.

(c) All work relating to the Rooftop Equipment shall, at Landlord's request, be coordinated with Landlord's roofing contractor so as not to void any warranty for the Roof.

ARTICLE 10: CONDITION AND MAINTENANCE OF PREMISES AND PROPERTY

10.01. Existing Conditions. Tenant acknowledges that except for any express representations contained in this Lease, neither Landlord nor any person acting under or on behalf of Landlord has made any representation as to the condition of the Premises, the Building or the Property, or the suitability of the Premises, the Building or the Property for Tenant's intended use. Tenant represents and warrants that Tenant has made its own inspection and inquiry regarding the Premises, the Building and the Property and is not relying on any representations of Landlord or any broker or persons acting on behalf of Landlord other than as set forth in this Lease.

10.02. No Landlord Liability. Landlord shall not be liable for any damage or injury to the persons, property or business (including loss of revenue, profits or data) of Tenant or any Tenant Party, *provided, however,* that this Section 10.02 shall not exempt Landlord from liability for Landlord's negligence or willful misconduct or the negligence or willful misconduct of its agents, employees, contractors, and/or invitees, or Landlord's breach of its obligations herein. This exemption shall apply whether such damage or injury is caused by (among other things): (i) fire, steam, electricity, water, gas, air, sewage, sewer gas or odors, snow, ice, frost or rain; (ii) the breakage, leakage, obstruction or other defects of pipes, faucets, sprinklers, wires, appliances, plumbing, windows, air conditioning or lighting fixtures or any other cause; (iii) explosion, electrical or electromagnetic emissions; (iv) any casualty or Taking; (v) theft; (vi) conditions in or about the Property or the Building; or (vii) any act or omission of any other tenant. Tenant hereby agrees that, to the maximum extent permitted by law, all merchandise, furniture, fixtures and property of every kind, nature and description of Tenant or any Tenant Party which may be in or upon the Premises, the Building or the Property, shall be at the sole risk and hazard of Tenant, and that if the whole or any part thereof shall be damaged, destroyed, stolen or removed from any cause or reason whatsoever, no part of said damage or loss shall be charged to, or borne by, Landlord, except to the extent caused by Landlord's negligence or willful misconduct or the negligence or willful misconduct of its agents, employees, contractors, and/or invitees, or Landlord's breach of its obligations herein.

10.03. Landlord's Repair and Maintenance Obligations. Subject to the provisions of Section 16.09, and except for damage caused by fire, other casually or taking (which is dealt with below), and damage caused by the act or omission of Tenant or any Tenant Party, Landlord shall, at its sole cost and expense and not to be reimbursed as Operating Expenses, keep the foundation, roof (including the roof membrane), walls, foundations, floor slabs and other structural elements of the Building (excluding any structural elements added to the Building as part of the Initial Tenant Work or other Tenant Work, which shall be Tenant's responsibility), columns and beams, and exterior walls and windows of the Building, as well as the underground and under-slab plumbing lines serving the Building, in good order, condition and repair, reasonable wear and tear excepted. Further subject to the provisions of Section 16.09, and except for damage caused by fire, other casually or taking (which is dealt with below), and damage caused by the act or omission of Tenant or any Tenant Party, Landlord shall keep the Building Systems (including the HVAC, plumbing, electrical, mechanical and other systems serving the Premises in common with other portions of the Building), to the extent not serving the Premises or another tenant's premises exclusively, and the common areas of the Building and the Property, in good order, condition and repair, reasonable wear and tear excepted. Landlord shall make any repairs or replacements to the Building, the Premises or the Property, to the extent such repair or replacement was necessitated by Landlord's negligence or willful misconduct or the negligence or willful misconduct of its agents, employees, contractors, and/or invitees or Landlord's breach of its obligations herein, at its sole cost and expense and not to be reimbursed as an Operating Expense. Landlord shall cause the common areas of the Building and the Property to be kept clean and free from rubbish and debris, and the paved portions of the common areas of the Property to be free from appreciable accumulation of ice and snow. Except to the extent caused by Landlord's negligence or willful misconduct or the negligence or willful misconduct of its agents, employees, contractors, and/or invitees, or Landlord's breach of its obligations herein, Landlord shall not be obligated to maintain, repair or replace any interior windows, doors, plate glass, or the surfaces of walls within the Premises, or any fixtures, components or equipment located within the Premises or elsewhere which serve the Premises exclusively, all of which shall be Tenant's obligation. Tenant shall promptly report to Landlord any defective condition known to it that Landlord is required by the provisions of this Section to repair. Tenant waives the benefit of any present or future law that provides Tenant the right to repair the Premises or the Property at Landlord's expense or to abate or reduce the Rent or to terminate this Lease because of the condition of the Property or the Premises to the extent such benefit of law may be waived by Tenant; *provided, however,* that the foregoing waiver shall not be deemed to waive any rights expressly granted to Tenant pursuant to the provisions of Section 6.03 of this Lease. Tenant shall not be entitled to any abatement of Rent, nor shall Landlord incur any liability, by reason of inconvenience, annoyance or injury to Tenant arising from any repairs, alterations, additions, replacements or improvements made by Landlord, or any related work undertaken by Landlord in accordance with the provisions of this Lease provided Landlord complies with the terms of Section 9.06 regarding access to the Premises and provided Landlord takes commercially reasonable steps to minimize any interference with Tenant's operations. Notwithstanding the fact that Landlord may provide security services at the Property or Building at any time during the term of this Lease, (i) Tenant hereby releases Landlord from any claim for injury to persons or damage to property asserted by Tenant or any Tenant Party that is suffered or occurs in or about the Premises or in or about the Building or Property or the common areas appurtenant thereto by reason of the act of any intruder or any other person in or about the Premises, Building or Property, and (ii) Landlord shall not be deemed to owe Tenant or any other person any duty or standard of care as a result of Landlord's provision of such security services. All costs and expenses incurred by Landlord in connection with the performance of any obligation set forth in this Section 10.03 shall be included in Operating Expenses except to the extent otherwise expressly provided above in this Section.

Throughout the Term, Landlord shall maintain a bicycle storage area, comparable to the existing bicycle storage area in the Building for Tenant's use (in common with other occupants of the Building).

10.04. Tenant's Obligations.

10.04(a) Repair and Maintenance. Except for work that Section 10.03 requires Landlord to do and subject to Section 16.09, Tenant, at its sole cost and expense: shall keep the Premises (including all Initial Tenant Work, other Tenant Work, Tenant Property, and all fixtures, systems and equipment now or hereafter on the Premises or elsewhere that exclusively serve the Premises regardless of whether or not the same are part of a Building System), together with any interior windows, doors, interior plate glass, and the inner surfaces of walls within the Premises, in at least as good order, condition and repair as they are in on the Delivery Date or may be thereafter put in during the Term, reasonable wear and tear, damage caused by fire, other casualty or taking (which is dealt with below) and damage caused by the negligence or willful misconduct of Landlord, Landlord's agents, employees, or contractors excepted; shall keep in a secure and sanitary condition all trash and rubbish temporarily stored at the Premises; and shall make all repairs and replacements and do all other work necessary for the

foregoing purposes, whether the same may be ordinary or extraordinary, foreseen or unforeseen. Without limitation, Tenant shall be responsible for the maintenance, repair and replacement of all plumbing, heating, ventilating and air-conditioning systems and other mechanical systems (whether or not part of the Building Systems) wherever located that exclusively serve the Premises, and Tenant shall secure, pay for, and keep in force contracts with appropriate and reputable service companies approved by Landlord (which approval shall not be unreasonably withheld, conditioned or delayed) providing for the regular maintenance of such systems to the extent that such systems exclusively serve the Premises. All repairs and replacements required to be made by Tenant hereunder shall be equal in quality and class to the original work. No storage shall be permitted outside of the Premises except as otherwise expressly provided in this Lease. Storage inside the Premises shall be provided in a manner not visible from outside the Premises.

10.04(b) Landlord's Right to Cure. If Tenant does not perform any of its obligations under Section 10.04(a), Landlord upon twenty (20) days' prior notice to Tenant (or in the case of an emergency, with notice provided as soon as reasonably practicable) may perform such maintenance, repair or replacement on Tenant's behalf, and Tenant shall reimburse Landlord, as Additional Rent, for all costs reasonably incurred, together with an Administrative Charge (as defined in Section 13.02(e)), immediately upon demand.

10.05. Tenant Work

10.05(a) General. **"Tenant Work"** shall mean all work, demolition, installations, improvements, additions and alterations made by or on behalf of Tenant in or to the Premises or, when expressly permitted by Landlord in advance, on or to any other portion of the Property. Without limitation, Tenant Work includes any penetrations in the walls, partitions, ceilings or floors and all attached carpeting, all signs visible from the exterior of the Premises, and all changes in the exterior appearance of the windows of the Premises (including shades, curtains and the like). All Tenant Work shall be subject to Landlord's prior written approval (which approval shall not be unreasonably withheld, conditioned, or delayed) and shall be arranged and paid for by Tenant, all as provided herein; *provided that* any interior non-structural Tenant Work (including any series of related Tenant Work projects) that (a) costs less than the **"Tenant Work Threshold Amount"** (which shall be $50,000 in each instance or series of related projects, *provided that* from and after the point at which the aggregate cost of Tenant Work proposed by Tenant in any Lease Year exceeds $100,000, all Tenant Work proposed during such Lease Year shall be deemed to exceed the Tenant Work Threshold Amount and shall require Landlord's prior written approval), and (b) does not materially adversely affect any structural component of the Building, or any elevators, fire-safety, telecommunications, curtain wall, electrical, heating, ventilation, plumbing or any other mechanical system of the Building (collectively, the **"Building Systems"),** (c) does not materially adversely affect any penetrations in or otherwise materially adversely affect any walls, floors, roofs, or other structural elements of the Building, or the curtain wall, and (d) does not include any signs visible from the exterior of the Premises or any change in the exterior appearance of the windows in the Premises (including shades, curtains and the like) shall not require Landlord's prior approval if Tenant delivers the Construction Documents (as defined in Section 10.05(b)) for such work to Landlord at least five (5) Business Days' prior to commencing such work. Without limiting Landlord's rights hereunder, Landlord shall not be deemed unreasonable for withholding its approval as to any Tenant Work which would require unusual expense to re-adapt the Premises or any portion thereof to normal office use or typical laboratory use upon the termination or expiration of this Lease. In any event, non-structural cosmetic work such as painting, carpeting and wall coverings **("Cosmetic Work")** shall not require Landlord's consent or be included in the calculation of the Tenant Work Threshold, and no prior notice to Landlord of such work is required. Whether or not Landlord's approval is required, Tenant shall neither propose nor effect any Tenant Work that in Landlord's reasonable judgment (i) adversely affects any structural component of the Building, (ii) materially affects any Building System, (iii) affects the exterior or the exterior appearance of the Building or common areas within or around the Building or other property than the Premises, (iv) includes the installation of equipment that will have an unreasonable acoustic impact on other tenants of the Building when compared to similar equipment in first-class office and laboratory buildings, (v) diminishes the value of the Premises, the Building or the Property, or (vi) requires any unusual expense to readapt the Premises for use by a future occupant for the Permitted Uses. Any disputes regarding the scope and estimated cost of the work necessary to readapt the Premises for the Permitted Uses shall be resolved pursuant to Section 16.17. Prior to commencing any Tenant Work affecting air disbursement from ventilation systems serving the Premises, including the installation of Tenant's exhaust systems, Tenant shall provide Landlord with a third-party report from a consultant, and in a form, reasonably acceptable to Landlord, showing that such work will not adversely affect the ventilation systems of the Building (or of any other tenant in the Building) and shall, upon completion of such work, provide Landlord with a certification reasonably satisfactory to Landlord from such consultant confirming that no such adverse effects have resulted from such work. Landlord shall have the right to require Tenant to provide to Landlord from time to time while Tenant's Work is being performed, periodic lien waivers in statutory form from Tenant's Contractor and such subcontractors and suppliers as Landlord may designate from time to time.

10.05(b) Construction Documents. No Tenant Work, other than Cosmetic Work, shall be effected except in accordance with complete, coordinated construction drawings and specifications **("Construction Documents")** prepared in accordance with Exhibit H attached hereto. Before commencing any Tenant Work requiring Landlord's approval hereunder, Tenant shall obtain Landlord's prior written approval of the Construction Documents for such work, which approval shall not be unreasonably withheld, conditioned or delayed. Landlord shall be given a reasonable opportunity to consult with Tenant and review plans for any work under this Lease requiring Landlord's consent as they are being prepared. The Construction Documents shall be prepared by an architect **("Tenant's Architect")** registered in the Commonwealth of Massachusetts and experienced in the construction of tenant space improvements in comparable buildings in the area where the Premises are located and, if the value of such Tenant Work will equal or exceed the Tenant Work Threshold Amount or will affect any Building System, the identity of Tenant's Architect (and also engineers if such work will affect any Building System) shall be approved by Landlord in advance, such approval not to be unreasonably withheld, conditioned or delayed. Tenant shall be solely responsible for the liabilities associated with and expenses of all architectural and engineering services relating to Tenant Work and for the adequacy, accuracy, and completeness of the Construction Documents even if approved by Landlord (and even if Tenant's Architect has been otherwise engaged by Landlord in connection with the Base Building Work or the Initial Tenant Work). Construction Documents shall set forth in detail the requirements for construction of the Tenant Work and shall show all work necessary to complete the Tenant Work, including all cutting, fitting, and patching and all connections to the mechanical, electrical, and plumbing systems and components of the Building. Submission of the Construction Documents to Landlord for approval shall be deemed a warranty by Tenant that all Tenant Work described in the Construction Documents (i) complies with all applicable Legal Requirements, (ii) does not materially adversely affect any structural component of the Building, (iii) is compatible with and does not materially adversely affect the Building Systems, (iv) does not affect any property other than the Premises, (v) conforms to floor loading limits specified by Landlord, and (vi) with respect to all materials, equipment and special designs, processes or products, does not infringe on any patent or other proprietary rights of others. The Construction Documents shall comply with Landlord's requirements for the uniform exterior appearance of the Building, including the use of Building standard window blinds and Building standard light fixtures (which Building standard items shall be consistent with the first-class nature of the Building). Landlord's approval of Construction Documents shall signify only Landlord's consent to the Tenant Work shown and shall not result in any responsibility of Landlord concerning compliance of the Tenant Work with any Legal Requirements, or coordination or compatibility with any component or system of the Building, or the feasibility of constructing the Tenant Work without damage or harm to the Building, all of which shall be the sole responsibility of Tenant. Landlord hereby represents to Tenant that the Base Building Work performed prior to the date of this Lease complies in all material respects with all applicable Legal Requirements.

If, as a result of any Tenant Work performed or proposed to be performed by Tenant, Landlord is or will be obligated to comply with any Legal Requirement (including the Americans With Disabilities Act) which was not previously applicable to the Premises or the Building (or which was previously applicable in a different manner or to a different extent), and such compliance requires Landlord to make any improvement or alteration to any portion of the Building or the Property, then (i) when Landlord makes such determination prior to the performance of such Tenant Work, as a condition to Landlord's consent, Landlord shall have the right to require Tenant to pay to Landlord prior to the performance of such Tenant Work, the entire cost of any improvement or alteration Landlord is obligated to complete by such Legal Requirement, or (ii) when Landlord makes such determination after such Tenant Work has commenced (regardless of whether or not the same has been completed), Tenant shall pay to Landlord, as Additional Rent, within ten (10) days of demand therefor by Landlord, the entire cost of any improvement or alteration Landlord is obligated to complete by reason of such Legal Requirement.

10.05(c) Performance. The identity of any person or entity (including any employee or agent of Tenant) performing any Tenant Work **("Tenant Contractor")** requiring Landlord's approval hereunder shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. Once any Tenant Contractor has been approved, the same Tenant Contractor may thereafter be used by Tenant for the same type of work until Landlord notifies Tenant that such Tenant Contractor is no longer approved. Tenant shall procure at Tenant's expense all necessary permits and licenses (and shall provide copies thereof to Landlord) before undertaking any Tenant Work, but shall not

take any plans for Tenant Work to any governmental authority for review or approval without Landlord's prior written authorization in each instance (which prior authorization shall not be unreasonably withheld, conditioned or delayed). Tenant shall perform (or shall cause Tenant's Contractor to perform) all Tenant Work at Tenant's risk, in compliance with the Rules and Regulations and all applicable Legal Requirements and Insurance Requirements, and in a good and workmanlike manner, employing new materials of good quality and producing a result at least equal in quality to the other parts of the Premises. When any Tenant Work is in progress, Tenant shall cause to be maintained insurance as described in the Tenant Work Insurance Schedule attached hereto as Exhibit I and such other insurance as may be reasonably required by Landlord covering any additional hazards due to such Tenant Work. If the cost of any Tenant Work exceeds the Tenant Work Threshold Amount, Tenant shall provide to Landlord such bonds or other assurances of satisfactory completion and payment as Landlord may reasonably require, in each case for the benefit of Landlord. If the Tenant Work in any instance requires Landlord's approval hereunder, Tenant shall reimburse Landlord within thirty (30) days of demand, as Additional Rent, for its reasonable third-party out-of-pocket costs of reviewing the proposed Tenant Work and inspecting the performance of such work (as well as all costs imposed upon Landlord by any mortgagee which reviews and/or inspects the same). During the performance of any Tenant Work, representatives of Tenant and Landlord shall meet periodically (not less frequently than monthly) to review and discuss the progress of the work and the schedule for the performance of the remaining work.

Each Tenant Contractor shall do nothing to impair any guaranties or warranties applicable to any portion or component of the Building or the Property, and shall take all steps reasonably necessary to avoid delaying or otherwise interfering with the work of any contractor of Landlord or of any other tenant. Each Tenant Contractor working on the roof of the Building shall coordinate with Landlord's roofing contractor, shall comply with its requirements and shall not violate existing roof warranties. Tenant shall indemnify and hold the Indemnitees harmless from any claim, loss or expense based upon injury to persons or damage to property to the extent arising from the act or omission of Tenant's Contractor or any subcontractor or supplier of any tier, while on or about the Premises or the Property, except to the extent caused by the negligence or willful misconduct of Landlord or Landlord's agents, employees, contractors, and/or invitees.

10.05(d) Payment. Tenant shall pay the entire cost of all Tenant Work so that the Premises, including Tenant's leasehold, shall always be free of liens for labor or materials; *provided, however,* that in the event that there is a dispute over whether payment is due and payable, Tenant may withhold payment so long as it files and records a bond sufficient to discharge any potential lien arising from the dispute or other security acceptable to Landlord and its mortgagees in their reasonable discretion within ten (10) Business Days after Tenant has notice (from any source) of such dispute. If any such lien is filed that is claimed to be attributable to Tenant or persons acting under Tenant, then Tenant shall promptly (and always within ten (10) Business Days) discharge the same by payment or filing any necessary bond. In the event that Tenant fails to discharge such lien within the time period set forth above, Landlord shall have the right, but not the obligation, to bond over or otherwise discharge such lien as further set forth in Section 13.02 of this Lease; *provided, however,* that no notice or cure period shall apply. In such case Tenant shall pay Landlord's reasonable costs of discharging such lien within ten (10) Business Days of demand as Additional Rent.

10.05(e) Other. Tenant must schedule and coordinate all aspects of work with the Building manager or other person or persons designated from time to time by Landlord, and shall make prior arrangements for elevator or temporary hoist use. Landlord shall provide Tenant and all other tenants requiring the use of freight elevators and temporary hoists with joint access and the parties shall use reasonable efforts to coordinate such joint access to avoid conflicts. If an operating engineer is required by any union regulations, Tenant shall pay for such engineer. If shutdown of risers and mains for electrical, mechanical or plumbing work is required, such work shall be supervised by Landlord's representative at Tenant's cost. If special security arrangements must be made (e.g., in connection with work outside Normal Business Hours), Tenant shall pay the actual cost of such security. No work shall be performed in Building mechanical or electrical equipment rooms without Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed, and all such work shall be performed under Landlord's supervision. Except in case of emergency, at least five (5) days' prior notice must be given to the Building manager prior to the proposed shutdown of fire, sprinkler or other alarm systems, and in case of emergency, prompt notice shall be given. In the event that such work unintentionally alerts the Fire or Police Department or any private alarm monitoring company through an alarm signal, Tenant shall be liable for any fees or charges levied by the Fire or Police Department or any private alarm monitoring company in connection with such alarm except to the extent such alert was caused by Landlord or Landlord's agents, employees, invitees or contractors. All demolition, installations, removals or other work that is reasonably likely to inconvenience other tenants of the Property or disturb Property operations must be scheduled with the Building manager at least five (5) days in advance.

Any requirements of any Tenant Contractor for services from Landlord or Landlord's Contractor, such as hoisting, electrical or mechanical needs, shall be paid for within thirty (30) days of billing after such costs are incurred, and arranged between such Tenant Contractor and Landlord or Landlord's contractor. Tenant shall cause each Tenant Contractor performing work on the Premises to clean up regularly and remove its debris from the Premises and Property. If any Tenant Contractor fails so to clean up, then Landlord may, after giving Tenant at least twenty-four (24) hours' prior written notice, cause its contractor to clean up and remove debris, and Tenant shall pay the reasonable out-of-pocket costs of such cleanup and removal upon demand.

Each Tenant Contractor shall take all reasonable steps to assure that any work is carried out without disruption from labor disputes arising from whatever cause, including disputes concerning union jurisdiction and the affiliation of workers employed by said Tenant Contractor or its subcontractors. Tenant shall be responsible for, and shall reimburse Landlord, as Additional Rent, for, all actual costs and expenses, including reasonable attorneys' fees and costs incurred by Landlord in connection with the breach by any Tenant Contractor of such obligations. If Tenant does not promptly resolve any labor dispute caused by or relating to any Tenant Contractor, Landlord may in its sole discretion request that Tenant remove such Tenant Contractor from the Property, and if such Tenant Contractor is not promptly removed, Landlord may prohibit such Tenant Contractor from entering the Property.

Upon completion of any Tenant Work and as a condition of such completion, Tenant shall give to Landlord (i) a permanent certificate of occupancy (if one is legally required), and any other final governmental approvals required for such work, (ii) copies of "as built" plans (other than for Cosmetic Work) and all construction contracts, and (iii) proof of payment for all labor and materials in the form of a final statutory lien waiver from Tenant's Contractor or such other reasonable evidence as Landlord may require.

10.05(f) Removal at Conclusion of Term. Except as set forth in the last sentence of this paragraph below, any Tenant Work that is permanently affixed to the Premises or affixed in a manner so that it cannot be removed without causing other than incidental and repairable damage to the Premises shall become property of the Landlord at the termination of occupancy as provided herein. If Landlord so notifies Tenant in writing at the time Landlord approves plans for any Tenant Work (or, if Landlord's consent to the plans is not required, at the time Landlord receives notice of such work), Tenant shall remove such or all Tenant Work as so specified prior to the conclusion of the Term. Tenant Work that may be removed with only incidental and/or repairable damage, may be removed by Tenant in any case provided such disturbance or damage is restored and repaired so that the Premises are left in a clean and fully functional condition at least as good as they were in at the commencement of the Term or as they may be put in thereafter, reasonable wear and tear, damage caused by fire, other casualty or taking, and damage caused by the negligence or willful misconduct of Landlord, Landlord's agents, employees, or contractors excepted.

10.05(g) Initial Tenant Work. The provisions of this Section 10.05 shall not apply to Initial Tenant Work except to the extent otherwise expressly provided in the Work Letter.

10.06. Condition upon Termination. At the expiration or earlier termination of the Term, Tenant (and all persons claiming by, through or under Tenant) shall without the necessity of notice deliver the Premises (including all Initial Tenant Work, none of which shall be removed by Tenant, and all other Tenant Work to the extent provided in Section 10.05(f) of this Lease) broom-clean, in compliance with the requirements of Section 10.07 and in good order, repair and condition, excepting only damage caused by fire, other casualty, or taking, reasonable wear and tear, and damage caused by the negligence or willful misconduct of Landlord, Landlord's agents, employees, or contractors. The Premises shall be surrendered to Landlord free and clear of any mechanic's liens (or any similar lien related to labor or materials) or other lien or encumbrance (excluding liens or encumbrances existing as of the date hereof and liens or encumbrances granted by Landlord or related to work performed by or for Landlord) against any part of the Premises, equipment and/or any Initial Tenant Work or any other Tenant Work to be surrendered with the Premises. As part of such delivery, Tenant shall also provide all keys (or lock combinations, codes, access cards or electronic passes) to the Premises to Landlord; remove all signs wherever located; and, except as set forth in Section 10.05(f), remove all Tenant's Property and other personal property whether or not bolted or otherwise attached. As used herein, **"Tenant's Property"** shall mean all trade fixtures, furnishings, equipment, inventory, cabling of any type, and other personal property owned by Tenant or any person acting under Tenant at the Premises. Tenant shall repair all damage that results from such removal and restore the Premises substantially to a fully functional and tenantable condition (including the filling of all floor and wall holes, the removal of all disconnected wiring back to junction boxes and the replacement of all damaged ceiling tiles). Any property not so removed shall be deemed abandoned, shall at once become the property of Landlord, and may be disposed of in such manner as Landlord shall see fit; and Tenant shall pay the reasonable cost of removal and disposal to Landlord upon demand. The provisions of this Section shall survive the expiration or earlier termination of the Term.

10.07. Decommissioning of the Premises. Prior to the expiration of this Lease (or within thirty (30) days after any earlier termination), Tenant shall clean and otherwise decommission all interior surfaces (including floors, walls, ceilings, and counters), piping, supply lines, waste lines, tanks, and plumbing in or serving the Premises, and all exhaust or other ductwork in or serving the Premises, in each case that has carried, released or otherwise been exposed to any Hazardous Materials, and shall otherwise clean the Premises so as to permit the report hereinafter called for by this Section 10.07 to be issued. Prior to the expiration of this Lease (or within thirty (30) days after any earlier termination), Tenant, at Tenant's expense, shall obtain and provide to Landlord a report addressed to Landlord and Landlord's designees prepared by a reputable licensed environmental engineer or certified industrial hygienist that is designated by Tenant and acceptable to Landlord in Landlord's reasonable discretion, which report shall be based on such person's inspection of the Premises (including visual inspection, airborne and surface monitoring, and, if Tenant or any Tenant Party at any time stored or used any radioactive materials in the Premises, Geiger counter evaluation), and shall show:

(i) that the Hazardous Materials brought onto the Premises by or for the use by Tenant or any Tenant Party, if any, existing prior to such decommissioning, have been removed as necessary so that the interior surfaces of the Premises (including floors, walls, ceilings, and counters), piping, supply lines, waste lines, tanks, and plumbing, and all such exhaust or other ductwork in and/or serving the Premises, may be reused by a subsequent tenant or disposed of in compliance with applicable Environmental Laws without taking any special precautions for Hazardous Materials, without incurring special costs or undertaking special procedures for demolition, disposal, investigation, assessment, cleaning or removal of Hazardous Materials, and without incurring regulatory compliance requirements or giving notice in connection with Hazardous Materials;

(ii) if Tenant or any Tenant Party at any time stored or used any radioactive materials in the Premises, that the Premises (and all piping, supply lines, waste lines, tanks, and plumbing, and all exhaust or other ductwork in and/or serving the Premises), have been decommissioned in accordance with the regulations of the U.S. Nuclear Regulatory Commission and/or the Massachusetts Department of Public Health for the control of radiation, and have accordingly been released for unrestricted use by the Radiation Control Program of the Massachusetts Department of Public Health for the control of radiation; and

(iii) that the Premises may be reoccupied for office or laboratory use, demolished or renovated without taking any special precautions for Hazardous Materials, without incurring special costs or undertaking special procedures for disposal, investigation, assessment, cleaning or removal of Hazardous Materials, and without incurring regulatory requirements or giving notice in connection with Hazardous Materials.

For purposes of the preceding clauses (i) and (iii) "special costs" or "special procedures" shall mean costs or procedures, as the case may be, that would not be incurred but for the nature of the Hazardous Materials introduced to the Premises by or for the use by Tenant or any Tenant Party, as Hazardous Materials instead of non-Hazardous Materials. The report shall include reasonable detail concerning the clean-up locations, the tests run and the analytic results.

In addition, Tenant shall provide to Landlord prior to the expiration of the Term (or within thirty (30) days after any earlier termination), a copy of its most current chemical waste removal manifest and a certification from Tenant executed by an officer of Tenant that no Hazardous Materials or other potentially dangerous or harmful chemicals brought onto the Premises by Tenant or any Tenant Party from and after the date that Tenant first took occupancy of the Premises remain in the Premises.

If Tenant fails to perform its obligations under this Section 10.07, then without limiting any other right or remedy, Landlord may, on five (5) Business Days' prior written notice to Tenant, perform such obligations at Tenant's expense, and Tenant shall within ten (10) days of demand reimburse Landlord, as Additional Rent, for all reasonable out-of-pocket costs and expenses incurred by Landlord in connection with such work, together with an Administrative Charge, as defined in Section 13.02. In addition, at Landlord's election, Landlord may inspect the Premises and/or the Property for Hazardous Materials at Landlord's cost and expense within sixty (60) days of Tenant's surrender of the Premises at the expiration or earlier termination of this Lease. Tenant shall pay for all such costs and expenses incurred by Landlord in connection with such inspection if such inspection reveals that a release or threat of release of Hazardous Materials exists (a) at the Property as a result of the acts or omission of Tenant, its officers, employees, contractors, and agents, or (b) at the Premises (except to the extent resulting from the acts or omissions of Landlord or Landlord's agents, employees or contractors, or occupants of other portions of the Building).

The provisions of this Section 10.07 shall survive the expiration of the Term or the earlier termination of this Lease.

ARTICLE 11: DAMAGE OR DESTRUCTION; CONDEMNATION

11.01. Damage or Destruction of Premises. If the Premises or the Building are damaged in whole or in part by any fire or other casualty (a "casualty"), Tenant shall immediately give notice thereof to Landlord. Unless this Lease is terminated as provided herein, Landlord, at its own expense (but only to the extent of the insurance proceeds (net of all costs and expenses incurred in obtaining same) received by Landlord on account thereof), except for any insurance deductibles (which shall be deemed Operating Costs), shall proceed with diligence to repair or cause to be repaired such damage so as to restore the Premises (including the Initial Tenant Work but excluding any other Tenant Work) to substantially the same condition they were in prior to the casualty, subject to then applicable Legal Requirements. All such repairs made necessary by any act or omission of Tenant shall be made by Landlord at Tenant's expense to the extent that the cost of such repairs is not covered by insurance proceeds available therefor (including the payment by Tenant of any applicable deductible amount). Landlord shall not be liable for delays in the making of any such repairs that are due to government regulation, casualties, strikes, unavailability of labor and materials, delays in obtaining insurance proceeds (provided Landlord files insurance claims with reasonable diligence), and other causes beyond the reasonable control of Landlord, nor shall Landlord be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting from delays in repairing such damage. All repairs to and replacements of Tenant Property and any Tenant Work other than the Initial Tenant Work shall be made by and at the expense of Tenant, which work Tenant shall promptly commence as soon as practicable and thereafter prosecute diligently to completion.

Landlord shall, within sixty (60) days after the occurrence of a casualty, provide Tenant with a good faith estimate of the time required to repair the damage to the Premises or the Building, as provided herein; if such estimate is for a period of more than two hundred seventy (270) days from the occurrence of the casualty (or during the last twenty-four (24) months of the Term, for a period of more than ninety (90) days), the Premises shall be deemed "substantially damaged". If the Premises or the Building are substantially damaged, or if any mortgagee refuses to make available to Landlord for the purpose of making such repairs a sufficient amount of the insurance proceeds, then in either such case Landlord may elect to terminate this Lease by giving Tenant written notice of such termination within one hundred twenty (120) days of the date of such casualty. In addition, if the Premises or the Building are substantially damaged through no fault of Tenant or Tenant's employees, contractors, invitees or agents, then Tenant may terminate this Lease by giving Landlord written notice of such termination within one hundred twenty (120) days of the date of such casualty.

If the Premises or any part thereof shall have been rendered unfit for use and occupation hereunder by reason of such damage, the Base Rent, or a just and proportionate part thereof, according to the nature and extent to which the Premises shall have been so rendered unfit, shall be abated from and after the date of such casualty until the Premises (except as to Tenant Property and any Tenant Work other than the Initial Tenant Work) shall have been restored as nearly as practicable to the condition in which they were immediately prior to such fire or other casualty. Notwithstanding the foregoing, if such casualty was due to the act or omission of Tenant or Tenant's employees, contractors, invitees or agents, such abatement or reduction shall be made only if and to the extent of any proceeds of rental interruption insurance actually received by Landlord and allocated to the Premises.

In the event of any termination, the Term shall expire as though such effective termination date were the date originally stipulated in Article 1 for the end of the Term and the Base Rent (to the extent not abated as set forth above) and Additional Rent for Operating Costs shall be apportioned as of such date.

11.02. Eminent Domain. In the event of any condemnation or taking in any manner for public or quasi-public use, which shall be deemed to include a voluntary conveyance in lieu of a taking (a "taking") of the whole of the Building, this Lease shall forthwith terminate as of the date when Tenant is required to vacate the Premises. In such event Base Rent and Tenant's share of Operating Costs shall be apportioned as of the date of termination. Landlord shall promptly notify Tenant of any written notice received by Landlord from any governmental authority with respect to any condemnation or taking (including said voluntary conveyance) of the Property or any part thereof.

In the event that only a part of the Premises or the Building shall be taken, then, if such taking is a substantial taking (as hereinafter defined), either Landlord or Tenant may, by delivery of notice in writing to the other within sixty (60) days following the date on which Landlord's title has been divested by such authority, terminate this Lease, effective as of the date when Tenant is required to vacate the portion of the Premises so taken. A "substantial taking" shall mean a taking which: requires restoration and repair of the remaining portion of the Building that cannot in the ordinary course be reasonably expected to be repaired within one hundred eighty (180) days; results in the loss of all reasonable access to the Premises; results in the loss of more than twenty-five percent (25%) of the rentable floor area of the Premises; or results in the loss of more than ten (10%) percent of the number of parking spaces currently serving the Building and Landlord reasonably determines it is not practical to relocate such parking within the remaining Property or on other property within the vicinity of the Property.

Unless this Lease is terminated as provided herein, Landlord, at its own expense (but only to the extent of the condemnation proceeds (net of all costs and expenses incurred in obtaining same) received by Landlord on account thereof), shall proceed with diligence to restore the remaining portion of the Premises (including the Initial Tenant Work) and the necessary portions of the Building as nearly as practicable to the same condition as it was prior to such taking, subject to then applicable Legal Requirements. Landlord shall not be liable for delays in the performance of such restoration that are due to government regulation, casualties, strikes, unavailability of labor and materials, delays in payment of condemnation proceeds, and other causes beyond the reasonable control of Landlord, nor shall Landlord be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting from delays in repairing such damage. All repairs to and replacements of Tenant Property and any Tenant Work other than the Initial Tenant Work shall be made by and at the expense of Tenant, which work Tenant shall promptly commence as soon as practicable and thereafter prosecute diligently to completion.

In the event some portion of the rentable floor area of the Premises is taken (other than for temporary use) and this Lease is not terminated, Base Rent and Tenant's share of Operating Costs shall be proportionally abated for the remainder of the Term. In the event of any taking of the Premises or any part thereof for temporary use, (i) this Lease shall be and remain unaffected thereby and Rent shall not abate, and (ii) Tenant shall be entitled to receive for itself such portion or portions of any award made for such use with respect to the period of the taking that is within the Term (and the remainder of such award shall be paid to Landlord), provided that if such taking shall remain in force at the expiration or earlier termination of this Lease, then Tenant shall pay to Landlord a sum equal to the reasonable cost of performing Tenant's obligations hereunder with respect to surrender of the Premises and upon such payment shall be excused from such obligations.

Landlord shall have and hereby reserves and excepts, and Tenant hereby grants and assigns to Landlord, all rights to recover for damages to the Premises, the Building or the Property. Tenant agrees to execute such further instruments of assignment as may be reasonably requested by Landlord, and to turn over to Landlord any damages that may be recovered in any proceeding or otherwise; and Tenant irrevocably appoints Landlord as its attorney-in-fact with full power of substitution so to execute and deliver in Tenant's name, place and stead all such further instruments if Tenant shall fail to do so after ten (10) days' notice. Nothing contained herein shall be construed to prevent Tenant from prosecuting in any condemnation proceedings a separate claim for the value of any of Tenant's leasehold interest and improvements, Tenant's personal property, and for relocation and moving expenses and business losses, provided that such action shall not affect the amount of compensation otherwise recoverable by Landlord from the taking authority.

ARTICLE 12: ASSIGNMENT AND SUBLETTING

12.01. Landlord's Consent Required. Except (i) for Related Party Transfers, and (ii) as set forth in this Article, Tenant shall not directly or indirectly assign this Lease, or sublet or license the Premises or any portion thereof, or advertise the Premises for assignment or subletting, or permit the occupancy of all or any portion of the Premises or the use of any portion of the Initial Tenant Work by any person other than Tenant, including transfer by mortgage, pledge or other encumbrance (whether of all or any portion of Tenant's interest under this Lease, or any ownership interest (direct or indirect) in Tenant, or any portion of the Initial Tenant Work or any equipment, machinery, trade fixture or other property paid for in whole or in part by any portion of Landlord's Allowance) each of the foregoing actions are collectively referred to as a **"Transfer"),** nor advertise the availability of or market the Premises for a Transfer in whole or in part, without obtaining, on each occasion, the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, provided that Tenant complies with the provisions of this Article. An assignee, subtenant, licensee, or other occupant is referred to herein as a **"Transferee".** It shall be reasonable for Landlord to withhold consent to a proposed Transfer (other than a Related Party Transfer) if the proposed Transferee does not have a net worth equal to or in excess of that of Tenant at the Date of Lease or immediately prior to the proposed Transfer, whichever is greater, or if the use proposed to be made of the Premises (or the applicable portion thereof) by the proposed Transferee is not a Permitted Use hereunder. A "Transfer" shall include any transfer of Tenant's interest in this Lease by operation of law, the transfer or sale of a controlling interest in Tenant (whether direct or indirect, and whether in one transaction or in a series of related transactions), any "Related Party Transfer" (as defined below), and the grant of permission or license by Tenant to any other person or entity to use or occupy any portion of the Premises for any period of time or for any purpose whatsoever. Any Transfer shall be subject to this Lease, all of the provisions of which shall be conditions to such Transfer and be binding on any Transferee. No Transferee shall have any right further to Transfer its interest in the Premises, and nothing herein shall impose any obligation on Landlord with respect to a further Transfer. For purposes of this Lease, the term "Transfer" shall not include any mortgage, pledge or other encumbrance on or of any equipment, machinery, trade fixture or other property owned or used by Tenant which is not paid for in whole or in part by any portion of Landlord's Allowance.

12.02. Terms. Tenant shall not offer to make a Transfer (i) to any tenant in the Building (or any Affiliate of such tenant) if, at the time of Tenant's intended Transfer, Landlord then has comparable space in the Building available for lease for a comparable term, or (ii) to any person or entity that would be of such type, character or condition as to be inappropriate as a tenant of a building comparable to the Building. The provisions of this Section 12.02 shall not apply to Related Party Transfers.

12.03. Related Party Transfers . Tenant may make a Related Party Transfer (as defined below) without the consent of Landlord provided that Tenant gives Landlord at least ten (10) days' prior written notice thereof together with evidence reasonably satisfactory to Landlord that the proposed Transfer is a Related Party Transfer and such Related Party Transfer is subject to all of the other terms and conditions of this Article. A **"Related Party Transfer"** shall mean one or more of the following: (1) any assignment to (A) a parent which owns (either directly or indirectly) substantially all of the voting stock of Tenant or otherwise exercises voting control over Tenant, or (B) a subsidiary of Tenant in which Tenant owns (directly or indirectly) substantially all of the voting stock or over which Tenant otherwise exercises voting control, (C) any subsidiary of Tenant's parent in which such parent owns (directly or indirectly) substantially all of the voting stock or over which such parent otherwise exercises voting control, or (D) any other Affiliate of Tenant, or (2) an assignment incident to the sale of all or substantially all of Tenant's assets, or (3) a statutory merger or consolidation of Tenant with any other entity, provided that in any of the situations described in the preceding clauses (1)-(3), (a) the person or entity succeeding to Tenant's interest immediately thereafter (the **"Related Party Transferee")** has a net worth equal to or in excess of that of Tenant at the Date of Lease or immediately prior to the Related Party Transfer, whichever is greater, and (b) such Related Party Transferee agrees in writing, for the benefit of Landlord, to assume all of Tenant's obligations under this Lease. Related Party Transfers shall not be subject to the provisions of (i) Section 12.02, (ii) the first sentence of Section 12.04, or (iii) Section 12.05.

12.04. Procedures. At least thirty (30) days prior to the effective date of any Transfer, Tenant shall give Landlord in writing the details of the proposed Transfer, including: (i) the name, business, and financial condition (including the most recent annual and quarterly financial statements, in form and content reasonably acceptable to Landlord) of the prospective Transferee, (ii) a true and complete copy of the proposed instrument containing all of the terms and conditions of such Transfer, (iii) a written agreement of the prospective Transferee, in form and content reasonably acceptable to Landlord, agreeing with Landlord to perform and observe all of the terms, covenants, and conditions of this Lease undertaken by such Transferee, and (iv) any other information Landlord reasonably requires. Tenant shall pay to Landlord, as Additional Rent, Landlord's reasonable attorneys' fees in reviewing any Transfer. Tenant shall provide Landlord with a true and correct copy of the instrument effecting the Transfer on or before the date that it takes effect, except that with respect to a Related Party Tenant Transfer, Tenant shall, within fifteen (15) days after the Related Party Transfer, deliver to Landlord evidence of merger or such other evidence as is reasonably satisfactory to Landlord that such Related Party Transfer has occurred.

12.05. Excess Rents. If the consideration, rent, or other amounts payable to Tenant under any sublease, license, or other occupancy arrangement (collectively, a **"Sublease")** or any assignment exceed the sum of (1) Rent and other charges to be paid hereunder (which amounts, in the case of a Sublease, shall be pro-rated based on the floor area intended to be subject to such Sublease), and (2) Tenant's Expenses (which shall be (a) in the case of an assignment, amortized over the remaining Term of the Lease, and (b) in the case of a Sublease, (i) pro-rated based on the floor area intended to be subject to such Sublease, and (ii) amortized over the fixed term of the Sublease in question), then Tenant shall pay to Landlord, as Additional Rent, one-half (1/2) of the amount of such excess when and as received by Tenant. **"Tenant's Expenses"** shall mean, collectively, (i) the necessary and reasonable expenses incurred by Tenant in good faith to third parties in connection with such an assignment or Sublease (as the case may be) on account of brokerage, legal, design, and demising and leasehold improvement costs in the portion of the Premises affected by, and specifically in connection with, such assignment or Sublease, and (iii) the unamortized out of pocket cost to Tenant of previously constructing Tenant Work in the Premises (or, in the case of a Sublease, in the portion of the Premises to be subject to such Sublease) and in either case with respect to the Initial Tenant Work, only the portion of the cost thereof paid out of pocket by Tenant, and not the portion of the cost thereof covered by Landlord's Allowance pursuant to the Work Letter, shall be included as an "out of pocket cost to Tenant" for purposes of this calculation, with such amortization to be calculated on a straight line basis over the remaining Initial Term of the Lease as of the date such expense was incurred by Tenant. There shall be included in the calculation to be performed pursuant to the first sentence of this section any lump-sum payment or periodic payments made to Tenant for the purchase of so-called leasehold improvements, but all lump-sum or periodic payments made to Tenant on account of the leasing or mere use of Tenant's equipment by the Transferee under such Sublease or assignment shall be excluded from such calculation. The provisions of this Section 12.05 shall not apply to Related Party Transfers.

12.06. No Release. Notwithstanding any Transfer and whether or not the same is a Related Party Transfer or is consented to, the liability of Tenant to Landlord shall remain direct and primary, to the extent that Tenant still exists as a separate entity after a Related Party Transfer. Any Transferee of all or substantially all of Tenant's interest in the Premises, including any such Transferee under a Related Party Transfer, shall be jointly and severally liable with Tenant (to the extent that Tenant still exists as a separate entity after a Related Party Transfer) to Landlord for the performance of all of Tenant's covenants under this Lease; and such Transferee shall upon written request from Landlord execute and deliver such instruments as Landlord reasonably requests in confirmation thereof (and agrees that its failure to do so shall be a default). During any period when there exists an Event of Default by Tenant which is then continuing, Tenant hereby irrevocably authorizes Landlord to collect Rent and other charges from any Transferee (and upon notice from Landlord any Transferee shall pay directly to Landlord) and apply the net amount collected to the Rent and other charges reserved under this Lease. No Transfer shall be deemed a waiver of the provisions of this Section, or the acceptance of the Transferee as a tenant, or a release of Tenant from direct and primary liability for the performance of all of the covenants of this Lease. The consent by Landlord to any Transfer shall not relieve Tenant or any Transferee from the obligation of obtaining the express consent of Landlord to any modification of such Transfer or a further Transfer by Tenant or such Transferee. Notwithstanding anything to the contrary in the documents effecting the Transfer, Landlord's consent shall not alter in any manner whatsoever the terms of this Lease, to which any Transfer at all times shall be subject and subordinate. The breach by Tenant or any Transferee of any provision of this Article shall be a default for which there *is* no cure period.

ARTICLE 13: EVENTS OF DEFAULT AND REMEDIES

13.01. Events of Default. In the event that:

(A) Tenant shall default in the payment of any Base Rent, Additional Rent or other sum payable under this Lease, when and as the same shall become due and payable hereunder, and such default shall continue for a period of five (5) days after Landlord gives Tenant notice that such payment was not paid when due; *provided, however,* that after Landlord has given two (2) notices to Tenant of a failure to timely pay a recurring monthly charge (such as Basic Rent, Operating Costs or utility charges, regardless of whether the amount of such charge may vary from month to month), then for a period of twelve (12) months from the date of such notice Tenant shall not be entitled to any notice of a further default in the payment of any recurring monthly charge (whether of the same or a different monetary obligation of Tenant hereunder) and Tenant's failure at any time during such 12-month period to make any such payment within five (5) days after the date on which such payment is due hereunder shall constitute an Event of Default without the necessity of any notice; or

(B) Tenant shall (i) abandon or vacate for not less than three (3) consecutive months all or substantially all of the Premises, or (ii) make any Transfer in violation of this Lease; or (iii) fail to (a) maintain all insurance as required hereunder, or (b) provide Landlord with the certificates of insurance required pursuant to Article 7 above, or (c) restore or replenish the amount of the Security Deposit following a draw by Landlord upon the Security Deposit, as required by Article 14 below, or (d) provide Landlord with an estoppel certificate as required by Section 15.04 below; or

(C) Tenant shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent; or shall file any petition or answer seeking any reorganization, arrangement, composition, liquidation, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall seek, or consent to, or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant; or shall make any general assignment for the benefit of creditors; or

(D) any court enters an order, judgment or decree approving a petition filed against Tenant seeking any reorganization, arrangement, composition, liquidation, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, or for the appointment of a receiver, and such order, judgment or decree shall remain unvacated or unstayed for an aggregate of ninety (90) days; or

(E) any representation or warranty made by Tenant herein is untrue in any material respect when made; or

(F) Tenant shall default in the observance or performance of any of Tenant's covenants, agreements or obligations hereunder, other than those referred to in the foregoing clauses (A)-(E), and such default shall not be corrected within the cure period expressly provided in this Lease therefor (and if no cure period is expressly provided, then for thirty (30) days after notice is given, *provided, however* that such period shall be reasonably extended in the case of a non-monetary default that cannot be cured within such 30-day period through the use of diligent efforts but only if the default can be cured and Tenant begins such cure within such 30-day period and thereafter diligently prosecutes such sure continuously to completion);

then, and in any such case, Landlord and its agents lawfully may, in addition to any remedies for any preceding breach, immediately or at any time thereafter without demand or notice and with or without process of law, enter upon any part of the Premises in the name of the whole or mail or deliver a notice of termination of the Term of this Lease addressed to Tenant at the Premises or any other address herein, and thereby terminate the Term and repossess the Premises as of Landlord's former estate. Any default by Tenant continuing beyond applicable notice and cure periods by is referred to herein as an **"Event of Default".** Tenant waives any statutory notice to quit and equitable rights in the nature of further cure or redemption, and Tenant agrees that upon Landlord's termination of this Lease, Landlord shall be entitled to re-entry and possession in accordance with the terms hereof. Tenant agrees that a notice by Landlord alleging any default shall, at Landlord's option (the exercise of such option shall be indicated by the inclusion of the words "notice to quit" in such notice), constitute a statutory notice to quit. If Landlord exercises its option to designate a notice of default hereunder as a statutory notice to quit, any grace periods provided for herein shall run concurrently with any statutory notice periods. Tenant further agrees that it shall not interpose any counterclaim or set-off in any summary proceeding or in any action based in whole or in part on non-payment of Rent other than mandatory counterclaims.

Upon such entry or mailing the Term shall terminate, all executory rights of Tenant and all obligations of Landlord will immediately cease, and Landlord may expel Tenant and all persons claiming under Tenant and remove their effects without any trespass and without prejudice to any remedies for arrears of Rent or prior breach; and Tenant waives all statutory and equitable rights to its leasehold (including rights in the nature of further cure or redemption, if any). If Landlord engages attorneys in connection with any failure to perform by Tenant hereunder, Tenant shall reimburse Landlord within ten (10) days of demand, as Additional Rent, for the reasonable fees of such attorneys. Without implying that other provisions do not survive, the provisions of this Article shall survive the Term or earlier termination of this Lease.

Rent forgiveness, allowances for (and/or Landlord expenses in designing and constructing) the Initial Tenant Work to ready the Premises for Tenant's occupancy and the like, if any, have been agreed to by Landlord as inducements for Tenant faithfully to perform all of its obligations hereunder for the entire Term. For all purposes, upon the occurrence of any Event of Default, any such inducements shall be deemed void as of the date hereof as though such had never been included, and the unamortized amounts (or value) thereof as of the date of such Event of Default (based on straight line amortization of such amounts (or value), with interest thereon per annum at the Default Rate, over what would otherwise have constituted the Term of this Lease) will be deemed to be Additional Rent then immediately due. The foregoing will occur automatically without any further notice by Landlord, whether or not the Term is then or thereafter terminated.

Subject to the provisions of this Article 13, Tenant shall indemnify Landlord against all loss of Rent and other costs, expenses, loss and damages that Landlord may incur during what would otherwise have constituted the balance of the Term by reason of the termination of this Lease for Tenant's Event of Default hereunder. Without limiting the generality of the foregoing, Tenant shall reimburse Landlord for all expenses incurred by Landlord arising out of such termination, including all costs incurred in collecting amounts due from Tenant under this Lease (including reasonable attorneys' fees, costs of litigation and the like); all expenses incurred by Landlord in good faith in attempting to relet the Premises or parts thereof (including advertisements, brokerage commissions, tenant allowances, costs of preparing space, and the like); and all other expenditures by Landlord arising out of or resulting from the termination. The reimbursement from Tenant shall be due and payable immediately from time to time upon notice from Landlord that an expense has been incurred, without regard to whether the expense was incurred before or after the termination of this Lease.

13.02. Remedies for Default.

13.02(a) Reletting Expenses Damages. If this Lease is terminated for Tenant's Event of Default, Tenant covenants, as an additional cumulative obligation after such termination, to pay on demand by Landlord all of Landlord's reasonable costs, including reasonable attorneys' fees and costs, related to Tenant's default and in collecting amounts due, and all reasonable expenses in connection with reletting, including tenant inducements to new tenants, brokerage commissions, fees for legal services, expenses of preparing the Premises for reletting and the like, together with an administrative charge of ten (10%) percent of all the foregoing costs **("Reletting Expenses").** It is agreed that Landlord may (i) relet the Premises or part or parts thereof for a term or terms that may be equal to, less than or exceed the period that would otherwise have constituted the balance of the Term, and may grant such tenant inducements, including free rent, as Landlord in its sole discretion considers advisable, and (ii) make such alterations to the Premises as Landlord in its sole discretion considers advisable, and no failure to relet or to collect rent under any reletting shall operate to reduce Tenant's liability. Except to the extent imposed by applicable law, Landlord shall have no obligation to relet the Premises or any portion thereof, and any obligation to relet imposed by law will be subject to Landlord's reasonable objectives of developing its property in a harmonious manner with appropriate mixes of tenants, uses, floor areas, terms and the like.

13.02(b) Termination Damages. If this Lease is terminated for Tenant's Event of Default, then unless and until Landlord elects lump sum liquidated damages described in the next paragraph, Tenant covenants, as an additional, cumulative obligation after any such termination, to pay punctually to Landlord all the sums and perform all of its obligations hereunder at the same time and in the same manner as if this Lease had not been terminated. In calculating such amounts, Tenant will be credited with the net proceeds of any rent then actually received by Landlord from a re-letting of the Premises after deducting all Rent and Reletting Expenses that have not then been paid by Tenant, provided that Tenant shall never be entitled to receive any portion of the re-letting proceeds, even if the same exceed the Rent originally due hereunder.

13.02(c) Lump Sum Liquidated Damages. If this Lease is terminated for Tenant's Event of Default, Tenant covenants, as an additional, cumulative obligation after any such termination, to pay forthwith to Landlord at Landlord's election made by written notice at any time after termination, as liquidated damages, a single lump sum payment equal to the sum of (i) all sums then due and owing from Tenant to Landlord at the time of such election, plus (ii) either, as Landlord elects, (A) the excess of the present value of all of the Rent reserved for the residue of the Term (with Additional Rent deemed to increase four (4%) percent in each year on a non-compounding basis) over the present value of the aggregate Fair Market Rent and Additional Rent payable on account of the Premises during such period, which Fair Market Rent shall be reduced by reasonable projections of vacancies and by Landlord's Reletting Expenses described above to the extent not theretofore paid to Landlord, or (B) an amount equal to the sum of all of the Rent and other sums due under the Lease with respect to the 12-month period next following the date of termination. The Federal Reserve discount rate (or equivalent) shall be used in calculating such present values under clause (ii)(A).

13.02(d) Remedies Cumulative; Late Performance. The remedies to which Landlord may resort under this Lease, and all other rights and remedies of Landlord, are cumulative, and any two or more may be exercised at the same time. Nothing in this Lease shall limit the right of Landlord to prove and obtain in proceedings for bankruptcy or insolvency an amount equal to the maximum allowed by any statute or rule of law in effect at the time; and Tenant agrees that the fair value for occupancy of all or any part of the Premises at all times shall never be less than the Base Rent and all Additional Rent payable from time to time. Tenant shall also indemnify and hold Landlord harmless in the manner provided elsewhere herein if Landlord shall become or be made a party to any claim or action (a) instituted by Tenant against any third party, or by any third party against Tenant, or by or against any person claiming by, through or under Tenant; (b) for foreclosure of any lien for labor or material furnished to or for Tenant or such other person; (c) otherwise arising out of or resulting from any act or transaction of Tenant or such other person; or (d) necessary to protect Landlord's interest under this Lease in a bankruptcy proceeding, or other proceeding under Title 11 of the United States Code, as amended.

13.02(e) Landlord's Curing. If Tenant fails to perform any covenant within the applicable cure period (if any), then Landlord at its option may (without waiving any right or remedy for Tenant's non-performance) at any time thereafter perform the covenant for the account of Tenant. Tenant shall upon demand reimburse, as Additional Rent, Landlord's cost (including reasonable attorneys' fees) of so performing, together with an administrative charge equal to ten percent (10%) of such cost **("Administrative Charge")** on demand as Additional Rent. Notwithstanding any other provision concerning cure periods, Landlord may cure any non-performance for the account of Tenant after such notice to Tenant, if any, as is reasonable under the circumstances if curing prior to the expiration of the applicable cure period is reasonably necessary to prevent likely damage to the Premises or the Property or possible injury to persons, or to protect Landlord's interest in the Premises or the Property.

ARTICLE 14: SECURITY DEPOSIT

Upon the execution of this Lease, Tenant shall deposit with Landlord a Letter of Credit as described in this Section (the **"Letter of Credit"),** as security for the punctual performance of each and every obligation of Tenant under this Lease. Tenant shall simultaneously deliver to Landlord such documentation as Landlord may reasonably require to demonstrate that Tenant's obligation to the issuer of the Letter of Credit is a secured obligation. In no event shall the Security Deposit be deemed to be a prepayment of Rent nor shall it be considered a measure of liquidated damages.

The Letter of Credit shall be an irrevocable standby letter of credit, in form and content and issued by Silicon Valley Bank or another commercial bank satisfactory to Landlord in its sole discretion (Landlord agreeing not to unreasonably withhold, delay or condition its approval of another commercial bank with a credit rating at that time from Moody's Investors Service or Standard & Poor's equal to or better than that of Silicon Valley Bank as of the date of this Lease), which Letter of Credit shall provide that it may be drawn upon in Boston, Massachusetts (i) in part or in whole, upon the presentation of a sight draft accompanied by a certificate signed by a representative of Landlord, setting forth the amount due to Landlord by reason of the occurrence of an Event of Default by Tenant hereunder, or (ii) in whole, upon the presentation of a sight draft accompanied by a certificate signed by a representative of Landlord, stating that (a) such Letter of Credit will expire within thirty (30) days of such certificate, and (b) Tenant has not deposited a substitute Letter of Credit in the form, amount and issued by a bank as required by this Section. Any payment drawn by Landlord under the Letter of Credit pursuant to clause (ii) of the preceding sentence shall be held by Landlord as a cash Security Deposit **("Cash Security")** pursuant to the provisions of this Article. Landlord may commingle any Cash Security with Landlord's other funds, and no interest shall be due thereon. The Letter of Credit shall remain in full force and effect for a period of at least one hundred twenty (120) days beyond the expiration of the Term. Tenant shall deposit the original Letter of Credit with Landlord and shall keep the Letter of Credit in full force and in compliance with the provisions of this Lease throughout the Term.

Landlord may apply the Security Deposit towards any Event of Default by Tenant and/or damages sustained by Landlord as a result thereof. In the event that Landlord so draws upon and applies or retains any portion or all of the proceeds of the Letter of Credit, or so applies all or any portion of the Cash Security, Tenant shall pay to Landlord, as Additional Rent, the amount so expended by Landlord (or shall deliver an amendment to the Letter of Credit increasing the amount of the Letter of Credit by the amount so drawn by Landlord) within three (3) Business Days of notice given by Landlord so that at all times (subject to the 3-Business Day grace period herein referenced) Landlord shall be entitled to draw down upon the full aggregate amount of the Letter of Credit or hold the full Cash Security, or some combination thereof. Notwithstanding anything contained in this Lease to the contrary, any failure of Tenant to restore any amount drawn under the Letter of Credit or expended from the Cash Security within the time and manner specified in this Section shall immediately constitute an Event of Default hereunder (without the necessity of any additional notice or the passage of any additional time) and entitle Landlord to immediately draw down the Letter of Credit then in force or effect and Landlord shall retain such cash amounts as a Security Deposit pursuant to the provisions of this Section. Tenant shall be solely responsible for the payment of all costs associated with obtaining, replacing (as necessary), transferring, extending and maintaining the Letter of Credit in accordance with the terms of this Section. The application of all or any part of the Security Deposit to any Event of Default of Tenant under this Lease shall not deprive Landlord of any other rights or remedies Landlord may have, nor shall such application by Landlord constitute a waiver by Landlord. In addition, in the event of a termination based upon an Event of Default of Tenant under this Lease, or a rejection of the Lease pursuant to the provisions of the Federal Bankruptcy Code, Landlord shall have the right to apply the Security Deposit (from time to time, if necessary) to cover up to the full amount of damages and other amounts due from Tenant to Landlord under the Lease. Any amounts so applied shall, at Landlord's election, be applied first to any unpaid Rent and other charges which were due prior to the filing of the petition for protection under the Federal Bankruptcy Code.

Landlord shall assign the Security Deposit to any purchaser of the Building, and thereafter Landlord shall have no further responsibility therefor. Upon request of Landlord or any such purchaser of the Building, Tenant shall, at its expense, cooperate with Landlord in obtaining an amendment to or replacement of any Letter of Credit which Landlord is then holding so that the amended or new Letter of Credit reflects the name of the new owner of the Building.

Within one hundred twenty (120) days after the expiration or earlier termination of the Term, Landlord shall inspect the Premises, make such draw upon the Letter of Credit or apply all or any portion of the Cash Security as may be required to cure any Event of Default by Tenant hereunder or to make payment on account of damages suffered by Landlord, and, if no Event of Default is then continuing, Landlord shall redeliver the original Letter of Credit (as may have previously been drawn on by Tenant) or pay the balance of the Cash Security, as the case may be, to Tenant.

Notwithstanding the foregoing, provided that: (i) no Event of Default on the part of Tenant has occurred prior to the applicable "Reduction Date" (as hereinafter defined), and no such Event of Default is continuing as of such Reduction Date, and (ii) (a) with respect to the first Reduction Date, Tenant demonstrates to Landlord's reasonable satisfaction that at all times during the twelve (12) months prior to such Reduction Date Tenant has held unrestricted cash in an amount equal to at least three (3) times the then-applicable amount of Base Rent for the next twelve (12) months commencing on such Reduction Date, or (b) with respect to the second Reduction Date, Tenant demonstrates to Landlord's reasonable satisfaction that at all times during the twelve (12) months prior to such Reduction Date Tenant has held unrestricted cash in an amount equal to at least two (2) times the then-applicable amount of Base Rent for the next twelve (12) months commencing on such Reduction Date; and (iii) the Lease is then in full force and effect, Landlord agrees to accept a reduction in the amount of the Letter of Credit which it is then holding so as to cause the total Security Deposit to be reduced as of each Reduction Date to the amount shown in the following schedule:

Reduction Date	New Reduced Amount of Security Deposit
1st day of 37th month after Rent Commencement Date	9 months of Base Rent and Operating Costs at then-current rates as of the Reduction Date
1st day of 61st month after Rent Commencement Date	6 months of Base Rent and Operating Costs at then-current rates as of the Reduction Date

Any reduction in a Letter of Credit held by Landlord as the Security Deposit shall be accomplished by Tenant providing Landlord with a substitute Letter of Credit in the reduced amount in exchange for the existing Letter of Credit(s) which Landlord is then holding, or by an amendment to the existing Letter of Credit(s) then held by Landlord, in form and substance reasonably acceptable to Landlord, which is accepted by Landlord in writing. If Tenant does not satisfy the requirements for a reduction in the amount of the Letter of Credit on a Reduction Date as specified above, then Tenant shall have the right to extend such Reduction Date for up to four (4) months by written notice given to Landlord prior to such Reduction Date in order to enable Tenant to satisfy such requirements as of such extended Reduction Date; failing which Tenant shall be deemed to have irrevocably forfeited its right to the corresponding reduction in the amount of the Letter of Credit (but such a forfeiture of Tenant's right to the first reduction in the amount of the Letter of Credit shall not affect Tenant's right to receive the second reduction in the amount of the Letter of Credit if the requirements of this paragraph are timely satisfied with respect to such second reduction).

ARTICLE 15: PROTECTION OF LENDERS/GROUND LANDLORD

15.01. Subordination and Superiority of Lease. Tenant agrees that this Lease and the rights of Tenant hereunder will be subject and subordinate to the lien of the holder of any existing or future mortgage, and to the rights of any lessor under any ground or improvements lease of the Building (all mortgages and ground or improvements leases of any priority are collectively referred to in this Lease as "mortgage", and the holder or lessor thereof from time to time as a "mortgagee"), and to all advances and interest thereunder and all modifications, renewals, extensions, replacements and consolidations thereof, provided that such mortgagee executes and delivers to Tenant a subordination, non-disturbance and attornment agreement in the form attached hereto as Exhibit J or in such other form as such mortgagee may request and as is reasonably acceptable to Tenant. Upon such attornment, this Lease shall continue in full force and effect as a direct lease between the mortgagee and Tenant upon all of the terms, conditions and covenants as are set forth in this Lease, except that the mortgagee shall not be (i) liable in any way to Tenant for any act or omission, neglect or default on the part of Landlord under this Lease except to the extent to which Tenant previously notified such mortgagee in writing of such default and such default continues during such mortgagee's period of ownership; (ii) responsible for any monies held by or on deposit with Landlord to the credit of Tenant unless received by the holder (it being agreed that Landlord shall remain responsible for such monies until delivered to such holder); (iii) subject to any counterclaim or setoff that theretofore accrued to Tenant against Landlord; (iv) bound by any amendment or modification of this Lease subsequent to such mortgage or by any previous prepayment of Rent for more than one (1) month which was not approved in writing by the mortgagee (except that such approval shall not be required with respect to any amendment to this Lease that is ratifying the exercise by Tenant of any rights that Tenant has under this Lease (e.g., rights of extension and expansion)); (v) liable to Tenant beyond the mortgagee's interest in the Property; or (vi) responsible for the performance of any work to be done by Landlord under this Lease to render the Premises ready for occupancy by Tenant. Tenant agrees that any present or future mortgagee (or any holder of a ground or improvements lease) may at its option unilaterally elect to subordinate, in whole or in part and by instrument in form and substance satisfactory to such mortgagee alone, the lien of its mortgage (or the priority of its lease) to this Lease effective upon either notice from such holder to Tenant in the same fashion as notices from Landlord to Tenant are to be given hereunder or by the recording in the appropriate registry of deeds of an instrument in which such holder subordinates its rights under such mortgage or lease.

Tenant agrees that this Lease shall survive the merger of estates of ground (or improvements) lessor and lessee. Until a mortgagee forecloses Landlord's equity of redemption (or terminates or succeeds to a new lease in the case of a ground or improvements lease), no mortgagee shall be liable for failure to perform any of Landlord's obligations (and such mortgagee shall thereafter be liable only after it succeeds to and holds Landlord's interest and then only as limited herein).

In the event Tenant alleges that Landlord is in default under any of Landlord's obligations under this Lease, Tenant agrees to give the holder of any mortgage, by registered mail, a copy of any notice of default that is served upon Landlord, provided that prior to such notice, Tenant has been notified in writing (whether by way of notice of an assignment of lease, request to execute an estoppel letter, or otherwise) of the address of any such holder. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided in Section 16.02 below or such additional time as may be provided in such notice to Landlord, such holder shall have thirty (30) days after the last date on which Landlord could have cured such default within which such holder will be permitted to cure such default. If such default cannot be cured within such 30-day period, then such holder shall have such additional time as may be necessary to cure such default, if within such 30-day period such holder has commenced and is diligently pursuing the remedies necessary to effect such cure (including, but not limited to, commencement of foreclosure proceedings, if necessary, to effect such cure). The agreements in this Lease with respect to the rights and powers of a mortgagee constitute a continuing offer to any person that may be accepted by taking a mortgage (or entering into a ground or improvements lease) of the Premises.

If, in connection with obtaining financing for the Property or any portion thereof, a bank, insurance company, pension trust or other institutional lender shall request reasonable modifications to this Lease as a condition to such financing, Tenant will not unreasonably withhold, delay or condition its consent thereto, provided that such modifications do not materially increase the obligations of Tenant hereunder or materially adversely affect the leasehold interest hereby created.

15.02. Rent Assignment. If at any time and from time to time, Landlord assigns this Lease or the Rent payable hereunder to the holder of any mortgage on the Premises or the Property, or to any other party for the purpose of securing financing (the holder of any such mortgage and any other such financing party are referred to herein as the **"Financing Party"),** whether such assignment is conditional in nature or otherwise, the following provisions shall apply:

(A) Except as set forth in clause (B) below, such assignment to the Financing Party shall not be deemed an assumption by the Financing Party of any obligations of Landlord hereunder unless such Financing Party shall, by written notice to Tenant specifically otherwise, elect;

(B**)** The Financing Party shall be treated as having assumed Landlord's obligations hereunder (subject to Section 15.01) only upon foreclosure of its mortgage (or voluntary conveyance by deed in lieu thereof); and

(C) Subject to Section 15.01 and Section 15.02, the Financing Party shall be responsible for only such breaches under the Lease by Landlord that occur during the period of ownership by the Financing Party after such foreclosure (or by conveyance by deed in lieu thereof) as aforesaid, except to the extent to which Tenant previously notified the Financing Party in writing of such breach on the part of Landlord and such breach continues during such Financing Party's period of ownership.

Tenant hereby agrees to enter into such reasonable agreements or instruments as may, from time to time, be requested by Landlord in confirmation of the foregoing.

15.03. Other Instruments. The provisions of this Article shall be self-operative; nevertheless, Tenant agrees to execute, acknowledge and deliver any subordination, attornment or priority agreements or other instruments conforming to the provisions of this Lease from time to time reasonably requested by Landlord or any mortgagee or prospective mortgagee. Tenant hereby irrevocably constitutes and appoints Landlord or any such mortgagee, acting singly, Tenant's attorney-in-fact to execute and deliver any such certificate or instrument for, on behalf and in the name of Tenant, but only if Tenant fails to execute, acknowledge and deliver any such certificate or instrument within fifteen (15) days after Landlord or such mortgagee has made written request therefor. Without limitation, where Tenant in this Lease indemnifies or otherwise covenants for the benefit of mortgagees, such agreements are for the benefit of mortgagees as third-party beneficiaries; and at the request of Landlord, Tenant from time to time will confirm such matters directly with such mortgagee.

15.04. Estoppel Certificates. Within ten (10) Business Days after the written request of Landlord, Tenant shall execute, acknowledge and deliver to Landlord a written statement in the form attached hereto as Exhibit K or in such other form as may be reasonably requested by Landlord, certifying (i) that none of the terms or provisions of this Lease have been changed (or if they have been changed, stating how); (ii) that this Lease has not been canceled or terminated and is in full force and effect; (iii) the last date of payment of Base Rent and other charges and the time period covered; (iv) to the best of Tenant's knowledge, that Landlord is not in default under this Lease (or if in default, describing it in reasonable detail); and (v) such other information with respect to Tenant as Landlord may reasonably request or which any prospective purchaser or encumbrancer of the Property may reasonably require. Landlord may deliver any such statement by Tenant to any prospective purchaser or encumbrancer, which parties may rely conclusively upon such statement as true and correct. If Tenant does not deliver such statement to Landlord within such 10-Business Day period, Landlord, and any such prospective purchaser or encumbrancer, may conclusively presume and rely upon the following facts: (i) that the terms and provisions of this Lease have not been changed except as represented by Landlord; (ii) that this Lease has not been canceled or terminated and is in full force and effect, except as otherwise represented by Landlord; (iii) that not more than one (1) month's Base Rent or other charges have been paid in advance; and (iv) that Landlord is not in default under this Lease. In such event, Tenant shall be estopped from denying the truth of such facts.

Within ten (10) Business Days after the written request of Tenant, Landlord shall execute, acknowledge and deliver to Tenant a written statement in such form as may be reasonably requested by Tenant, certifying (i) that none of the terms or provisions of this Lease have been changed (or if they have been changed, stating how); (ii) that this Lease has not been canceled or terminated and is in full force and effect; (iii) the last date of payment of Base Rent and other charges and the time period covered; (iv) to the best of Landlord's knowledge, that Tenant is not in default under this Lease (or if in default, describing it in reasonable detail); and (v) such other information with respect to Landlord as Tenant may reasonably request or which any prospective encumbrancer of the Tenant's equipment or personal property in accordance with the provisions of Section 12.01 may reasonably require. Tenant may deliver any such statement by Landlord to any such prospective encumbrancer, which parties may rely conclusively upon such statement as true and correct.

15.05. Financial Condition. Tenant, within ten (10) Business Days after request from Landlord from time to time, but in no event more than twice per 12-month period, shall deliver to Landlord Tenant's annual audited financial statements for the latest available two (2) fiscal years, including the most recent fiscal year prior to Landlord's request, and quarterly financial statements certified in writing by an officer of Tenant. Landlord may deliver such financial statements to its mortgagees and lenders and prospective mortgagees, lenders, and purchasers. Tenant represents and warrants to Landlord that each such financial statement shall be true and accurate as of the date of such statements. Except for publicly available information, financial statements shall be kept confidential, and Landlord and any parties to whom Landlord provides such statements shall enter into reasonable confidentiality agreements with Tenant, in form reasonably acceptable to both Landlord and Tenant, prior to Tenant's delivery of such financial statements.

ARTICLE 16: MISCELLANEOUS PROVISIONS

16.01. Landlord's Consent Fees. In addition to fees and expenses in connection with Tenant Work as described in Section 10.05 above, Tenant shall pay Landlord's reasonable out of pocket fees and expenses, including legal, engineering and other consultants' fees and expenses, incurred in connection with Tenant's request for Landlord's consent under Article 12 or in connection with any other request by Tenant for Landlord's consent or approval under this Lease.

16.02. Landlord's Default. Landlord shall in no event be in default in the performance of any of Landlord's obligations under this Lease unless and until Landlord shall have failed to perform such obligation within thirty (30) days after notice by Tenant to Landlord **("Tenant's Default Notice")** specifying the manner in which Landlord has failed to perform any such obligation (provided that if correction of any such matter reasonably requires longer than thirty (30) days and Landlord so notifies Tenant within thirty (30) days after such Tenant's Default Notice is given, Landlord shall be allowed such longer period, but only if cure is begun within such 30-day period and thereafter diligently prosecuted to completion). In the event of any default by Landlord hereunder, Tenant shall have no right to perform such Landlord obligation and recover from Landlord any costs so incurred, or (except as expressly otherwise provided in Section 6.03 above) to abate or withhold Rent, but Tenant shall have the right, in the event of a default by Landlord hereunder, to commence and to prosecute an independent proceeding against Landlord for the recovery of damages or for equitable relief. This Lease shall be construed as though Landlord's and Tenant's covenants contained herein are independent and not dependent, and Tenant hereby waives the benefit of any statute or judicial law to the contrary. In no event shall Landlord ever be liable to Tenant for any indirect, special, consequential, or punitive damages.

16.03. Quiet Enjoyment. Landlord agrees that, so long as no Event of Default has occurred and is then continuing under this Lease, Tenant shall peaceably and quietly hold, occupy and enjoy the Premises during the Term of this Lease without disturbance by Landlord or by any person claiming through or under Landlord, subject to the terms of this Lease and any encumbrances of record.

16.04. Interpretation. In any provision relating to the conduct, acts or omissions of Tenant, the term **"Tenant"** includes Tenant's agents, employees, contractors, invitees, or successors. In any provision relating to the conduct, acts or omissions of Landlord, the term **"Landlord"** includes Landlord's agents, employees, contractors, invitees, or successors; *provided, however,* that neither the foregoing nor any reference in this Lease to "invitees" of Landlord shall be construed so as to include Tenant or any other tenant or occupant of any portion of the Property or any of their respective employees, agents, contractors or invitees.

16.05. Notices. All notices, requests and other communications required under this Lease shall be in writing, addressed as specified in Article 1, and shall (unless otherwise expressly provided in this Lease) be (i) personally delivered, or (ii) sent by certified mail, return receipt requested, postage prepaid, or (iii) delivered by a national overnight delivery service that maintains delivery records. Any notice so addressed shall be effective upon the earlier of (a) actual receipt, or (b) first tender for delivery by the United States Postal Service or a national overnight courier (provided that such first tender occurs on a Business Day), or (c) on the third Business Day following the day of mailing if so mailed by certified mail, return receipt requested. Either party may change its notice address upon written notice to the other party. Whenever oral notice is expressly permitted to be provided by either party pursuant to the provisions of this Lease, such notice shall only be valid and effective if such party uses all reasonable efforts to provide confirmatory written notice to the other party within twenty-four (24) hours of the giving of such oral notice.

16.06. No Recordation. Tenant shall not record this Lease or any portion(s) hereof, and immediately upon any such recording this Lease shall automatically (and without the necessity of any notice from or action by Landlord) terminate. Notwithstanding the foregoing, Landlord and Tenant agree to execute herewith a Notice of Lease in the form attached hereto as **Exhibit M,** which shall be recorded with the appropriate Registry of Deeds, and agree to execute, upon termination of this Lease for whatever cause, a Notice of Termination of Lease in recordable form for recording with said Registry of Deeds.

16.07. Corporate Authority. Each of Tenant and Landlord warrant and represent to the other that (a) such party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which such entity was organized; (b) such party has the authority to own its property and to carry on its business as contemplated under this Lease; (c) such party has duly executed and delivered this Lease; and (d) the execution, delivery and performance by such party of this Lease (i) are within the powers of such party, (ii) have been duly authorized by all requisite action, (iii) will not violate any provision of law or any order of any court or agency of government, or any agreement or other instrument to which such party is a party or by which it or any of its property is bound, and (iv) will not result in the imposition of any lien or charge on any of such party's property, except by the provisions of this Lease. Each party agrees that breach of the foregoing warranties and representations shall at the other party's election be a default under this Lease for which there shall be no cure. These warranties and representations shall survive the expiration of the Term or the earlier termination of this Lease. Upon execution of this Lease, Tenant shall provide a board resolution or other entity vote authorizing the execution of this Lease on behalf of Tenant and identifying the person authorized to execute this Lease on behalf of Tenant, together with a clerk's or secretary's certificate indicating that such authorized person has in fact executed this Lease.

16.08. Joint and Several Liability. If more than one party signs this Lease as Tenant, they shall be jointly and severally liable for all obligations of Tenant.

16.09. Force Majeure. If either party is delayed or hindered in or prevented from the performance of any act required under this Lease to be performed by such party by reason of (i) strikes, lockouts, or labor disputes not attributable to the failure of the party claiming the benefit of a delay due to "Force Majeure" or any of its contractors (of any tier) to perform their obligations under any applicable labor contract or law; (ii) inability to obtain labor or materials, or reasonable substitutes therefor; (iii) acts of God, governmental action, condemnation, civil commotion, terrorism, riots, insurrection, war, fire, or other casualty; (iv) trouble in obtaining fuel, electricity, water, sewer, or telecommunication services or supplies from sources from which they are usually obtained, provided the party experiencing such trouble shall have used reasonable efforts to procure alternative sources; or (v) other conditions similar to those hereinabove enumerated beyond the reasonable control of the party obligated to perform (collectively, **"Force Majeure"),** then performance of such act shall be excused for the period of the delay, and the period for the performance of any such

act shall be extended for a period equivalent to the period of such delay. Subject to the provisions of the last sentence of this Section, in case either party is prevented or delayed from diligent construction of improvements, making any repairs, alterations or improvements, or furnishing any services or performing any other covenant or duty to be performed on the part of such party by reason of any cause reasonably beyond such party's control, then notwithstanding any contrary provision of this Lease, such party shall not be liable to the other party therefor nor shall Tenant be entitled to any abatement or reduction of Rent by reason thereof, nor shall the same give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, total or partial, eviction from the Premises. In order to claim the benefit of a delay due to "Force Majeure", the party experiencing such event or circumstance must (a) notify the other party within a reasonable time period after such delay commences, and (b) use all reasonable and diligent efforts to minimize the duration of such delay and the effect of the delay upon the progress of construction of its respective work as described in this Work Letter. Nothing in this Section 16.09 shall excuse Tenant's failure to make payments under this Lease when due.

16.10. No Warranties; Limitation on Landlord's Liability.

16.10(a) No Warranties. Landlord and Tenant expressly agree that there are and shall be no implied warranties of merchantability, habitability, suitability, fitness for a particular purpose or of any other kind arising out of this Lease, and there are no warranties which extend beyond those expressly set forth in this Lease.

16.10(b) Limitation On Landlord's Liability. Tenant agrees that Landlord shall be liable only for breaches of its covenants occurring while it is owner of the Property; *provided, however,* that if Landlord from time to time is lessee of the ground or improvements constituting the Building, then Landlord's period of ownership of the Property shall be deemed to mean only that period while Landlord holds such leasehold interest. Upon any sale or transfer of the Building, the transferor Landlord (including any mortgagee) shall be relieved of any liability or obligation thereafter arising and Tenant shall look solely to the transferee Landlord as aforesaid for satisfaction of such liability or obligation except for defaults by Landlord prior to such transfer (for which the transferor Landlord shall remain liable). Tenant and each person acting under Tenant agrees to look solely to Landlord's interest from time to time in the Property for satisfaction of any claim against Landlord. No owner, trustee, beneficiary, partner, member, manager, officer, director, agent, or employee of Landlord (or of any mortgagee or any lender or ground or improvements lessor) nor any person acting under any of them shall ever be personally or individually liable to Tenant or any person claiming under or through Tenant for or on account of any default by Landlord or failure by Landlord to perform any of its obligations hereunder, or for or on account of any amount or obligations that may be or become due under or in connection with this Lease or the Premises; nor shall it or they ever be answerable or liable in any equitable judicial proceeding or order beyond the extent of their interest in the Property. No deficit capital account of any member or partner of Landlord shall be deemed to be a liability of such member or partner or an asset of Landlord. Any lien obtained to enforce any judgment against Landlord shall be subject and subordinate to any mortgage encumbering the Property. In no event shall Landlord or Tenant (or any such persons) ever be liable to the other party, or anyone claiming through or on behalf of such party, for any special, indirect, punitive or consequential damages, including lost profits or revenues, except as otherwise provided in Section 3.02 with respect to a holdover by Tenant.

16.11. No Brokers. Landlord and Tenant represent and warrant to each other that the parties named in Article 1 are the only agents, brokers, finders or other parties with whom such party has dealt who may be entitled to any commission or fee with respect to this Lease or the Premises or the Property. Landlord shall compensate Landlord's Broker and Tenant's Broker pursuant to a separate agreement between Landlord and such Brokers. Landlord and Tenant agree to indemnify and hold the other harmless from any claim, demand, cost or liability, including reasonable attorneys' fees and expenses, asserted by any party other than the parties named in Article 1 based upon dealings of that party with the indemnifying party. The provisions of this Section shall survive the expiration of the Term or the earlier termination of this Lease.

16.12. No Waiver; Accord and Satisfaction. No consent by Landlord or Tenant to any act or omission that otherwise would be a default shall be construed to permit other similar acts or omissions. Neither party's failure to seek redress for violation or to insist upon the strict performance of any covenant, nor the receipt by Landlord of Rent with knowledge of any breach of covenant, shall be deemed a consent to or waiver of such breach. No breach of covenant shall be implied to have been waived unless such is in writing, signed by the party benefiting from such covenant and delivered to the other party. No acceptance by Landlord of a lesser sum than the Rent due shall be deemed to be other than on account of the earliest installment of such Rent; nor shall any endorsement or statement on any check or in any letter accompanying any check or payment be deemed an accord and satisfaction; and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or pursue any other right or remedy. The acceptance by Landlord of any Rent following the giving of any default and/or termination notice shall not be deemed a waiver of such notice. Tenant shall not interpose any counterclaim or counterclaims in a summary proceeding or in any action based on non-payment of Rent except to the extent that by failing to do so, Tenant will irrevocably lose the right to assert such claim in an independent action.

16.13. Applicable Law and Construction. This Lease may be executed in counterparts, shall be construed as a sealed instrument, and shall be governed exclusively by the provisions hereof and by the laws of the state where the Property is located without regard to principles of choice of law or conflicts of law. A facsimile or electronic signature affixed to this Lease shall be sufficient to prove the execution by a party. The covenants of Landlord and Tenant are independent, and such covenants shall be construed as such in accordance with the laws of The Commonwealth of Massachusetts. If any provision of this Lease or the application thereof to any person or circumstance is for any reason held to be invalid, the remainder of this Lease (or the remainder of such provision) and the application thereof to other persons or circumstances shall not be affected thereby. Other than contemporaneous instruments executed and delivered of even date, if any, this Lease contains all of the agreements between Landlord and Tenant relating in any way to the Premises and supersedes all prior agreements and dealings between them. There are no oral agreements between Landlord and Tenant relating to this Lease or the Premises. This Lease may be amended only by instrument in writing executed and delivered by both Landlord and Tenant. The provisions of this Lease shall bind Landlord and Tenant and their respective successors and assigns, and shall inure to the benefit of Landlord and its successors and assigns and of Tenant and its permitted successors and assigns, subject to Article 12. The titles are for convenience only and shall not be considered a part of this Lease. This Lease shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared primarily by counsel for one of the parties, it being recognized that both Landlord and Tenant have contributed substantially and materially to the preparation of this Lease. If Tenant is granted any extension or other option, to be effective the exercise (and notice thereof) shall be unconditional; and if Tenant purports to condition the exercise of any option or to vary its terms in any manner, then the option granted shall be void and the purported exercise shall be ineffective. Time is of the essence of this Lease and each of its provisions. The enumeration of specific examples of a general provision shall not be construed as a limitation of the general provision, and the term "including" shall be deemed to mean "including, without limitation". As used in this Lease, the term "Business Day" shall mean any day other than a Saturday, Sunday, or day on which commercial banks in Boston, Massachusetts are authorized or required by law to remain closed. Unless a party's approval or consent is required by the express terms of this Lease to not be unreasonably withheld, conditioned or delayed, such approval or consent may be withheld in the party's sole discretion. The submission of a form of this Lease or any summary of its terms shall not constitute an offer by Landlord to Tenant; but a leasehold shall only be created and the parties bound when this Lease is executed and delivered by both Landlord and Tenant and approved by the holder of any mortgage of the Premises having the right to approve this Lease. Nothing herein shall be construed as creating the relationship between Landlord and Tenant of principal and agent or of partners or joint venturers or any relationship other than landlord and tenant. This Lease and all consents, notices, approvals and all other related documents may be reproduced by any party by any electronic means or by facsimile, photographic, microfilm, microfiche or other reproduction process and the originals may be destroyed; and each party agrees that any reproductions shall be as admissible in evidence in any judicial or administrative proceeding as the original itself (whether or not the original is in existence and whether or not reproduction was made in the regular course of business), and that any further reproduction of such reproduction shall likewise be admissible. If any payment in the nature of interest provided for in this Lease shall exceed the maximum interest permitted under controlling law, as established by final judgment of a court, then such interest shall instead be at the maximum permitted interest rate as established by such judgment.

16.14. Waiver of Trial by Jury. LANDLORD AND TENANT HEREBY WAIVE TRIAL BY JURY IN ANY ACTION TO WHICH THEY ARE PARTIES ARISING OUT OF OR RELATING TO THIS LEASE, THE PREMISES OR THE PROPERTY.

16.15. No Representations or Inducements. In entering into this Lease Tenant acknowledges that Tenant is not relying on any representations, agreements, or promises of Landlord, or any inducements offered by Landlord to Tenant, not expressly set forth in this Lease.

16.16. No Surrender. No act or thing done by Landlord shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid, unless in writing signed by Landlord. No employee of Landlord or of Landlord's agents shall have any power to accept the keys of the Premises prior to the termination of this Lease. The delivery of keys to any employee of Landlord or of Landlord's agents shall not operate as a termination of the Lease or a surrender of the Premises. In the event that Tenant at any time desires to have Landlord underlet the Premises for Tenant's account, Landlord or Landlord's agents are authorized to receive the keys or other access devices for such purposes upon written notice from Tenant without releasing Tenant from any of the obligations under this Lease, and Tenant hereby relieves Landlord of any liability for loss of or damage to any of Tenant's effects in connection with such underletting.

16.17. Arbitration. All disputes between the parties specifically referencing this Section 16.17 shall be resolved in accordance with this Section 16.17 except (i) Landlord shall have all of its rights and remedies at law or in equity in the event of a default by Tenant, (ii) Landlord shall have the right to obtain possession of the Premises by any lawful means following a valid termination of this Lease, and (iii) any arbitration decision under this Section 16.17 shall be enforceable in accordance with applicable law in any court of proper jurisdiction.

16.17(a) Initial Construction Disputes. If the dispute is with respect to matters relating to the Base Building Work or Initial Tenant Work ("Initial Construction Disputes"), the dispute shall initially be submitted by either party to the Landlord Representative and the Tenant Representative for resolution. The initial representatives of the parties shall be as follows, until a party gives written notice to the other parties that it is replacing its Representative:

Landlord Representative:	Tenant Representative:
Mark A. Deschenes	John Athanasopoulos
	Andrea Armstrong

The Landlord and Tenant Representatives shall meet one or more times to attempt to resolve such dispute within the 5-Business Day period following the date that such dispute is submitted to them. If, after such meeting(s), the parties have been unable to resolve such dispute, then such dispute shall be resolved as set forth in Section 16.17(b).

16.17(b) Arbitration Procedures. Either party may give written notice of the dispute requesting resolution under this Section and submit a reasonably detailed written statement of the position and reasons therefor with such notice. The other party will, within ten (10) days ((five (5) days if an Initial Construction Dispute) of receiving such written statement, submit to the party initiating the dispute resolution its own detailed written statement of the position and reasons therefor. The president of Tenant and Mark A. Deschenes, on behalf of Landlord (or such other persons as Landlord or Tenant may designate by written notice to the other), shall meet at the earliest mutually acceptable time and place, but in any case within thirty (30) days (ten (10) days if an Initial Construction Dispute) of the date of the response statement to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days (ten (10) days if an Initial Construction Dispute) of the date of the response statement, then either party may initiate arbitration of such controversy by written notice to the other (the "Arbitration Notice"). The arbitration shall be held before a single arbitrator. The parties shall endeavor to agree upon and name the arbitrator within the 15-day period following the giving of the Arbitration Notice. If the parties fail timely to agree upon and name the arbitrator, then unless the parties agree in writing to another procedure for designating the arbitrator, either party may by written notice given to the other and to the Boston office of the American Arbitration Association request that the arbitrator be promptly chosen by the Boston office of the American Arbitration Association. The arbitrator shall commence the arbitration hearing within ten (10) days after appointment, shall complete the arbitration hearing within thirty (30) days after the date the arbitration hearing commenced, and shall render a written arbitration decision within forty (40) days after the arbitration hearing commenced, which time periods may be extended by written agreement of the parties or by the arbitrator for good cause, except that any arbitration of Initial Construction Disputes shall be conducted on an expedited basis and shall be concluded, with a decision issued, no later than two (2) weeks after the date that such dispute was submitted for arbitration. The arbitration shall be conducted in accordance with then existing expedited procedures under the commercial arbitration rules of the American Arbitration Association; however, to the extent any provision of this paragraph is inconsistent with such procedures, the provisions of this paragraph shall govern. The decision of the arbitrator shall be final and binding upon the parties and judgment upon the decision rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties shall equally share and pay the costs of the arbitrator. Each party shall be afforded a reasonable opportunity to take discovery of the other prior to the commencement of such arbitration consistent with the expedited dispute resolution timetable set forth in this Section 16.17(b); provided, however, that each party shall be limited to a maximum of twelve (12) deposition hours each. Notwithstanding the foregoing or anything herein to the contrary, the dispute resolution provisions of this Section shall not apply to a dispute, claim or controversy in which: (i) a party claiming in good faith a breach of any provision of this Lease by the other party seeks immediate equitable relief from a court of competent jurisdiction to enable the instituting party to prevent irreparable harm (alleged to arise from the alleged breach) pending agreed resolution or a grant of arbitral relief; or (ii) any claim by one party against the other party arises out of the subject matter of any court litigation or proceeding commenced by any third party against one party in which the other party is an indispensable party or third party defendant; or (iii) any claim is asserted with respect to which a third party, which is not bound and will not upon request of a party, agree to arbitrate, is an indispensable or necessary party.

16.18. Patriot Act. Notwithstanding any other provision contained in this Lease to the contrary, Tenant shall not knowingly transfer or permit the transfer of any legal or beneficial interest in Tenant to, or assign, sublease or otherwise Transfer all or any portion of its interest under this Lease or in all or any portion of the Premises to, or enter into any sublease to, any of the following:

(a) any person or entity (or any person or entity whose operations are directed or controlled by a person or entity) that has been convicted of or has pleaded guilty in a criminal proceeding to a felony or that is an on-going target of a grand jury investigation convened pursuant to applicable statutes concerning organized crime;

(b) any entity organized in or controlled from a country, the activities with respect to which are regulated or controlled pursuant to the following United States laws and the regulations or executive orders promulgated thereunder: (1) the Trading with the Enemy Act of 1917, 50 U.S.C. App. §1, *et seq.,* as amended; (2) the International Emergency Economic Powers Act of 1976, 50 U.S.C. §1701, *et seq.,* as amended; or (3) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. §2405W, as amended; or

(c) any person or entity with whom Landlord is restricted from doing business under either (1) Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001 (as amended or supplemented from time to time, the **"Executive Order"),** or (2) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 10756; as amended, from time to time, the **"Patriot Act"),** or (3) the regulations of the United States Department of the Treasury Office of Foreign Assets Control (including those Persons named on the list of "Specially Designated Nationals and Blocked Persons" as modified from time to time), or other governmental action; or

(d) any Affiliate of any of the persons or entities described in the preceding paragraphs (a), (b) or (c).

Tenant shall, simultaneously with its execution and delivery of this Lease, deliver to Landlord a certification stating that, to the best of Tenant's knowledge, neither Tenant nor any of its constituent partners, investors, beneficiaries or Affiliates, are in violation of any Legal Requirements relating to terrorism or money laundering, including the Executive Order and the Patriot Act and that neither Tenant, nor its constituent partners, investors, beneficiaries or Affiliates, are listed on the United States Department of the Treasury Office of Foreign Assets Control list of "Specially Designated Nationals and Blocked Persons" as modified from time to time, and that none of them is otherwise subject to the provisions of the Executive Order or the Patriot Act, or any rules or regulations promulgated thereunder. Thereafter, Tenant shall from time to time, within ten (10) days after request by Landlord, deliver to Landlord a certification stating that, to the best of Tenant's knowledge, neither Tenant nor any Transferee, nor any of their respective constituent partners, investors, beneficiaries or Affiliates, are in violation of any Legal Requirements relating to terrorism or money laundering, including the Executive Order and the Patriot Act and that neither Tenant nor any Transferee, nor any of their respective constituent partners, investors, beneficiaries or Affiliates, are listed on the United States Department of the Treasury Office of Foreign Assets Control list of "Specially Designated Nationals and Blocked Persons" as modified from time to time, and that none of them is otherwise subject to the provisions of the Executive Order or the Patriot Act, or any rules or regulations promulgated thereunder. As used in this Lease, the term **"Affiliate"** shall mean, with respect to any specific person or entity, any other person or entity which, directly or indirectly, controls or is controlled by or is under common control with such first-mentioned person or entity. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any entity, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting stock or by contract or otherwise.

(the next page is the signature page)

Executed to take effect as a sealed instrument on the Date of Lease first set forth above.

LANDLORD:

480 ARSENAL GROUP LLC,
a Massachusetts limited liability company

By: /s/ William P. McQuillan
Name: William P. McQuillan
Title: Manager

TENANT:

C4 THERAPEUTICS, INC.,
a Delaware corporation

By: /s/ Marc Cohen
Marc Cohen,
Executive Chairman

Schedule 1

INDEX OF DEFINED TERMS

Material Services Failure	Section 6.03
Measurement Standard	Section 2.01(d)
Mortgage	Section 15.01
Mortgagee	Section 15.01
MSF Notice	Section 6.03
Normal Business Hours	Exhibit E
Operating Costs	Section 4.02(a)
Operating Expenses	Section 8.01
Original Address of Landlord	Article 1
Original Address of Tenant	Article 1
Parking Allotment	Section 2.01(f)
Parking Facilities	Section 2.01(f)
Parking Garage	Section 2.01(f)
Permitted Uses	Article 1
Premises	Article 1
Prime Rate	Section 4.04
Property	Article 1
Real Estate Professional	Section 3.03(d)
Regular Elevator Service Hours	Exhibit E
Related Party Transfer	Section 12.03
Related Party Transferee	Section 12.03
Reletting Expenses	Section 13.02(a)
Rent	Section 4.02(a)
Restoration Areas	Section 11.01
Rules and Regulations	Section 9.07
Security Deposit	Article 1
Sublease	Section 12.05
Substantial Completion	Exhibit C
Substantial Completion Date	Exhibit C
Taxes	Section 5.02
Tenant	Article 1
Tenant Contractor	Section 10.05(c)
Tenant Delays	Exhibit C
Tenant Parties	Section 9.02
Tenant Work	Section 10.05(a)
Tenant Work Threshold Amount	Section 10.05(a)
Tenant’s Architect	Section 10.05(b)
Tenant’s Broker	Article 1
Tenant’s Default Notice	Section 16.02
Tenant’s Expenses	Section 12.05
Tenant’s H3 Space	Section 2.01(f)
Tenant’s Pro Rata Share	Section 4.06
Tenant’s Property	Section 10.06
Term	Article 1
Term Commencement Date	Article 1
Termination Date	Article 1
Transfer	Section 12.01
Transferee	Section 12.01
Utility Service Provider	Section 6.01
Utility Services	Section 6.01
Work Letter	Section 3.01

EXHIBIT A TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

PLAN OF THE PROPERTY

[See attached pages]

Omitted.

EXHIBIT B TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

BUILDING FLOOR PLAN SHOWING THE PREMISES

[See attached page]

Omitted.

EXHIBIT C TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

WORK LETTER

[See attached pages]

Omitted.

EXHIBIT C-1

LIST OF BASE BUILDING PLANS AND SPECIFICATIONS

[see attached pages]

Omitted.

EXHIBIT C-2

TENANT'S INITIAL TEST FIT PLAN

[see attached pages]

Omitted.

EXHIBIT C-3

LAB SHELL SPECIFICATIONS
TENANT LANDLORD MATRIX OF RESPONSIBILITY

[see attached pages}

Omitted.

EXHIBIT C-4

PRELIMINARY WORK SCHEDULE

[see attached pages]

Omitted.

EXHIBIT D TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

INTENTIONALLY DELETED

EXHIBIT E TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

CLEANING SPECIFICATION FOR COMMON AREAS AND LANDLORD SERVICES

[See attached pages]

Omitted.

EXHIBIT E

CLEANING SPECIFICATIONS FOR COMMON AREAS AND LANDLORD SERVICES

Omitted.

EXHIBIT F TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

SHUTTLE SERVICE

[See attached pages]

Omitted.

EXHIBIT G TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

RULES AND REGULATIONS

[See attached pages]

Omitted.

EXHIBIT H TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

CONSTRUCTION DOCUMENT REQUIREMENTS

[See attached pages]

Omitted.

EXHIBIT I TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

TENANT WORK INSURANCE SCHEDULE

[See attached pages]

Omitted.

EXHIBIT J TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

FORM OF SNDA

[See attached pages]

Omitted.

EXHIBIT K TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

FORM OF ESTOPPEL CERTIFICATE

[See attached pages]

Omitted.

EXHIBIT L TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

EXTERIOR SIGNAGE

[See attached page]

Omitted.

EXHIBIT M TO LEASE
BY 480 ARSENAL GROUP LLC TO C4 THERAPEUTICS, INC.

FORM OF NOTICE OF LEASE

[See attached pages]

Omitted.

AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE ("**Amendment**") is made as of August 2, 2018 by and between 480 Arsenal Group LLC, a Massachusetts limited liability company ("**Landlord**"), and C4 Therapeutics, Inc., a Delaware corporation ("**Tenant**").

WHEREAS, Landlord and Tenant entered into a Lease dated as of July 5, 2017 (the "Lease"), pursuant to which Landlord leased to Tenant certain premises situated at 490 Arsenal Way, Watertown, Massachusetts, all as more particularly described in the Lease; and

WHEREAS, Landlord and Tenant have agreed to modify the provisions of the Lease relating to the "Parking Allotment" (as defined in the Lease) as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree to amend the Lease as follows:

1. All capitalized terms used in this Amendment which are defined in the Lease and not otherwise defined herein shall have the same meaning herein as in the Lease.

2. Exhibit A, Plan of the Property, is hereby amended by deleting said Exhibit in its entirety and substituting therefor the two pages attached hereto as Exhibit A.

3. Article 1, Basic Terms, is hereby amended by deleting therefrom the term "Parking Allotment" and its corresponding definition in their entirety, and substituting therefor the following:

"Parking Allotment: Parking spaces at a ratio of 2.9 parking spaces per 1,000 rentable square feet in the Premises (initially, 132 parking spaces), including twelve (12) reserved covered spaces initially located as shown on Exhibit A attached hereto. See Section 2.01(g)."

4. Section 2.01(f)(iv) is hereby amended by deleting said Section in its entirety and substituting therefor the following:

"(iv) In addition, Landlord shall make available to Tenant, for the exclusive use by Tenant, in the location shown as "C4 Dedicated Inert Gas Tank Storage Pad" on Exhibit A attached hereto, exterior space for the installation of tanks to accommodate the storage of bulk nitrogen and carbon dioxide."

5. Section 2.01(g), Parking, is hereby amended by deleting from clause (iii) thereof the phrase "up to ten (1 0) designated parking spaces" and replacing it with the phrase "up to twelve (12) designated parking spaces".

6. Except as specifically amended hereby, the Lease shall remain unchanged and shall be in full force and effect, enforceable in accordance with its terms. In the event of any conflict between the provisions of the Lease and the provisions of this Amendment, the provisions of this Amendment shall govern and control.

7. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and may not be modified, amended or cancelled except by a written instrument executed by the parties hereto or their respective successors or assigns.

8. Landlord and Tenant each hereby represents and warrants to the other party that it has the power and authority to execute and deliver this Amendment, and that the person executing this Amendment on its behalf has been authorized to do so.

Executed as a sealed instrument as of the date first set forth above.

LANDLORD:

480 ARSENAL GROUP LLC,
a Massachusetts limited liability company

By: /s/ William P. McQuillan
Name: William P. McQuillan
Title: Manager

TENANT:

C4 THERAPEUTICS, INC.,
a Delaware corporation

By: DocuSigned by:
/s/ Andy Phillips
Name: Andy Phillips
Title: President and CEO

EXHIBIT A
PLAN OF THE PROPERTY

[see attached plans]

Omitted.

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE ("**Second Amendment**") is made as of August 22, 2018 by and between 480 Arsenal Group LLC, a Massachusetts limited liability company ("**Landlord**"), and C4 Therapeutics, Inc., a Delaware corporation ("**Tenant**").

WHEREAS, Landlord and Tenant entered into a Lease dated as of July 5, 2017, and an Amendment to Lease dated as of August 2, 2018 (collectively, the "**Lease**"), pursuant to which Landlord leased to Tenant certain premises situated at 490 Arsenal Way, Watertown, Massachusetts, all as more particularly described in the Lease;

WHEREAS, Tenant has agreed to relinquish its rights to use the existing restrooms on the second floor of the Building adjacent to the Premises, in return for which Landlord has agreed to construct, at its sole cost and expense, a restroom and shower area for Tenant's exclusive use which shall be incorporated into Tenant's Premises; and

WHEREAS, Landlord and Tenant agree that it is their mutual intent that this modification to the Building and the Premises not materially affect the total annual amount of Annual Base Rent payable by Tenant as set forth in the Lease; and

WHEREAS, Landlord and Tenant have agreed to modify the provisions of the Lease as set forth in this Second Amendment to accomplish the foregoing.

NOW, THEREFORE, for good and valuable consideration; the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree to amend the Lease as follows:

1. All capitalized terms used in this Second Amendment which are defined in the Lease and not otherwise defined herein shall have the same meaning herein as in the Lease.

2. Exhibit B, Building Floor Plan Showing the Premises, is hereby amended by deleting said Exhibit in its entirety and substituting therefor the Exhibit B attached hereto.

3. Article 1, Premises, is hereby amended by deleting therefrom the definition of the term "Premises" in its entirety, and substituting therefor the following:

> **"Premises:** A total rentable area of 45,400 rentable square feet, consisting of 463 rentable square feet on the first floor of the West Wing of the Building and 44,937 rentable square feet on the second floor of the West Wing of the Building, as shown on Exhibit B attached hereto, as measured in accordance with the provisions of Section 2.01(e)."

4. Article 1, Tenant's Pro Rata Share, is hereby amended by deleting therefrom the figure "24.62%" and substituting therefor the figure "24.54%".

5. Article 1, Base Rent: Initial Term, is hereby amended by deleting therefrom the table as it appears in the Lease under said definition and substituting therefor the table attached as Schedule 1 to this Second Amendment.

6. Section 4.06, Tenant's Pro Rata Share, is hereby amended by deleting therefrom the figure "24.62%" and substituting therefor the figure "24.54%".

7. Exhibit C, Work Letter, Section A.4, Landlord's Allowance, is hereby amended by deleting therefrom the first sentence as it appears in the Lease and substituting therefor the following:

> "An amount not to exceed Five Million Nine Hundred Twenty-Two Thousand Six Hundred Seventy ($5,922,670.00) Dollars, to be paid by Landlord towards the cost of design and construction of the Initial Tenant Work, which amount shall be paid in the manner provided in this Work Letter."

8. Exhibit C, Work Letter, Section C.4, Payment of Costs for Initial Tenant Work; Landlord's Allowance, is hereby amended by deleting therefrom the phrase "(up to a total of Four Hundred Fifty-Five Thousand Five Hundred Ninety ($455,590.00) Dollars)" and substituting therefor the phrase "(up to a total of Four Hundred Fifty-Four Thousand
($454,000.00) Dollars)".

9. Except as specifically amended hereby, the Lease shall remain unchanged and shall be in full force and effect, enforceable in accordance with its terms. In the event of any conflict between the provisions of the Lease and the provisions of this Second Amendment, the provisions of this Second Amendment shall govern and control.

10. This Second Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and may not be modified, amended or cancelled except by a written instrument executed by the parties hereto or their respective successors or assigns.

11. Landlord and Tenant each hereby represents and warrants to the other party that it has the power and authority to execute and deliver this Second Amendment, and that the person executing this Second Amendment on its behalf has been authorized to do so.

12. This Second Amendment may be executed in counterparts, each of which shall be deemed an original and all such counterparts shall constitute one and the same instrument. A facsimile or electronic signature affixed to this Second Amendment shall be valid as if affixed to a hard copy hereof in ink.

(no further text; signatures appear on the next page)

Executed as a sealed instrument as of the date first set forth above.

LANDLORD:

480 ARSENAL GROUP LLC,
a Massachusetts limited liability company

By: /s/ William McQuillan
Name: William McQuillan
Title: Manager

TENANT:

C4 THERAPEUTICS, INC.,
a Delaware corporation

By: /s/ Andrew J. Phillips
Name: Andrew J. Phillips
Title: President and CEO

EXHIBIT B
BUILDING FLOOR PLAN SHOWING THE PREMISES

[see attached plan}

Omitted.

SCHEDULE 1
TABLE OF ANNUAL BASE RENT FOR THE INITIAL TERM

Period	Annual Base Rent	Monthly Base Rent	Annual Base Rent Amount
Rent Commencement Date to 12/31/2019	$ 47.16	$ 178,439.42	$ 2,141,273.00
1/1/2020-12/31/2020	$ 48.58	$ 183,792.60	$ 2,205,511.19
1/1/2021-12/31/2021	$ 50.03	$ 189,297.65	$ 2,271,571.74
1/1/2022-12/31/2022	$ 51.54	$ 194,992.52	$ 2,339,910.24
1/1/2023-12/31/2023	$ 53.09	$ 200,839.26	$ 2,410,071.11
1/1/2024-12/31/2024	$ 54.68	$ 206,875.83	$ 2,482,509.91
1/1/2025-12/31/2025	$ 56.32	$ 213,064.26	$ 2,556,771.08
1/1/2026-12/31/2026	$ 58.00	$ 219,442.52	$ 2,633,310.20
1/1/2027-12/31/2027	$ 59.74	$ 226,010.61	$ 2,712,127.27
1/1/2028-Termination	$ 61.53	$ 232,806.49	$ 2,793,677.88

Exhibit 21.1

SUBSIDIARIES

Subsidiary	Jurisdiction of Incorporation
C4T Securities Corporation	Massachusetts